



### Introduction to the Economic Development Element

Historically, Cranston was a suburban ring community of Providence until it developed its own city municipal designation. In the context of modern, 21<sup>st</sup> century cities, Cranston is not a city but more a series of distinct places that haven't been formed and built through city logic. Cranston does not have a traditional downtown and at the moment, does not have the economic capacity or have the need to create one. If it did, it would immediately compete with the likes of Providence, and need to consider a high level of focus and investment to make it work. Cranston is actually a loose network of places (urban, suburban, rural neighborhoods, and village centers). There are neighborhoods that have the potential to strengthen their identity which will help define the overall character of the City. Given Cranston's rich diversity of places, it can provide a broad array of built form and public domain options for innovators and economic development.

As Cranston moves forward, it still needs to address the traditional economic development goals:

- Increase the tax base with new private investment in commercial and industrial properties;
- Promote emerging industries to maintain local shares of jobs and businesses;
- Export new goods and services to regional populations and attract outside money in support of economic development; and,
- Create new and better jobs with consummate wage increases for all levels of employment.

#### **Key Challenges**

- The issues this element has attempted to answer are: Cranston must reinvent and connect itself within a broad and distributed network of business activity at both the regional

and global level. Cranston needs to be proactive in connecting and distributing its home-grown capability to other places to foster economic development. [Place-Centered Economic Development]. Cranston does not view itself as a significant node within the broader network of innovation capability within the State and the region.

- Great opportunity exists to develop a well-organized economic development entity to lead the charge.
- A lack of a compelling vision and coherent strategy creates a 'take what comes' attitude to economic development.
- Local innovation and entrepreneurship is not understood and leveraged to the community's fullest capacity.
- More can be done to utilize Information Technology (I.T.) to improve services and City operations, directly affecting the attractiveness (Image and "Place") of the community. This is especially true in the area of web-based technology.
- Cranston's mainstream education system is the best of a traditional and limiting model for 21<sup>st</sup> century teaching and learning.
- In addressing the issues identified above, Cranston will be able to best further address the traditional issues denoted below:
  - Where to focus efforts for creating new jobs that Cranston residents need and how to train residents needed for new jobs and skills.
  - Ways to generate successful new projects that meet the locational, design, environmental, transportation, and tax goals of the city.
  - Where and how to focus efforts on revitalization of existing commercial areas.

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- Offset employment losses from the manufacturing sector with new opportunities in other sectors.

### **Key Strategies**

The City of Cranston can address all of these issues through four different levels of actions from broad-scale marketing down to person-to-person approaches:

- High-end business growth – Target markets that could improve both tax and job bases such as office and medical businesses.
- Redevelopment projects – Improve infrastructure and rezone to allow major redevelopment in specified areas.
- Neighborhood commercial centers – Support neighborhood business centers to stabilize and strengthen surrounding neighborhoods.
- Small-business friendly environment – Assist small businesses start-up and expansion.



## Part 1 Summary and Accomplishments of the 1992 Plan

### **Introduction**

The Economic Development element of 1992 Comprehensive Plan presented a series of strategies and related actions for maintaining and expanding the City's economic and employment base. These strategies involved land use policies and regulations, municipal programs and policies for taxation, marketing, data management, and financial assistance for new and growing businesses.

The strategies targeted sectors with growth potential and long-term value, and promoted protection and enhancement of existing commercial and industrial areas.

### **Preserve and Increase Employment Opportunities**

The 1992 Plan presented several strategies to assist existing businesses and industries through training, financing, and technical assistance programs.

#### Maintaining the City's Industrial Base

Manufacturing provided a high share of employment in Cranston and while it had historically concentrated on jewelry and related industries, it has since become more diversified. The Plan promoted a revolving loan fund, training, and technical assistance programs to maintain and expand this sector.

#### Retraining for the 1990's

The Plan proposed monitoring the results of the State's "Workforce 2000" study and adapting their programs to meet the emerging skill needs of the State's employers. The Plan also recommended supporting 'English as a Second Language' programs to accommodate new workforce entrants from non-English speaking countries.

#### Municipal Tax Policies

The goal of preserving and expanding Cranston's tax base was tempered with particular consideration to avoiding tax policies that might be identified as discouraging specific types of industry, which the City wanted to attract.

#### Support for Startup and Early-Stage Businesses

The Plan considered a partnership arrangement with a developer and with providers of technical assistance, such as local colleges and URI, to create an incubator in which startup businesses would have access to inexpensive space and support services in their vulnerable early stages.

#### Support for Socially and Environmentally Responsible Enterprises

The Plan asked the City to "pick winners" by targeting the resources of its Revolving Loan Fund, joint training programs with the Providence-Cranston Service Delivery Area (a job training partner with the City) and staff time to companies that meet defined responsibility standards.

#### Support for Job-Creating Enterprises

The City should direct assistance that encourages new businesses and business expansion in the form of the revolving loan fund, various workforce-training funds, and an increased economic development staff.

### **Import Capital and Expand Cranston's Economic Base**

The 1992 Plan presented strategies for targeting growth-oriented industries and export businesses.

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### Support for Export Businesses

The City should help its companies assess their ability to compete in international markets and help them find resources to open such markets. In addition, the City should give priority for revolving loan funds and other assistance to companies that target worldwide markets.

### Support for Small, Growth-Oriented, Value-Adding Businesses

Cranston has a healthy, diverse portfolio of businesses in a variety of industries and sectors. It is recommended that the City continue its policy of encouraging growth and expansion of small- and medium-sized companies rather than putting valuable resources into attempts to bring in the larger companies.

### ***Expand the Industrial and Commercial Tax Base***

The 1992 Plan presented policies aimed at creating new commercial centers, and protecting the integrity and quality of existing and growing industrial areas.

### Strengthening and Preserving Existing Industrial Districts

The Plan considered strengthening industrial zoning standards to prevent low-value-added development from limiting opportunities for future industrial expansion. A recommended approach was to revise industrial zone designations to make office buildings a prohibited use in industrial zones and to permit warehousing and distribution in these zones by special permit.

