

## **GROW SMART RHODE ISLAND POLICY RESOLUTION ON RIEDC'S REDEVELOPMENT PLANS FOR THE LADD CENTER**

**March 2001**

The Rhode Island Economic Development Corporation (RIEDC) has proposed developing a research and technology park on the grounds of the former Ladd School in rural Exeter. While actively supporting the goal of attracting more research and technology firms to our state, Grow Smart Rhode Island ("Grow Smart") is resolutely opposed to the planned research and technology park at the chosen location.

The abandoned Ladd School facilities have become a blight on the landscape as neglect, vandalism and fire have exacted their toll. The state has a responsibility to plan for the future of this resource, but the proposed development would constitute little more than state-encouraged and subsidized sprawl, unacceptable environmental risk and the triumph of shortsighted planning over thoughtful consideration for Rhode Island's future.

The position of Grow Smart Rhode Island, determined after several months of study and analysis, is summarized as follows:

- Such intensive development of this isolated site would perpetuate the common sprawl-inducing patterns that have degraded large portions of Rhode Island's rural landscape while weakening the urban areas that are its historical core.
- The proposed research and technology park would be situated over one of the state's largest and most important sole source aquifers and in close proximity to perhaps the most pristine river system in the state.
- There is reason to question the Ladd site's marketability as a research and technology park. Marketing liabilities range from its poor access to major labor markets, to its lack of a sewer system, and its distance from major highways.
- Grow Smart believes additional research and technology activities should be aggressively recruited for Rhode Island. However, both the state and potential new employers themselves would be better served by development of readily available sites within our cities where substantial infrastructure investment has already been made.
- The Job Corps Center proposed for some 20 acres of the 330-acre Ladd School site will provide a major economic boost for disadvantaged Rhode Island youth without inducing secondary growth or posing significant environmental risk. Grow Smart supports completion of the Job Corps facility.
- Grow Smart believes it is vitally important to encourage a partnership of research oriented industry and the University of Rhode Island. There is no evidence, however, that the Ladd School proposal has been crafted with the close cooperation of URI that is necessary for success. A better model is expanding the existing Slater Center initiatives already underway.

- Last year, Rhode Islanders approved \$ 51 million in state and local bond issues to protect open space and improve recreational facilities. If the Ladd School site were owned by private interests, it would be a prime candidate for purchase by the state. It is incongruous that the state itself plans to develop a site which under other circumstances it might well want to purchase as open space.

Grow Smart believes it is time for the state to step back and quickly determine the best plan for the former Ladd School property consistent with basic smart growth principles. We suggest that the future of the site be built around three compatible scenarios:

- A small portion of the site should be set aside for the construction of a Job Corps campus.
- Part of the land should be deeded to the town of Exeter for future school construction and recreational facilities.
- The Department of Environmental Management should work with the Nature Conservancy and the Audubon Society, both of whom already own adjacent nature preserves, to fashion a stewardship plan maintaining the balance of the land as open space.

The attached position paper explains in more detail the conclusions of Grow Smart Rhode Island regarding the proposed Ladd School research and technology park and Job Corps Center.

## **GROW SMART RHODE ISLAND POSITION PAPER ON RIEDC'S REDEVELOPMENT PLANS FOR THE LADD CENTER**

### **State Subsidized Sprawl**

In 1997 Governor Lincoln Almond charged the Rhode Island Economic Development Corporation (EDC) with development of the former Ladd School property in rural Exeter. Neighboring land use includes an Audubon preserve, a wetland owned by The Nature Conservancy, recreational areas, and farmland. The Queens River and a tributary stream, characterized by Rhode Island Statewide Planning as “pristine,” flow along the western part of the property. The state acquired this former farmland in 1907 as a residence and school for the mentally retarded. Empty since 1994, vandalism, fire, and exposure have taken their toll on the buildings and infrastructure.

