

Department of Economic and Community Development



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Community Development

At a Glance

CATHERINE H. SMITH, *Commissioner*

Tim Sullivan, *Deputy Commissioner*

Bart Kollen, *Deputy Commissioner*

Established - 1995

Statutory authority - Conn. Gen. Statutes Chapters 127b and 184b

Central office - 505 Hudson Street, Hartford, CT 06106

Number of employees - 103

Recurring operating expenses - \$26,966,793

Organizational structure - Office of the Commissioner, Office of Business Development, Office of Financial Review, Office of Finance and Administration, Office of Brownfield Remediation and Development, Office of Capital Projects, Office of the Arts, State Historic Preservation Office, Office of Tourism

Mission

The Department of Economic and Community Development (DECD) develops and implements strategies to increase the state's economic competitiveness.

Statutory Responsibility

Under the provisions of Conn. Gen. Statutes Chapters 127b and 184b DECD administers programs and policies to promote business, community development, brownfield redevelopment, arts, culture and tourism and is the state agency responsible for promoting economic growth.

Public Service

In an effort to provide continued quality service to its customers, the agency is staffed with highly trained economic, community development and marketing professionals who identify customer and community needs and coordinate resources—both public and private—to meet those needs.

DECD (www.decd.org) promotes in-state business and economic development, as well as out-of-state business recruitment, through use of tax credits, financing, technical assistance, and enterprise zones. Strategically, DECD supports comprehensive, industry-based economic development to strengthen the competitiveness of Connecticut's workers and industries. The department's international staff is dedicated to attracting foreign direct investment to Connecticut and helping Connecticut companies take advantage of export opportunities in the global marketplace.

DECD also provides planning, engineering, architectural and construction management services to oversee state-sponsored real estate development, including urban and downtown revitalization, industrial site development and brownfield redevelopment. DECD provides municipalities and non-profits with financial and technical assistance for community development activities. In addition, DECD provides assistance to customers for permitting and regulatory compliance with state or federal programs to allow for an expedited development process.

Improving the quality of life in Connecticut continues to be a key factor in promoting economic vitality, and DECD develops and strengthens the arts and makes artistic experiences widely available to residents and visitors, both through its grant programs and services. DECD invests in Connecticut artists and arts organizations and encourages the public's participation as creators, learners, supporters and audience members, and connects people to the arts and helps to build vital communities across the state.

The Connecticut Department of Economic and Community Development works to position the state as a prime location to start, expand or move a business. The department's marketing efforts, which target both in-state and out-of-state audiences, are focused on communicating the strengths of *still revolutionary* Connecticut, including its highly educated and productive workforce, prime Northeast location and abundance of financial and technical support services, through the voices of its own successful business leaders.

DECD works to make tourism a leading economic contributor and to position the state as a prime destination for leisure and business travelers. DECD partners with the Connecticut business community and tourism partners across the state, to provide a positive image of the state through cooperative marketing opportunities. Through its Office of Tourism (COT), DECD offers a broad range of services, including marketing, research, hospitality services, direct sales and business marketing assistance. COT operates the state's official tourism website www.CTvisit.com and popular social media sites.

Through the State Historic Preservation Office (SHPO), DECD administers a broad range of federal and state programs that identify, register and protect the buildings, sites, structures, districts and objects that comprise Connecticut's cultural heritage. DECD is the regulatory authority for the review of both federally and state funded projects to determine the impact on historic resources and has the authority under the Connecticut Environmental Protection Act to pursue litigation to protect certain historic properties from unreasonable demolition. DECD also administers several grant programs for historic preservation, two state tax credit programs for preservation and restoration, the federal tax credit program and manages the Freedom Trail and Washington-Rochambeau Trail programs. In addition, it operates four state-owned museums: Henry Whitfield State Museum, Old Newgate Prison and Copper Mine, Prudence Crandall Museum and the Sloane-Stanley Museum.

Improvements / Achievements for Fiscal Year 2015-16

DECD's investments, programs and services, and policy initiatives have made a significant impact on the economy of Connecticut and the quality of life of its citizens. What follows are some highlights from FY 2015-16.

- Since the inception of the Small Business Express Program, DECD has funded 1,574 companies totaling \$245,380,522. The total number of jobs to be created and retained is 23,857. The general categories of businesses to receive funding include: manufacturing, main street retail, hospitality/entertainment/tourism, healthcare/Bioscience, business/financial services, information technology, construction, and specialty products.
- An estimated \$349 million was spent in Connecticut by qualified film, television and digital media productions. Sixty-nine tax credit applications were processed and \$92.9 million in tax credits were issued to 25 production companies (\$56.3 million to 22 production companies, \$15.3 million in digital animation tax credits, and \$21.3M to three infrastructure projects).
- Office of Innovation led the development of an expanded approach to funding scalable startups at DECD, resulting in EXP and MAA deals with 9 startup businesses for total offers of \$3,403,399. Five of these deals have closed to date, for a total of \$1,243,399.
- Office of Innovation supported CTNext in shaping and implementing the VentureClash global venture challenge and the Innovation Places competitive grant program.
- Office of Innovation led sponsorship of four entrepreneurial events, including the CTC Innovation Summit; Stamford Hackathons; reSET Impact Awards; and Connecticut's presence at BIO, the international biosciences convention. The office also coordinated a series of dialogue dinners for leading entrepreneurs and public leaders around the state.
- DECD's Economic Development Programs unit supports new department strategic initiatives, partnerships and federal grants. It helps to create jobs by funding innovation, technical assistance/training, and new technological developments. In addition to the state effort, the programs unit administers:
 - A \$4.4 million grant award from the Department of Defense's Office of Economic Adjustment building on previous investments and responding to the defense sector's need to improve core competencies that can be transferred to commercial markets providing diversification opportunities.