### Preventing Commercial Sprawl Along Plainfield Pike

Cranston took steps through its planning and zoning standards to prevent unsightly, uncoordinated, commercial development from occurring on its side of the municipal boundary that it shares with Johnston along Plainfield Pike. The Plan proposed a joint set of development standards.

### ***Industrial and Commercial Revitalization***

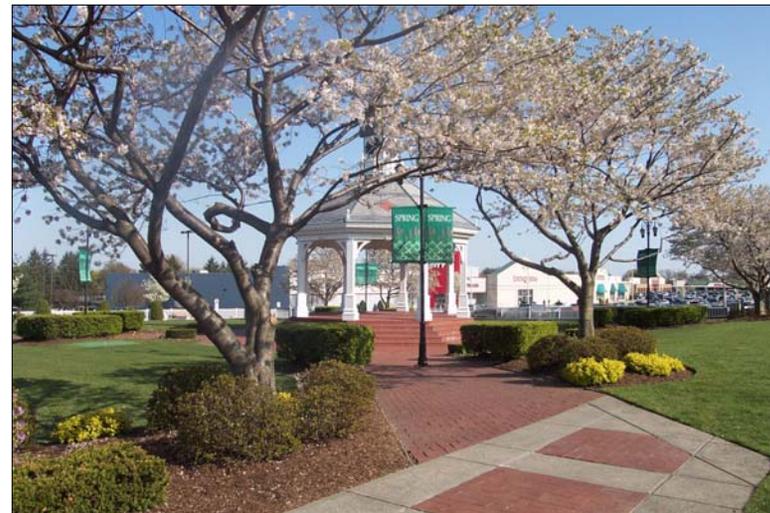
The 1992 Plan outlined strategies for promoting the redevelopment and reuse of major industrial and institutional sites.

### Redevelopment of Major Industrial and Institutional Sites for Economic Development

The Plan proposed continued involvement in the redevelopment of properties such as the Boys' Training School, the Narragansett Brewery, and the Fields Point shoreline.

### Inter-municipal Cooperation for Economic Development

Although the cities of Cranston and Providence may have different priorities for redevelopment at the Fields Point site and the Narragansett Brewery neighborhood, neither will achieve its goals without the active cooperation of the other. The Plan proposed creation of a Providence/Cranston Redevelopment Agency responsible for comprehensive redevelopment of Fields Point and development of a neighborhood revitalization program.



Garden City Mall

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### Changes or Additions to the Plan since 1992

The Cranston City Council approved the following changes to the Economic Development Element of the 1992 Comprehensive Plan.

- Amended the Plan goals and uses for the Boys Training School from a low-traffic volume, corporate headquarters, R&D campus or office development to a mixed office, retail and multifamily development.

- Amended the Plan to identify the Narragansett Brewery as a Special Redevelopment Area to allow the commercial center project that is almost completed.
- Amended the Plan to promote redevelopment of the Field's Point area as an educational institutional zone after the property was acquired by Johnson & Wales University.

### Plan Accomplishments since 1992

Table 4-1 summarizes the Land Use Plan Actions from the 1992 Comprehensive Plan and identifies which of these have been accomplished.

**Table 4-1 Accomplishments of the 1992 Comprehensive Plan**

Action	1992 Actions	Accomplishments and Changes
<b>Preserving and Increasing Employment Opportunities</b>		
ED-1	Adopt a competitive ranking system for Revolving Loan Fund and other city assistance to encourage diversification in the local economy.	This action was not accomplished.
ED-2	Identify growth industries with national markets that would compliment Cranston's existing economic base, and promote the location of specific businesses in the City through a targeted marketing effort.	This action was not accomplished.
ED-3	Develop and fund customized job training for employees of area manufacturers who are expanding their activities or changing their product lines, using JTPA funding and leveraging private funds wherever possible.	Ongoing.
ED-4	Continue to fund and present training programs on job readiness skills, English as a Second Language, and other programs that directly address the perceived inadequacies of the available workforce in the area.	Ongoing but not focused on specific retraining.
ED-5	Participate in outreach efforts to recruit Cranston residents who are welfare-dependant parents into the State's program, which assists in the transition to gainful employment.	Acted upon by others.
ED-6	Promote the development of an office/commercial incubator, to provide space and services to startup and early-stage businesses.	This action was not accomplished.
ED-7	Develop in cooperation with other public and private entities a structured, publicized entrepreneurial assistance program, which provides entrepreneurs with networking opportunities and practical education in business management.	This action was not accomplished.
ED-8	In cooperation with URI and other area colleges and universities, create a technical assistance, technology transfer network to assist research-and-development oriented small businesses.	Acted upon by others.
<b>Importing Capital and Expanding Cranston's Economic Base</b>		
ED-9	Cosponsor export seminars and trade missions for Cranston manufacturers and other prospective exporters with the U.S. Department of Commerce, the State Economic Development Department, freight forwarders and customs brokers, and the City and Port of Providence.	This action was not accomplished.
ED-10	Monitor information from public and private sources on overseas markets for manufactured goods. Identify Cranston-based manufacturers of such goods and alert them to sales opportunities.	This action was not accomplished.

