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## NCDC recommends \$8.4M plan for Reid & Hughes building

An \$8.4 million plan by POKO Partners LLC to construct 113 residential units and 24,000 square feet of Main Street retail space in the dilapidated Reid & Hughes building is the best option for its future, the city's economic development agency recommended to aldermen on Monday.

"Ultimately, the goal of this project is to get an exit strategy so the city doesn't have ownership, management or liability of this property," Norwich Community Development Corp. Vice President Jason Vincent said. "Our secondary goal is to minimize the city's financial impact in contributions to make that happen."

In an NCDC report, POKO ranked 10 points ahead of a proposal by Norwich Heritage Trust and Carter Realty and 40 points ahead of a plan by Williamson County Investments out of Austin, Texas. All three submitted proposals on Jan. 10.

POKO hopes not only to transform the former department store itself, but also to redevelop five surrounding parcels in four phases, including the adjacent Strand Building, for \$200,000.

The overall cost: \$8.4 million, including \$400,000 in direct city aid, a traditional \$770,000 loan, \$3.74 million from the state Department of Economic and Community Development and \$3.1 million worth of historic tax credits.

In order for POKO's vision to work, the firm would have to strike a deal with the Lord family for acquisition of the Strand building.

NCDC suggested aldermen transfer ownership of the Reid & Hughes site to the agency, which would privately negotiate with POKO on a sale.

Since acquiring the 24,390-square-foot parcel in 1993, the city has lost out on nearly \$1.8 million in tax and utility revenues, and would add \$85,000 a year to that as long as the property is undeveloped, NCDC has said.

However, demolishing it altogether, NCDC said, would likely cost several million dollars and take nine years to complete because its listing on the National Register of Historic Places offers it special protection.

City leaders have said for years they are not interested in flattening the building.

Meanwhile, Norwich Heritage Trust's \$6.8 million concept for the 133-year-old structure would create 17 residential units and 1,600 square feet of Main Street retail space.

The trust is asking for a total of \$1.1 million in financial support from city officials, including an \$800,000 bond and \$100,000 in matching funds for code improvement through NCDC's downtown revitalization grant program. That money would be coupled with \$2.4 million in historic tax credits, a \$2.4 million state grant and a \$970,000 outside loan.

City Historian Dale Plummer, a part of the heritage trust development team, said his group is still ready to move forward with its vision for Reid & Hughes.

"The important thing to us is to see the building restored, and in a timely fashion, so we don't have further deterioration," Plummer said. "If NCDC's taking it over and advocating it be stabilized, we have no problem with that."

POKO's most recent Connecticut venture is construction of the 33-unit, 45,000-square-foot Clinton Commons in Bridgeport, according to its website. Work on that property began in the fall of 2011 and was paid for entirely through private investments.



PHOTO/ BULLETIN FILE PHOTO

The Reid & Hughes building in downtown Norwich.

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