The RIEDC has proposed a plan for a 100-acre research and technology park on the former campus. The complex would provide 18 separate commercial parcels with a projected workforce of 3,000 and an estimated 750,000-sq. ft. of enclosed space. RIEDC would acquire the property, provide infrastructure improvements, and market these sites for private development.

From both the standpoint of economic feasibility and smart growth, this proposal is deeply flawed. The charge to develop much of the 330-acre former Ladd Center as a commercial site fits a common sprawl-inducing pattern evident in Rhode Island land use decisions over the last 50 years. A nearly static population of Rhode Islanders has developed more commercial, residential, and industrial land since 1961 than in the preceding 325 years of settlement. Cities and towns facing rising budgets—especially in education—see the immediate benefit of an increase in tax base associated with non-residential development. Why? Commerce and industry require fewer municipal services than residential development, which introduces children and a commensurate rise in the cost of education. The result is often a municipal quick fix that replicates unplanned, fiscally unsound, automobile-based development throughout the suburban and rural areas of the state. The proliferation and dispersion of commercial development engenders further residential growth, more dependence on automobiles, and more commercial development-- at the expense of investment in our historic cities and town centers. Bald Hill Road in Warwick and its counterparts throughout the state is a sobering reminder of the consequence of ill-considered land use decisions. While these degraded landscapes are predominantly the product of private investment, in Exeter the state's economic development agency is using public money to encourage sprawl.

## **Environmental Risks**

This entire research and technology park would sit on top of the Queens River Aquifer, an underground reservoir that is part of the Wood-Pawcatuck Watershed. Nine downstream towns currently draw water from this watershed and Exeter also hopes to use the aquifer for a future public water supply. Since Exeter has no sewer system, companies in the research and technology park would be operating individual septic systems in a well-drained leaching field over this critical aquifer.

The Rhode Island Statewide Planning Office has characterized the Queens River as “pristine.” Wetlands such as those found along the river have been described in federal, state and local environmental studies as extremely sensitive. The wetlands and aquifer issues associated with this project are likely to require a far more substantial compliance with federal environmental regulations than has been carried out to date.

## **Marketability Concerns**

To date there has been no marketing feasibility study for this massive project, nor does RIEDC intend to do one. RIEDC is yet to produce a single letter of firm corporate interest in their project or a single representative of a company that intends to locate there.

According to economic development and planning experts we have consulted, research and technology businesses prefer areas where infrastructure exists and environmental impacts are minimal. A prospective tenant may look long and hard at a “research and technology park” with poor highway access, no electrical or fiber-optic redundancy, no town police department, poor access to labor markets, and distance from urban amenities appealing to “knowledge” workers. Other marketing obstacles range from unresolved archaeological compliance with historic preservation laws to the prospect of long-term environmental oversight of effluent, runoff from impermeable surfaces, and water use.

## **Better Sites Available in Urban Areas**

RIEDC’s plans for the Ladd Center have little to do with an assessment of statewide economic conditions or the expansion of Exeter’s tax base. It is the peculiar calculus of a state economic development organization trying to rationalize a project that has its roots not in responsible economic development or local tax benefit, but in real estate. RIEDC did not conclude, after a study of the state’s economy, that the best place to site a research and technology park was in Exeter or that such a park would be critical to Exeter’s economic future. It crafted a rationale for this development only after it was charged with the sale of an abandoned state property.

Public money and the resources of our state economic development agency should be directed toward areas with existing infrastructure and toward the revitalization of our historic cities and town centers. Instead, RIEDC is promoting its own projects in

competition with local city planning agencies aggressively marketing commercial sites in strategic locations.

The City of East Providence has designated a site on the East Providence waterfront south of Route 195 as a prime location for research, office parks, and residential development. The City has hired a New York-based firm to market the site for its “potential to generate \$200 million to \$250 million in private investment and create 2500 to 3000 permanent jobs” (*Providence Journal*, January 18, 2001). This site is well served by infrastructure, has known intensive industrial use, and is close to the cultural amenities of Providence. The RIEDC should consider sites such as this or the recently cleared Narragansett Brewery on the Cranston/Providence line for concentrations of new research and technology jobs.