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ED-11	Maintain and regularly update a database of information on industrial space for lease, especially that which is available in small increments suitable for start-up industries.	Ongoing with variable success.
ED-12	Continue providing hands-on assistance to growing businesses with financing, permitting, and other needs.	Ongoing.
<b>Expanding the Industrial and Commercial Tax Base</b>		
ED-13	Provide information regularly to private industrial landowners regarding prevailing prices in the regional marketplace for industrial land to encourage them to set reasonable asking prices for their properties.	Discontinued.
ED-14	Review sewer line extension and roadway acceptance policies to ensure that they promote the type and configuration of development that is envisioned for western Cranston in the Comprehensive Plan.	Ongoing.
<b>Industrial and Commercial Revitalization</b>		
ED-15	Create a Providence/Cranston Redevelopment Agency responsible for comprehensive redevelopment of the Fields Point area for mixed use, tourism, and recreation-focused development.	This action is no longer relevant.
ED-16	Adopt interim zoning of the Fields Point area to conform to new zoning recently adopted by the City of Providence.	This action is no longer relevant.
ED-17	Incorporate previously developed Fields Point concept plans to encourage a mixed-use redevelopment at the site.	This action is no longer relevant.
ED-18	Pursue opportunities to use the buildings at the northern end of the Narragansett Brewery site for job-creating uses compatible with surrounding neighborhoods.	Narragansett Brewery site is substantially developed. Trolley Barn site is vacant.
ED-19	Conduct, or encourage the Falstaff Brewing Company to conduct a feasibility study for a mixed-use development in the Tongue Pond area of the Narragansett Brewery Property.	Narragansett Brewery site is substantially developed. Trolley Barn site is vacant.
ED-20	Study alternatives for traffic access to and from the Boy's Training School site that would prevent further traffic congestion and permit redevelopment of the site for appropriately scaled, low-traffic volume corporate headquarters, R&D campus or office development.	Site currently undergoing redevelopment as a mixed-use complex.
ED-21	Promote development at the Boy's Training School through the securing of an option or other means for a taxable and job creating-use, taking into consideration the historic significance of certain structures on the site.	Redevelopment plan approved.
<b>Commercial Development along Major Arterials</b>		
ED-22	Develop design guidelines for developers' reference, which address signage and sign placement, landscaping, size and screening of parking areas, pedestrian links, and driveway placement.	Implemented for certain size projects.
<b>Coordination with the Town of Johnston</b>		
ED-23	Encourage the Town of Johnston to rezone property on the north side of Plainfield Pike for industrial uses.	This action was not accomplished.
ED-24	Keep planning officials in Town of Johnston informed of changes in zoning requirements and encourage them to adopt similar changes.	This action was not accomplished.



### Part II. Current Conditions and Issues

This section discusses prevailing economic conditions in Cranston, focusing on fiscal, employment, demographics, and real estate market conditions. These basic factors define the context for economic development and help shape appropriate economic development strategies. For more in-depth discussions relating to the summary of conditions and issues, please refer to the separate economic analysis prepared for this Comprehensive Plan.

#### **Economic Assets**

Cranston offers the following competitive economic advantages:

- High-end features: Cranston offers both rural and waterfront locations that provide aesthetic and recreational amenities and can attract investments from high-end individuals and businesses.
- Urban Ventures: Rhode Island's Urban Ventures program offers assistance to small business entrepreneurs. The program functions as an "incubator without walls," recognizing that fledgling businesses in the current economy are increasingly in need of hands-on business counseling and intellectual and capital resources. Under the Urban Ventures program, qualified business entrepreneurs receive company-specific counseling and assistance. This program provides Cranston and its entrepreneurs with a strong tool for promoting success among new businesses and industry.
- Direct proximity to Providence: Cranston offers convenient access to assets such as educational institutions (Brown University, Johnson & Wales, Rhode Island School of Design, Rhode Island College, Providence College, and the University of Rhode Island), the State capital, and the region's Central Business District.
- Access: Cranston offers convenient access to T.F. Green Airport, a rapidly growing aviation center serving major airlines, the AMTRAK line running through the City, and direct access to the major interstates 95 and 295.

#### **Fiscal Performance**

In fiscal year 2004, the City's Comprehensive Annual Financial Report shows that the City achieved a revenue surplus of \$16 million. This reverses a previous pattern wherein revenues had fallen short of expenditures, and represents the largest operating surplus of any community in Rhode Island. While recent increases in property values indicate that such surpluses may be sustainable, escalating expenses for items such as health benefits and retirement contributions are likely to exert continued pressure on municipal budgets.

#### **Unemployment**

Unemployment in Cranston has fallen from the 8 to 9 percent range in the early 1990s, to approximately 4 to 5 percent in recent years. These levels have been consistently lower than in the overall Providence metropolitan area. Unemployment in Cranston and the metro area have been below national levels in recent years, but higher than national levels in the 1990s. This comparative pattern reflects the area's poor economic performance during the economic recession of the early 1990s, its low participation in the economic boom of the late 1990s, and – as a result – its slightly milder decline since 2000.

#### **Economic Base**

An analysis of Providence County's economic base reveals the following:

- Overall employment has increased at annual rates of roughly 0.6 percent over the last 20 years. Over the last three years -- a period of national economic decline -- employment declined by just 0.2 percent per year.
- Education and health care services represents the largest component of Providence County's economy, with about 64,500 jobs comprising 22 percent of total employment. This sector has also shown relatively high growth rates of

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approximately two to three percent per year, and forecasts anticipate continued growth in this industry.

- Professional and business services industries comprise about 33,000 jobs, which is at a ratio one-tenth lower than the national rate. However, this sector is the fastest growing, with a projected annual growth rate of 2.2 percent over the next five years.
- Manufacturing, which provided the largest source of employment in 1983, has declined consistently over the last twenty years. Manufacturing employment losses accelerated over the last three years, and this longstanding pattern of decline is expected to continue.
- In addition to the above, the Providence County economy shows the influence of the national economy in driving job growth in Providence County. As national trends improve jobs in education/health, leisure/hospitality and professional/business services, the region has gained jobs in similar fashion. However, this growth has been offset, by declines in the manufacturing and trade sector jobs.

### Special Niches: Biotechnology

- In addition to the foregoing, the biotechnology industry may offer potential niches for economic development in Cranston. A study on the biopharmaceutical industry prepared by the Milken Institute identifies Rhode Island as a promising state for strong job growth in consideration of several factors, including the state's high concentration of workers in this industry, its research activity, and its human and capital infrastructure. While none of the state's various biotechnology research or business programs focus specifically on Cranston, Cranston offers a central location in the state and good access to an urban labor force. Consequently, future development endeavors may feature biotechnological research and/or production facilities.

