

\$20 Million Infusion May Revive Hartford's Constitution Plaza

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Fifty years ago, plans for Hartford's Constitution Plaza called for soaring office towers, a television broadcast studio, a hotel, storefronts for specialty shops and one more thing: apartments.

Yes, apartments.

In the wake of a recession that hit in 1960, ownership in the plaza shifted and housing was dropped from the plans. The final designs were scaled back dramatically, including the elimination of a bridge from Main Street to the plaza, isolating the massive development from the rest of the city.

Now, a partnership of two New York developers is placing a \$20 million bet that apartments not only belong on the plaza but will thrive there — in the long-vacant Clarion Hotel.

Girona Ventures and Wonder Works Construction and Development Corp. plan 180-200 apartments, mostly studios and one-bedroom units, in the decaying hotel building that they recently purchased for \$500,000.

Jeffrey D. Ravetz, president of Girona Ventures, said the apartments in the old hotel would be "hip," attractive to professionals in their 20s and 30s interested in pursuing an urban lifestyle — rather than "upscale."

"Upscale sounds like it's too expensive," Ravetz said. "This is not intended to appeal to the middle-aged executive. We're talking very open, very bright, a lot of glass and metal, desirable to the young working professional."

The conversion of the 12-story hotel would build on momentum happening in a downtown where apartments — especially smaller ones — are in demand. After a decade of effort and tens of millions of dollars in state subsidies to boost the population of downtown residents, vibrancy is growing, despite an unhealthy vacancy level in the office market.

Construction could begin in the next six months to a year, and the developers may qualify for local tax breaks aimed at rehabilitating blighted buildings as well as state funds to remove asbestos contained in the 47-year old building.

Ravetz said the developers hope to tap into demand by young professionals that is going unmet in Hartford's downtown area. Recent posts on Facebook have bemoaned the lack of studio and one-

bedroom apartments in the city's central business district.

"When you start to talk to people in Hartford, there's a waiting list for this type of project," Ravetz said. "The demand for residences in downtown Hartford doesn't yet appear to be attractive to professionals with families."

The opening last week of the full-service grocery, Market at Hartford 21, is raising hopes that other amenities essential to downtown living will follow, including a bookstore, dry cleaner, mid-priced clothing stores and coffee shops with longer hours on weekends. Those amenities would not only provide conveniences within walking distance for those who now live in the city center but would support future downtown housing projects, experts say.

Competitive Rents

When Constitution Plaza was planned in the 1950s, housing was envisioned for the upper floors of the office towers. In addition, housing units were planned on land just to the northwest of the plaza for more than 1,500 people.

Those plans were scrapped in the downturn of the early 1960s when control of the project shifted to the Travelers Insurance Co., which had been a major investor from the start, according to Wilson H. "Bill" Faude, a city historian and former executive director of the Old State House.

"They thought, 'If we do apartments, we'd have to tend to them 24 hours a day,'" Faude said. "Businesses would only have to be tended to 8 to 5."

That removed a component considered essential today to vibrancy: a critical mass of places for people to live and foster a neighborhood that supports shops and restaurants — not just scattered apartment buildings.

The late 1990s saw a push for more housing in the city's central business district, with more than 1,000 apartments added over the next decade, most notably in the soaring Hartford 21 tower. But what some say is missing is the less glitzy, more affordable apartments sought by workers just getting started on their careers.

A recent post on Facebook showed how one downtown dweller worked to try and find a downtown apartment for a friend, a recent graduate of the University of Hartford, who has a job.

"She is looking for a studio, but if one cannot be found, a one bedroom would be fine but would need to be around \$800/mo.," the post read. "The Hollander is pretty much full, 55 [On the Park] has no studios and 1BR rents start at \$1k, Artspace is full (as I understand it.)"

Because the Clarion redevelopment won't begin for at least six months, Ravetz said he couldn't precisely

predict rents. But he expects studios will begin at \$700 a month and one-bedroom units at \$1,000. Studios will average 450 square feet, while one-bedrooms, 670 square feet.

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If the rents at the redeveloped hotel stick at the lower end of Ravetz's expected range, they would be below current asking rents at The Lofts at Main & Temple, Trumbull on the Park and Hartford 21 — according to a search on apartments.com by The Courant, based on price paid per square foot.

