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## Costco to anchor East Lyme complex

By [Kimberly Drelich](#) Day Staff Writer

**East Lyme** - As the residential portion of the long-stalled Gateway Commons development moves forward, First Selectman Paul Formica has confirmed that the commercial anchor for the project will be a Costco wholesale retail store.

Simon Konover Development Corp. and KGI Properties have planned for years to build a residential and retail development on about 200 acres of land near Interstate 95 Exits 73 and 74.

The large-scale project was halted during the economic downturn but appears now to be moving forward. The developers recently began clearing land for 280 residential rental units near Exit 73 and will begin construction in earnest in the spring, said Newton Brainard, vice president of Simon Konover.

The residential component calls for 10 buildings, each with 28 market-rate units, interspersed over 38 acres, he said. Construction is expected to take about a year and a half.

"It will be a luxury, multi-family community," said Brainard, with studios, one- and two-bedroom units, a central clubhouse and a resort-style pool. The developers will also improve East Society Road, which will serve as the entrance for the residences, he said.

Meanwhile, planning continues for the commercial phase on a large tract of commercial land in town. The village allows for up to 425,000 square feet of retail space, including one 140,000-square-foot anchor store and up to five smaller "junior anchor" stores. Costco is slated to be the anchor store, Formica told The Day's editorial board this week.

The large-scale commercial and residential village has been in the works for more than a decade. The Zoning Commission approved a master development plan for Gateway five years ago, after previously rezoning a light-industrial and commercial swath of land into the Gateway Planned Development District years earlier, said Zoning Official Bill Mulholland.

The development stalled during the economic downturn. But last year the developers approached the commission and in June received final site plan approval for 275 residential units. This fall, the commission granted the developers permission to build five additional units.

The developers have received the necessary zoning permit to begin preparing the land for residential construction, said Mulholland. The town has received permit applications for two of the residential buildings, said Building Official Joseph Smith.

The developers still need to go before the Zoning Commission for final site plan approval for the commercial phase. A meeting has not yet been scheduled. The developers also need to purchase one land parcel in the commercial development area before they can proceed.

Formica said the overall development is anticipated to bring in about \$1.7 million to \$2 million in property taxes.

"We're adding to the tax base," he said in an interview. "I don't think there will be a significant increase in costs." He said the taxes collected would more than offset any small increase in costs to the town's emergency services - incurred by, for instance, hiring an additional firefighter or police officer. He said the additional tax base could help pay for town projects, such as the water interconnection project between East Lyme and New London.

Formica said he hopes the development will benefit the community and draw more visitors to the town. "We're

the gateway to Mystic coast and country," he said. As people travel up the highway and see the commercial development, he added, they might find their way to downtown Niantic, the boardwalk, shops and the village of Flanders.

Discussions with the state Department of Transportation about highway improvements, such as reconfiguring the Exit 74 ramps as part of the overall project, are ongoing, Formica said.

The first selectman added that the improvements to infrastructure would be a big plus for the community. While he said he's concerned about small businesses in town, most of the businesses feel it will not affect them, especially since small businesses offer services not found at a big box store.

The residential component would also provide another option for housing, a need for the region, Formica said.

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