Thousands of Jobs	Providence County		US	Location
	#	%	%	Quotient
Natural Resources & Mining	0.07	0.0%	0.4%	0.05
Construction	12.85	4.3%	5.2%	0.83
Manufacturing	36.00	12.1%	11.3%	1.07
Food Manufacturing	2.42	0.8%	1.2%	0.70
Textile Mills	2.48	0.8%	0.2%	4.04
Plastics and Rubber Products Manufacturing	2.40	0.8%	0.6%	1.26
Primary Metal Manufacturing	2.07	0.7%	0.4%	1.88
Fabricated Metal Product Manufacturing	5.73	1.9%	1.1%	1.70
Furniture and Related Product Manufacturing	1.03	0.3%	0.4%	0.78
Miscellaneous Manufacturing	10.00	3.4%	0.5%	6.48
Wholesale Trade	11.84	4.0%	4.3%	0.93
Retail Trade	28.28	9.5%	11.5%	0.83
Transportation, Warehousing, & Utilities	6.45	2.2%	3.6%	0.60
Information	7.20	2.4%	2.5%	0.96
Financial Activities	22.72	7.7%	6.1%	1.25
Professional & Business Services	32.88	11.1%	12.3%	0.90
Education & Health Services	64.54	21.7%	12.7%	1.71
Health Care and Social Assistance	50.91	17.2%	10.7%	1.61
Leisure & Hospitality	21.40	7.2%	9.3%	0.78
Accommodation and Food Services	18.20	6.1%	8.0%	0.77
Other Services (except Public Administration)	14.00	4.7%	4.1%	1.15
Government	38.53	13.0%	16.5%	0.79
<b>Total Nonfarm</b>	<b>296.75</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.00</b>

**Table 4-2 Comparative Job Distributions**

Note: The Location Quotient is the ratio of local jobs to national jobs in each sector. Highest ratios are highlighted.

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### Demographic Trends

National demographic forecasting firms Claritas, Inc., and Geovue, Inc. estimate that from 1990 to 2004, population and households in Cranston have increased at rates ranging from 0.15 percent to 0.25 percent annually, with growth rates anticipated at less than 0.25 percent per year over the next five years according to Statewide Planning, May 2004.

Cranston's eastern and central census tracts contain approximately two-thirds of the City's population and nearly three-quarters of its households. The City's western census tracts, however, have achieved relatively rapid growth. Since 1990, western Cranston's population and households have grown at 2.9 percent and 3.0 percent annually. Over the next five years this rapid growth is expected to decelerate slightly, to 2.2 percent and 2.3 percent.

### Profiles

Cranston's labor force fits two different profiles. Central Cranston's labor force closely approximates the overall Providence County labor force, while the City's eastern and western populations fit more affluent, professional profiles. In Central Cranston, 22 percent of those aged 25 or older have attained a four-year college degree, and 32 percent are employed in management or professional occupations. In contrast, in Eastern Cranston and, to an even greater degree, western

Cranston, 31.5 and 36 percent have earned bachelors' degrees, and 38 and 46 percent work in management and professional positions. In general, Central Cranston's work force is associated with the region's declining manufacturing base. While these workers have achieved various manufacturing skills, they are aligned with manufacturing uses which may not offer good opportunities for future investment.

### Industrial Real Estate Conditions

#### Overview

Cranston's industrial real estate market is comprised of three areas: the Howard Industrial Park in the southern part of the City between I-95 and Pontiac Avenue; the western Cranston area along Plainfield Pike/ Rt. 295; and the City's aging industrial properties concentrated

along major thoroughfares such as I-95, Rt. 10, Elmwood Avenue, Wellington Avenue, and Cranston Street.

	Providence County	Cranston	Western Cranston	Central Cranston	East/ Elmwood	Scituate	Warwick
Total Population	621,602	79,269	10,813	52,554	12,217	10,324	85,808
Age 25+ w/Bach. Degree or higher	21.3%	24.5%	36.1%	21.8%	31.5%	30.9%	24.5%
<b>Occupations</b>							
Management/Professional	31.2%	35.0%	45.9%	31.8%	38.4%	40.4%	33.6%
Service	15.8%	15.4%	11.1%	16.5%	14.4%	13.7%	15.4%
Sales/Office	27.3%	29.4%	30.3%	29.3%	29.0%	25.4%	30.0%
Production/Transportation	18.1%	10.1%	7.9%	19.7%	12.5%	10.4%	13.1%
Median Household Income	\$37,135	\$44,213	\$73,078	\$39,920	\$43,333	\$60,788	\$46,483

Source: U.S. Census

Table 4-3 Comparative Profiles: Selected Areas in 2000

### Land Supply

Western Cranston offers the primary supply of vacant developable land for further industrial development; industrial real estate brokers estimate that western Cranston contains less than 75 acres of remaining acreage for industrial development.

### Competition

Cranston competes with other Rhode Island industrial parks for regional development. The Highland Corporate Parks (in Cumberland and Woonsocket) comprise one source of competition for high-end industrial development in this area. Approximately 10 acres remain available in this park. Other sources of competition come from parks at Quonset Point in North Kingstown and West Greenwich business-park. Unlike northern Rhode Island parks, these parks are not convenient to the Massachusetts market, but are oriented to the comparatively high-end executive labor force in southern Rhode Island. Finally, planned industrial parks in Johnston, Smithfield, and Burrillville will offer additional acreage with highway access; these will compete with land areas in western Cranston. Over a long-term, 20-year time frame, however, northern Rhode Island may face a scarcity of land to accommodate new or existing industrial businesses seeking additional space in Rhode Island.

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### ***Retail Market Conditions***

#### Overview

Independent retailers in small strip centers along the City's various thoroughfares and districts, as well as clusters of franchise retailers concentrated in larger shopping centers serve the Cranston retail market.

#### The Garden City Center

The Garden City Center is the largest retail center in Cranston and has consistently maintained high occupancy rates and high lease rates, with increasing gross sales and an upscale tenant profile. While not configured as an enclosed mall, Garden City Center competes for regional market shares against the Warwick Mall and Providence Place Mall.

#### Market Niche Findings

Cranston captures a substantial net inflow of retail spending. This reflects its status as a regional retail destination and is consistent with the Garden City Center's finding that it serves a market area extending well beyond Cranston's borders. Within the overall retail envelope, the

City sustains a significant net outflow of household spending in the general merchandise category. This reflects Cranston's lack of department stores and "warehouse club" stores.