At The Lofts at Main & Temple — the old Sage-Allen building — a studio starts at \$1,100 for a space that has 654 square feet. There, a renter pays about \$1.70 a square foot. That compares with a studio at the old hotel that could lease for \$1.50 a square foot, based on Ravetz's expectation.

"They are hitting the market with the right mix of studios and ones at price points that are affordable for young professionals," said Michael Stone, an apartment expert at commercial real estate services firm CB Richard Ellis in Hartford.

Developers from larger cities such as New York have to resist putting too many high-end finishes in apartments targeted Hartford's young professionals, Stone said, to keep rents competitive.

"You can put the granite countertop and GE stainless appliances, but you don't want to go into the high-end plumbing fixtures," he said.

David B. Panagore, the city's chief operating officer, said he believes the downtown will be able to absorb the new apartments, considering that the last housing project, The Hollander at 410 Asylum St., came on the market a year ago and is now nearly fully leased.

Downtown landlords report healthy occupancy, Panagore said, but some of those leases are for corporate use.

Faude said the plans for the old hotel, which first opened in 1964 as the Hotel America and later was renamed Sonesta and Summit, as well as the Clarion, could recapture some of the flavor of the plaza's original designs.

"Not only you do have the bodies living, eating, sleeping there," Faude said, "they become the people who want to work downtown. It becomes a very positive spin as opposed to a hotel that's changed its name so many times."

Keeping the Facade

The hotel on Constitution Plaza, vacant for at least 15 years under the ownership of the Maharishi Global Development Fund, has decayed into an eyesore at a critical gateway to the city across from the Founders Bridge.

The conversion would be the first apartment project for Girona Ventures. The firm, founded in 1986, owns property elsewhere in Connecticut, including properties in and around Orange that can be used for light industrial or office space. Ravetz said Girona has targeted properties that need redevelopment to make them profitable.

Girona's partner, Wonder Works, however, has extensive experience in residential construction. In the past five years, Wonder Works has redeveloped as general contractor about 2,000 units in Manhattan and around the New York area, some of them conversions, many of them condominium projects, he said.

A visit to one of them last week — Morgan Lofts on East 36th St. in Manhattan, just off Fifth Avenue — revealed high-end finishes in the lobby of the 70-unit condominium, including onyx and marble. Stepping off an elevator, a visitor sees hallways illuminated with soft, recessed lighting, floors were marked with large metal numbers.

When a doorman was told Wonder Works was looking to convert a hotel in Hartford into apartments, he quipped, "This looks a little like a hotel."

The conversion of the 1912 former factory, with its terra-cotta façade, was completed a couple of years ago, but the slowdown in the housing market has left some units at Morgan Lofts unsold. The asking price on one, a one-bedroom, 851-square-foot is \$950,000 with a \$918 a month maintenance fee, according to a marketing brochure.

Several calls to Wonder Works weren't returned.

Ravetz said he doesn't expect the façade of the Clarion to change much with the conversion, with much of the 1960s architecture being preserved. The biggest obstacle is inside where asbestos must be removed and small, vintage hotel rooms must be combined to create modern apartment spaces, he said.

"We're not completely blowing this out," Ravetz said.

Ravetz said he expects final designs will include a media room with a large-screen television, a community room with a pool table, a work-out facility and storage facilities. He expects washer and dryers will be included in each unit.

The developers also must work out agreements for off-site parking because apartments would require more spaces than the hotel, Panagore said. There also is a possibility of shops in the ground floor of the building, he said.

The partners are hopeful about the Hartford market and believe the downtown is not only emerging from the recession but transforming itself into a place where people want to work and live. He pointed to the opening of The Market at Hartford 21 and plans for a movie theater at Front Street.

"We're not blind to the challenges that Hartford still has to get through," Ravetz said.

He noted that the CityPlace II office tower is in foreclosure and the two-towered Connecticut River Plaza, just across the street from the Clarion, sold last year at a steep discount and is now vacant.

"But overall, we think there is positive momentum," Ravetz said, "and Hartford will continue to improve."