### **The Proposed Job Corps Center**

Federal siting of a Job Corps Center, providing a residential setting and job training to about 200 economically disadvantaged young people, is planned for a 20-acre parcel surrounded by the proposed research and technology park.

Grow Smart Rhode Island believes that genuine economic growth requires opportunities for meaningful, good-paying jobs for residents of our urban neighborhoods. Given the major economic boost a Job Corps Center will provide for hundreds of disadvantaged Rhode Islanders and the modest environmental impact of this facility, we support siting the Job Corps at Ladd. We hope, however, that future infusions of substantial federal and state economic development monies would be directed toward projects in Rhode Island’s urban core communities or in town centers with development plans that would be well-served by such investments.

### **Partnership with the University of Rhode Island**

RIEDC’s marketability argument for the Ladd research and technology park rests mainly on the idea of a “research triangle” comprising URI, the research and technology park, and Quonset Point. In this formulation URI would serve as an incubator for commercial ideas drawn from research in a number of areas; these ideas would then be nurtured at Ladd in the form of startup or existing companies and take manufactured form at Quonset.

The Ladd Center is located seven miles from the URI campus. Successful incubators seeking campus-commerce linkage in other parts of the country have benefited from the immediate proximity to faculty and students. A strong economic argument could be made for siting a business incubator much closer to the campus. Another factor in this symbiosis is substantial public investment in an incubator building and the provision of amenities for startup companies. To date there is no EDC plan to invest in such an incubator. This restricts possibilities for startup and, apart from tax covenants, offers little enticement for a company to make sizable investments in building construction.

Our research has indicated that the successful linking of university-based research and the incubation of commercial ideas requires a formal, closely planned, and cooperative relationship with a university strongly in support of academic research and commercial spin-off. RIEDC has yet to demonstrate any plan for producing major commercial spin-off at Ladd from its discussions with URI faculty.

A more promising use of state funds to leverage commercial activity from university research would be an expansion of the existing Slater Centers. There are currently five of these technology commercialization centers, each focused on an economic niche for which Rhode Island has particular expertise or potential. Two of the Slater Centers—those for Environmental Biotechnology and Ocean Technology—are already located in URI Bay Campus buildings. Since the first Slater Centers were formed in 1997 they have helped to launch 17 startup companies and supported the development or licensing of 50 patents.

### **Alternative Uses for the Ladd School Property**

The question remains of what to do with the Ladd property. Grow Smart urges broad, public participation in the discussion of Ladd's reuse and of alternatives to a research and technology park. The discussion to date has been dominated by RIEDC, an organization that has emerged in the role of financial stakeholder rather than a financially neutral public agency.

Grow Smart is convinced that there are several options worth exploring for environmentally sound, low intensity reuse of a valuable state asset. Part of the land should be deeded to the town of Exeter for future school construction and recreational facilities. A small portion of the site should be set aside for the construction of a Job Corps campus. The Department of Environmental Management should work with the Nature Conservancy and the Audubon Society, both of whom already own adjacent nature preserves, to fashion a stewardship plan maintaining the balance of the land as open space. This land use scenario for Ladd is far more consistent with smart growth principles and the natural characteristics of the site.

Through their overwhelming support last November of \$51 million in state and local open space and recreation bond issues, Rhode Islanders clearly demonstrated their commitment to preserving sites such as Ladd. If the Queen's River, its habitats, aquifer, and surrounding open space were privately owned, they would be high on the list for state open space acquisition.

## **Conclusion**

RIEDC's research and technology plan represents a flawed economic policy and state-subsidized sprawl. It presents substantial risk to a valuable natural asset. Grow Smart therefore proposes that the RIEDC direct its resources toward sites more in keeping with the Governor's stated support of reinvestment in our urban areas.

We urge the state's leaders to think creatively and boldly about our economic needs and opportunities. Let's make the public policy challenge posed by Ladd a turning point in Rhode Island's approach to smart growth and smart economic development.