#### Major Locations and New Development

During the 1990s, the retail market experienced substantial development of new big box retailers along Route 2 in southern Cranston as well as Warwick. The Cranston Parkade, which is the site of the former Narragansett Brewery, also opened in this general time frame. Two other projects that will exert new impacts on the Cranston retail market include the Chapel View project adjacent to Garden City Center and the Park Theater Renovation project. Both of these new projects will enhance Cranston's diversity and critical mass of retail and entertainment-related offerings, and will thereby enhance the City's array of amenities and desirability as a favorable retail business location.

### ***Office Market Conditions***

Downtown Providence serves as the region's dominant office location. Suburban office space has performed at levels comparable to the CBD market. Within the suburban markets, the West Bay submarket features the region's lowest vacancy rates and Warwick offers this region's prime location for suburban office space. Anecdotal testimony provided by commercial brokers indicates that most high-quality office buildings in Warwick maintain healthy occupancy rates, with lease rates of roughly \$20 per square foot.

Cranston itself contains a limited inventory of office buildings. Many of the city's office tenants occupy space in industrial buildings, in retail centers, and in residential homes converted to office use along major commercial streets.

Among the more prominent leased office buildings, the largest contain approximately 40,000 to 50,000 square feet. Properties along Reservoir Avenue or near the Garden City Center seek 'Class A' lease rates of \$18 to \$20 per square foot on a gross basis (excluding electricity). Most of these maintain high occupancy rates, generally in excess of 90 percent. These rates are roughly comparable to those sought in other locations such as Highland Corporate Park and other suburban office locations such as Warwick.

### ***Lodging Market Conditions***

The local lodging market is concentrated in Providence and Warwick; Cranston itself currently contains one lodging facility, a 60-room Days Inn located adjacent to the Garden City Center. In recent years, well-situated lodging facilities in Providence have achieved healthy occupancy rates. In the suburban market, proximity to office properties and the TF Green Airport give Warwick a prime location for lodging. The total inventory in this market (combining Warwick properties with the Cranston Days Inn) comprises 1,968 rooms in 15 properties. Of this total, 692 rooms (35 percent) in six properties have opened since 2000. In addition, three properties containing a total of 300 rooms have opened in West Warwick since 1997. Despite these substantial additions to the local supply and despite recent periods of severely adverse conditions for the travel and lodging industries, the market has maintained a consistently healthy level of performance.

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### **Potential Development Opportunities**

#### Industrial Land

Despite the competitive disadvantages noted above, Cranston's available buildable land and its central location within Rhode Island will continue to provide advantages for potential manufacturing as well as distribution facilities. Within Cranston, western Cranston offers the primary location for new industrial development. The supply of developable land, however, is constrained, and the City may face shortages over the next ten-years.

#### Retail Opportunities

Cranston offers potential development opportunities for:

- Neighborhood or community convenience retail serving the growing markets in western Cranston and Scituate.
- Leisure and/or entertainment-related businesses located near the Park Theater in Rolfe Square as well as in the emerging retail destination around the Garden City Center.

#### Existing Retailers

The independently operated businesses located along many of Cranston's major commercial streets will continue to face competition from shopping centers and their adjacent properties, but many will continue to maintain local niches serving their immediately surrounding communities and/or serving broader markets in narrow product/service lines.

#### Potential Office Opportunity

The West Bay portion of the suburban Providence market maintains high occupancy rates and competitive lease rates, even as new office development continues. Within this context, Cranston's limited inventory of office properties has also delivered healthy performances, comparable to those in Warwick. These performances indicate that the office market may present opportunities for new development in Cranston. Such development would probably target mid-rise buildings with 40,000 to 80,000 square feet. While the number of office buildings in Cranston is currently relatively low compared to the surrounding municipalities, there are significant opportunities for new office development in Cranston. The vacant developable land for Class-A office park development may be difficult to assemble,

however, strategically situated, highway-accessible land could offer an attractive redevelopment opportunity. If Cranston wishes to encourage office development, the City's zoning ordinance needs to be amended to allow an increase in building height. Potential Lodging Opportunity.

Cranston currently offers neither office concentrations nor visitor destinations, and therefore lacks some of the location factors necessary to attract new lodging development. Nonetheless, Cranston's location between Providence and Warwick gives it convenient proximity to office markets and meeting facilities, TF Green Airport, and the key highways serving the region. Given strategically situated land for redevelopment, combined with the potential for a mix of other commercial uses, Cranston could offer desirable locations for new hotel development.

### **Other Economic Development Issues**

#### Real Estate Investment vs. Current Labor Profiles

Potential development or redevelopment opportunities for new office development, lodging development, or retail/entertainment-related development will enhance property values and thereby enrich the City's tax base. It is unlikely, however, that such investments would provide new jobs that would match the skills of much of the existing labor force. The manufacturing-oriented employment base of the past will continue to decline, and the stronger opportunities for future development will target services-oriented employers rather than manufacturers.

#### Redevelopment versus New Development

Urban locations in Central and Eastern Cranston (near Garden City Center, Rolfe Square, Interstates 95 and 295) offer potential opportunities for relatively high-end projects focusing on retail, office, and mixed-use development projects. In competing for capital, however, these will face cost disadvantages as compared to new developments on vacant land in western Cranston.

#### Labor Skills

Tenants in new real estate projects are likely to be office-based or retail businesses. While the production-oriented labor force in Central Cranston may not be suitable for many of these businesses, this labor force nonetheless offers a resource that is essential and increasingly

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scarce in places such as neighboring Massachusetts; where Cranston can offer access to labor training programs, it may be able to capture prospective businesses seeking new facility locations.

### Regulatory Considerations

For the most part, developers in Cranston maintain local or regional profiles; many are long-standing property owners seeking to improve existing buildings. In such endeavors, these developers must address regulatory practices that have changed substantially in recent decades. As a result, for many developers and owners, particularly local property owners seeking to improve their properties, the current regulatory processes can be confusing and time consuming. This is particularly true for redevelopment projects, which often involve nonconforming uses, undersized lots, obsolete buildings, and other such issues.

### Site Location Requirements

High-quality developments will seek locations that will be attractive to high-rent tenants. In Cranston, such locations will require either large tracts of undeveloped land (distinguishable from older, lower-end properties) or large-scale clearance/renovation of older properties.

