

5. Market Conditions

The recession of the 1990s was a tremendous drag on the Hartford market and the City in general. Loss of value in all segments of the real estate market had a crippling effect upon what was a growing momentum toward a more vibrant and livable city. Market shifts resulted in a lop-sided revaluation, an increasing number of vacant residential structures, and a weakened office market. To make matters worse, crime and street gang violence increased during this period, heightening fears of residents and non-residents alike.

In an effort to revive city spirit, leaders brought public and private resources to bear, proposing Adriaen's Landing, a \$350 million dollar, urban, mixed use development for the Hartford riverfront. While this project is still in the planning stages, it has raised new levels of interest in the city. Relocation of the Greater Hartford Community College to the downtown and proposed high-rise apartments at the Civic Center have added enthusiasm about the City's commercial market appeal. Time and the depth of Hartford's economy, in addition to these pump priming efforts, have repaired some of the local market losses as the state and national economies enjoyed substantial energy. Realtors now indicate that industrial, office and apartment space in the city has tightened considerably in recent months, stabilizing these segments and seeding the interest in new construction investment. The Hartford market appears to be poised for improvement in the new millennium.

The impact of these development proposals upon Hartford's neighborhoods, however, is not readily apparent and will require some time before its visible. Neighborhoods closer to the downtown are likely to benefit more directly than others as investment interest looks for more opportunities. The key is to be able to sustain the momentum.



The South End neighborhood remains one of Hartford's most vibrant and stable areas. Franklin Avenue, the linear commercial center gives the neighborhood its identity and vibrancy. The area was once known as "Little Italy", but in recent years it has had to deal with changing ethnic population and deteriorating housing in some of the blocks that feed the avenue. Loss of property value and negative equity have put pressure upon the residential market in this neighborhood, as well as other neighborhoods in the City. This situation could be overcome by increased residential demand, but forecasts of city population decline and suburban growth give no indication that these trends will change.

When market values are weak, residential property owners, particularly multiple family owners, are less motivated to undertake expensive improvements. Retail and commercial property owners are under similar pressure and investors remain cautious. These reactions may be compounded by public policies. Market investments are primarily motivated by the level of financial return possible, but are greatly influenced by stability in the marketplace; not instability.



The South End also includes the South Meadows and Colt Park South industrial areas. These developments are very different. The South Meadows adjacent to Brainard Airport is a more contemporary industrial park with excellent interstate highway access and visibility - key to attracting tenants. Colt Park South includes a contemporary section and an area with older industrial uses some of which are particularly gritty. The latter describes a sizable area that detracts from the area's industrial marketability. Many of these older properties and uses are attractive in the marketplace, suggesting the need for change.

Wethersfield Avenue is a secondary commercial corridor when compared with Franklin Avenue. Uses tend to be more diverse and more service oriented.