### **Smart Growth**

Applying smart growth to economic development strategies could provide multiple benefits to the community. The discussion on smart growth is expanded within the Land Use Element of the Plan, but the three components of development are again presented here.

To promote the concept in Cranston, three new districts are proposed to accommodate smart growth development in key locations:

### Mixed-use Planned Development – Low Intensity (MPD-L)

This mixed-use zone would be suited for townhouses, with some first floor retail (up to 20%), and 35'-40' building heights. Suitable for transition areas and improved when adjacent to public transportation. It is also appropriate for maintaining open space areas as part of conservation efforts.

### Mixed-use Planned Development – Medium Intensity (MPD-M)

This mixed-use zone would be suited for a retail district with commercial and residential on upper floors and with a minimum of two stories. The MPD-M district is suitable for revitalizing and expanding

village centers, and would be improved when adjacent to public transportation. Building heights would be approximately 35' - 40'.

### Mixed-use Planned Development – High Intensity (MPD-H)

This mixed-use zone would be suited for predominantly mixed commercial development with live/work space or artists' lofts, and 45'-50' building heights. It would encourage significant redevelopment and would be more suitable when adjacent to public transportation

It should be noted that the current City ordinances limit building height to 35', except in Mixed Use Planned Districts, where the City Council has discretion to permit higher buildings. A building height of 35' discourages quality office development.



### Part III. Strategies and Actions

The strategies and actions for Economic Development in this Comprehensive Plan are first focused on actions to improve the tax base using current market conditions and land opportunities. Key to the success of the projects is the application of Smart Growth concepts to ensure the long-term success and improved physical planning of Cranston.

Second, the Plan calls for shoring up the existing neighborhood and village commercial districts and creating design guidelines that will set the framework for both public and private projects in these areas. These design guidelines will define the traditional design concepts that have proven to be effective in creating dynamic and attractive areas supportive to businesses and their customers and neighbors.

The Plan also highlights some of the job training programs promoted in the 1992 Plan. These training programs continue to be very important, as there are still many workers in the city reliant on manufacturing jobs. As manufacturing continues to decline, however, new skill sets will be required for the emerging industries.

A summary of the proposed actions, time frames, and responsibilities for this element is provided at the end of this section.

#### **Target High End Business Growth**

High-end business niches offer potential opportunities for Cranston. Three findings support this conclusion:

##### Market Orientation

In the local economy, growth is focused in office-oriented sectors. These sectors include professional, service-oriented businesses such as education, health care, and professional/business services. In contrast, manufacturing, Providence County's largest source of employment in 1983, has declined consistently over the last 20 years.

Manufacturing employment losses accelerated over the last three years, and this longstanding pattern of decline is expected to continue.

##### Market Performance

In addition to positive employment indicators, the office market has achieved strong performances in the general region. The West Bay portion of the suburban Providence market maintains high occupancy rates and competitive lease rates, even as new office development continues to add new supply. Within this context, Cranston's limited inventory of office properties has also delivered healthy performances as identified in the existing conditions section. The high lease rates are roughly comparable to those sought in other locations such as Highland Corporate Park and other suburban office locations such as Warwick. Most tenants in these buildings fit two categories:

- Medical-related businesses; and
- Professional service providers engaged in legal, real estate, insurance, and financial services; most of these occupy relatively small (less than 10,000 square feet) spaces and serve household – as opposed to corporate – clientele.

Prospective office development would probably target mid-rise buildings with 40,000 to 80,000 square feet. As previously mentioned, highway accessible land is likely to be attractive to prospective office developers in Cranston.

##### Biotechnology

Biotechnology offers potential as a high-end business niche that Cranston can capitalize on due to New England's prominence in this industry. There is potential for increased regional manufacturing activity as new drugs emerge from the R&D pipelines and Rhode Island's state and university-based programs focused on biotechnology issues. A recent study prepared by the Milken Institute

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forecasts Rhode Island biopharmaceutical employment to more than triple over the next ten years, and industry output to increase five-fold.

### ***Target Large-Scale Redevelopment***

In seeking to capitalize on potential development opportunities such as those described above, the developers required for such opportunities will target large-scale, strategically situated sites (or otherwise notable properties such as historic buildings) where they can provide visibility, create high-quality environments, generate market synergies, and maximize the efficiency of their investments. Such locations would require the redevelopment of sites situated close to I-95 or I-295.

An important redevelopment option that meets multiple goals of this Plan for job creation, tax base improvement, and improved land use is the Elmwood/Wellington Avenue area Transit-Oriented Development concept. Detail on this redevelopment concept, with a sketch plan, is included in the Land Use Element.

### ***Pastore Center***

The Pastore Center has excellent location and access advantages. This, combined with the recent developments in the Center and the surrounding area make the few remaining vacant parcels on the fringe of the Pastore Center attractive development opportunities. Development of these parcels is discussed further in the Land Use Element of this Plan.

### ***Transit Oriented Development***

A long-term option that would spur development and redevelopment projects and have significant economic benefits for Cranston is an additional rail station. The City should initiate a feasibility study in coordination with RIDOT, Warwick, and North Kingstown for a new station and Transit Oriented Development (TOD) planning effort as a component of Cranston's economic development. This option is discussed further in the Circulation Element of this Plan.

### ***Neighborhood Commercial Centers***

#### Existing Commercial Areas

The independently operated businesses located in many of Cranston's major commercial areas will continue to face competition from shopping centers but many will continue to maintain local niches

serving their immediately surrounding communities and/or serving broader markets in narrow product/service lines. A discussion on ways to improve the existing centers is expanded in the Land Use Element of this Plan.

#### Western Cranston

Western Cranston is underserved by retail development. New retail developments seeking to serve this market must be situated along the area's major traffic routes. In allocating land for prospective retail developments, the City should bear in mind two factors:

### ***Income Profile Supports Quality Developments***

Given the income profiles as well as the growth potential in this market, well-situated new developments could support healthy lease rates. Where this occurs, the City will be able to impose design standards that can preserve elements of the area's relatively rural character.

### ***Potential Size***

Relatively small-scale centers (e.g., less than 20,000 square feet of building space on one acre or less) may enable the City to preserve rural character, however, larger projects (e.g., 5-10 acres or more) are more likely to:

- Attract high-quality developers who will be more likely to create relatively upscale environments.
- Attract higher-quality tenants, which often seek direct proximity to a critical mass of trip-generating tenants.
- Generate fewer traffic movements to and from the street, as such centers are more likely to contain multiple destinations.
- Incorporate mixed-use "village" settings that may combine elements such as housing, small office areas, and ground floor retail uses.

Given the above considerations, a small center located strategically to serve the western Cranston market is preferred. The advantage of limiting the number and area of commercial centers in western Cranston is that impacts on the area's rural character will be minimized.

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### **Complement Existing Small Business Assistance Programs**

People embarking on new business ventures currently have access to resources at Rhode Island small business assistance agencies such as Service Core of Retired Executives (SCORE), the Rhode Island Small Business Development Center, and the Urban Ventures program. These organizations offer counseling and business knowledge to small businesses throughout the state. The City should provide additional, broad-based small business assistance to complement these programs. Such assistance might involve the following:

- Creation of a business incubator facility. In such space, incubator tenants would pay nominal or no rent and would share access to telecommunications systems, office equipment, and support staff, and, perhaps most important, direct access to business counselors (and other entrepreneurs) familiar with available resources, sources of financing, and business services. The general experience of such facilities is that most “graduates” of the incubator are likely to maintain locations in the incubator’s community.
- As an alternative to an incubator facility, creation of a broad-based “incubator without walls” – similar to Urban Ventures but with a broader range of application. As an example of the effectiveness of such programs, in Hastings, Minnesota, the Hastings Enterprise Facilitation program sought to address the high failure rate, commonly cited at 80 percent on a national basis, of new businesses. Hastings’ program coordinators selected approximately 30 startup businesses (from among 280 applicants). Of these, 27 remained in business after five years. Such businesses encompassed the full range of retail, service, and manufacturing activities. The Enterprise Facilitation program provided services in preparing and refining business plans, knowledge regarding business procedures (regulations, permit processes, costs), and most important, a network of contacts through a 12-member board. This board, comprising members of the local business community, helped build businesses by providing information, general advice, and contacts with service providers, financing sources, marketing venues, and clientele.

- Application of the City’s revolving fund to guarantee financial obligations such as loans or property leases. Such use of the revolving fund enables the City to maximize its leverage in facilitating private business’s access to private capital.
- Promulgation of regulations that accommodate certain home-based businesses. While relevant statistical documentation is unavailable, home renovations increasingly provide home office spaces for either working at home or for home-based businesses. While ordinances should continue to preserve the residential character of neighborhoods (with limitations addressing traffic, parking, types of businesses, signage, production/storage functions, etc.), an ability to conduct business, particularly “idea-driven” businesses from home, can remove significant barriers to new business formation and thereby help foster entrepreneurial enterprise.
- Improved access to real estate developers/investors. A focus on developers rather than businesses provides efficiencies in that fairly limited pools of developers (and their brokers) solicit tenants from a much larger pool of businesses located outside as well as inside the local community. While real estate developers are often not structured as traditional “companies,” many are nonetheless small businesses that require assistance. Therefore, the small business assistance should include assistance and services (e.g., counseling regarding approval processes, likely costs, business planning, key service providers, sources of capital, etc.) to local developers as well as property owners contemplating new investments in property improvements.

### **Improve the “Business-Friendliness” of the City’s Regulatory Climate**

The City should take a proactive stance in outreach and communication with the development and business communities. Current practices in planning, development and development regulation periodically change. Recognizing that these changes have occurred, the City should take proactive measures to prepare prospective developers for applicable approval procedures and key issues, and thereby ensure a smoother process. The City may promulgate such measures through its business assistance agency

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(see preceding recommendation) or through its existing departments and agencies.

Such measures may include:

- Continue the practice of meeting with developers to provide preliminary staff input regarding approval processes, requirements, potential obstacles, and suggestions regarding prospective proposals;
- Preparation of reader-friendly “development handbooks” that explain the various steps of the approval process. Such handbooks should be made available electronically in the form of interactive programs that can walk prospective developers through various types of approval processes;
- Surveys of the development community to elicit feedback regarding approval procedures and substantive regulations;
- Amended land use regulations to provide incentives for property owners and developers to improve outdated nonconforming uses. Such investments are often more costly than new construction on vacant land; the costs of updating properties to come into compliance with current regulations adds further to the costs of development. Such redevelopment investments should be encouraged. In encouraging these investments, City policies and ordinances should offer some form of relief. Where qualifying criteria (character, compatibility, value added, affordable housing, etc.) are satisfied, such relief can take the form of zoning exceptions, density bonuses, impact fees, and other such costs.

### ***Provide Specific Job Training***

Work with the State to develop and fund customized job training for employees of existing area manufacturers seeking to expand activities, alter processes, change, or introduce new product lines. This recommendation was presented in the 1992 plan and remains important to business retention and to the facilitation of a smooth transition (rather than dislocation) to the City’s future economic base.

It should be noted that assistance with such programs has been available since 1994 through the existing Providence/Cranston Regional Employment & Training Board. The development of

additional programs need not proceed in anticipation of specific needs. Rather, such programs should be contingent on the City’s ability to identify a specific business cluster seeking labor with specific needs, for instance, where an existing manufacturing cluster targets new processes needed to sustain growth or where new industries (e.g., biotechnological, medical devices, etc.), seek specified skill sets.

**Economic Development Action Program**

**Table 4-4 Summary of the Proposed Actions and Responsibilities for this Plan**

	Action	Responsibility
<b>Matching Jobs and Workers</b>		
ED-1	Establish a marketing program: Contact local and regional chambers of commerce Coordinate with RIEDC Offer participation of City staff and use of City funds.	Economic Development Dept.
ED-2	Continue support of the Urban Ventures program: • Use program to encourage new small businesses.	Economic Development Dept.
ED-3	Create programs through institutions to match job seekers and businesses • Seek cooperation with educational institutions in the area; URI, RIC, CCRI, Johnson & Wales and other area colleges.	Economic Development Dept.
<b>Preserving and Increasing Employment Opportunities</b>		
ED-4	Adopt a competitive ranking system for Revolving Loan Fund: • Also provide other city assistance • Encourage diversification in the local economy.	Economic Development Dept.
ED-5	Identify growth industries with national markets: • Compliment Cranston's existing economic base • Promote the location of specific businesses in the City through a targeted marketing effort.	Economic Development Dept.
ED-6	Continue to develop and fund customized job training: • Target for employees of area manufacturers who are expanding their activities or changing their product lines • Use JTPA funding and leveraging private funds wherever possible.	Economic Development Dept.
ED-7	Continue to fund and present training programs: • On-job readiness skills • English as a Second Language • Other programs that directly address the perceived inadequacies of the available workforce in the area • Consider focusing efforts on developing job sectors.	Economic Development Dept.
ED-8	Promote the development of an office/commercial incubator: • Provide space and services to startup and early-stage businesses.	Economic Development Dept.
ED-9	Develop a structured, publicized entrepreneurial assistance program: • Develop in cooperation with other public and private entities, which provide entrepreneurs with networking opportunities and practical education in business management.	Economic Development Dept.

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<b>Importing Capital and Expanding Cranston's Economic Base</b>		
ED-10	Co-sponsor export seminars and trade missions for Cranston manufacturers and other prospective exporters: <ul style="list-style-type: none"> <li>Target sectors associated with the U.S. Department of Commerce, the State Economic Development Department, freight forwarders and customs brokers, and the City and Port of Providence.</li> </ul>	Economic Development Dept.
ED-11	Monitor information from public and private sources on overseas markets for manufactured goods: <ul style="list-style-type: none"> <li>Identify Cranston-based manufacturers of such goods and alert them to sales opportunities.</li> </ul>	Economic Development Dept.
ED-12	Maintain and regularly update a database of information on industrial space for lease: <ul style="list-style-type: none"> <li>Focus on space, which is available in small increments suitable for start-up industries.</li> </ul>	Economic Development Dept.
ED-13	Continue providing hands-on assistance to growing businesses: <ul style="list-style-type: none"> <li>Provide assistance with financing, permitting, and other needs.</li> </ul>	Economic Development Dept.
<b>Targets for Smart Growth Projects</b>		
ED-14	Target large-scale, smart growth redevelopment opportunities at strategic locations to accommodate mixed-use, transit-oriented development. Focus on: <ul style="list-style-type: none"> <li>Properties along I-95 such as the Wellington/Elmwood industrial area</li> <li>Properties at the I-295/Rt. 37 intersection.</li> </ul>	Economic Development Dept. Planning Department
ED-15	Target medium-scale, smart growth redevelopment opportunities. Consider additional locations near: <ul style="list-style-type: none"> <li>Garden City Center</li> <li>Rolfe Square</li> <li>Knightsville</li> <li>Along I-95 and I-295.</li> </ul>	Economic Development Dept. Planning Department
ED-16	Target high-end business growth in professional, service-oriented businesses, and the markets for office space.	Economic Development Dept. Planning Department
ED-17	Target grocery-anchored, neighborhood or community shopping centers serving the growing markets in western Cranston and Scituate.	Economic Development Dept. Planning Department
<b>Targets for Industrial and Commercial Projects</b>		
ED-18	Target hotel and lodging accommodations: <ul style="list-style-type: none"> <li>Focus on locations where there is easy access to the T.F. Green airport.</li> </ul>	Economic Development Dept. Planning Department
ED-19	Target leisure and/or entertainment-related businesses: <ul style="list-style-type: none"> <li>Consider areas near the Park Theater in Rolfe Square as well as in the emerging retail destination around the Garden City Center.</li> </ul>	Economic Development Dept. Planning Department
ED-20	Assist the State in redeveloping state properties at the Pastore Center: <ul style="list-style-type: none"> <li>Focus on private, commercial components.</li> </ul>	Economic Development Dept. Planning Department
ED-21	Review sewer line extension and roadway acceptance policies: <ul style="list-style-type: none"> <li>Ensure the policies promote the type of development planned for western Cranston.</li> </ul>	City Council Planning Commission Planning Department

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<b>Revitalization Projects</b>		
ED-22	<p>Target improvement of neighborhood commercial centers to service their market area and to reduce congestion for cross-town traffic. New neighborhood village center developments should be focused at:</p> <ul style="list-style-type: none"> <li>• Scituate Avenue and Pippin Orchard Road</li> <li>• Phenix Avenue and Natick Avenue.</li> <li>• Redevelopment of neighborhood centers should continue to occur at Pawtuxet Village, Knightsville, and Rolfe Square.</li> </ul>	Planning Department
ED-23	<p>Distinguish between each commercial center:</p> <ul style="list-style-type: none"> <li>• Develop design guidelines for public properties</li> <li>• Include signage, street furniture, landscaping, public parking areas, bicycle ways, and sidewalks.</li> </ul>	Planning Department
ED-24	<p>Develop design guidelines for site development:</p> <ul style="list-style-type: none"> <li>• Address different conditions and smart growth goals</li> <li>• Distinguish between each type of commercial area; major commercial center, village center, highway or arterial commercial</li> <li>• Development adjacent to transit.</li> </ul>	Economic Development Dept. Planning Department
<b>Improved Business Climate</b>		
ED-25	<p>Improve relations with developers, businesses, and property owners:</p> <ul style="list-style-type: none"> <li>• Work with regulatory staff to proactively inform and assist developers in regulatory and approval processes</li> </ul>	City Council Planning Commission Planning Department
ED-26	Continue providing hands-on assistance to growing businesses with financing, permitting, and other needs.	Economic Development Dept.
<b>Regional Coordination</b>		
ED-27	Encourage the Town of Johnston to rezone property on the north side of Plainfield Pike for industrial uses.	Mayor City Council
ED-28	Keep planning officials in Town of Johnston informed of changes in zoning requirements and encourage them to adopt similar changes.	Mayor City Council Planning Commission Planning Department