- The Connecticut Manufacturing Innovation Fund (MIF) targets aerospace, medical device, composite materials, digital manufacturing and other opportunities to innovate commercial products and services. It helps industry drive enhancement in, or development of, products or services designed to strengthen the competitive position of Connecticut manufacturers. The MIF is capitalized with \$60 million in bond funding.
- Acting through DECD, Connecticut was designated by the Obama Administration under the Investing in Manufacturing Communities Partnership (IMCP) initiative. With this designation, Connecticut will receive coordinated support from eleven federal agencies with access to more than \$1 billion in federal funding dedicated to economic development and the resurgence of manufacturing in the United States. Connecticut is one of 24 communities to earn the designation.
- DECD's Office of International and Domestic Business Development (OIDBD) won \$350,000 in federal grant funds from the U.S. SBA's State Trade Expansion Program (STEP). The grant was intended to increase the value of small business exports, and increase market access for those small businesses who are new-to-export.
- OIDBD coordinated participation of Connecticut companies at several international trade shows, including Medica in Dusseldorf, Germany (anticipated sales of \$125,000); Hannover Messe in Hannover, Germany (anticipated sales of \$1,625,000); and the Farnborough Air Show in Farnborough, U.K. (anticipated sales of \$14,500,000).
- In recognition of its Foreign Direct Investment (FDI) leadership, DECD commissioner Catherine Smith was named as Vice Chair of the U.S. Department of Commerce's International Advisory Committee.
- OIDBD participated in the SelectUSA Summit in Washington, D.C. and had over 20 pre-arranged B2B meetings with foreign-owned companies interested in doing business in the U.S.
- DECD funded 18 projects through the Manufacturing Assistance Act involving \$90,092,481 in state funds, leveraging outside investments of \$253,847,197. These projects will result in the retention of 4,161 jobs and the creation of 1,233 jobs in Connecticut.
- Since Fiscal Year 2012, the Office of Brownfield Remediation and Development (OBRD) has invested \$173 million in more than 100 brownfield development projects in cities and towns all across the state. For every dollar invested by the state on brownfield programs, non-state partners have put in approximately \$4.99. The FY 16 funded projects have a leverage figure of \$8.37.
- FY 2015-16 also included two large rounds of funding made available through a competitive process. \$16.6 million of brownfield grant were awarded to thirty communities. With these newest awards, OBRD has assisted 60 towns and municipalities in their brownfield revitalization. Several towns were awarded as first time applicants.
- The first funding round of the Brownfield Area-Wide Revitalization (BAR) Planning Grant Program was announced in January 2016. Six municipalities in the state – East Hartford, Meriden, New Britain, Old Saybrook, Torrington and Waterbury were awarded a total of \$1,040,000 to develop plans for remediating and developing clusters of brownfield sites.
- An important initiative of identifying all brownfields in Connecticut remains a priority. With outreach, OBRD continues the effort to build and update the statewide inventory listing of known or suspected brownfield sites. Having this strong set of data will help

OBRD both to dimension the size of the challenge and our progress against it, as well as to enable better marketing of brownfield sites to developers and companies seeking sites. Although a firm number is hard to determine, OBRD estimates Connecticut has at least 1,000 brownfields.

- The state's biennial budget through FY 2017 included \$36 million of new bond authorizations for brownfield projects. With this solid funding commitment, momentum will continue from OBRD to offer further funding opportunities.
- Through a variety of state-funded programs, including Small Town Economic Assistance Program and Urban Act programs, DECD supported 32 projects for a total state investment of over \$60 million, which leveraged an additional \$60 million. These projects help to support community development activities throughout Connecticut, including such activities as new sidewalks, façade improvement programs, and industrial park development.
- The year 2015 was a positive year for tourism in Connecticut. Overnight Stays as reported by STR Reports, showed a 4% increase in hotel occupancy for 2015 over 2014, including casino lodging. Summer Attraction Visits to leading Connecticut attractions, had a 12% increase in 2015 over 2014 and up 16% during the Fall foliage season according to Witan Intelligence -Vision Index. 2015 saw a 7% increase in lodging tax receipts over 2014 according to the CT Department of Revenue.
- Connecticut Office of Tourism (COT) continued with the award-winning *Connecticut still revolutionary* campaign promoting travel during the spring and summer. "Revolutionary Thoughts" communicates through unique pairings of identifiable destinations the idea that escaping to Connecticut offers travelers a diverse balance of experiences – relaxing and active, historic and contemporary, cultural and nature-oriented – without having to drive too far or plan too much. The marketing messages used continue to reinforce overnight stays, our casinos as tourism destinations and a showcase of big draw attractions and hidden gems. New experiences such as culinary adventures and romantic escapes were also added.
- COT unveiled an all new tourism website CTvisit.com offering more than 4,000 reasons to visit Connecticut. Travelers can now find information on more than 4,000 places to visit, stay and eat in Connecticut as well as hundreds of inspirational travel stories, vacation deals and event listings all in one place — www.CTvisit.com. The completely redesigned and rebuilt website, launched by COT, makes it easier for visitors and residents alike to learn more about the state's major attractions, as well as, its hidden gems and to plan their next getaway in just a few clicks. Website visits were up 64% YOY in June.
- With a reduced budget COT sharpened its focus on the most important target geographies and deployed an exclusive digital media buy to reach targets and drive traffic to the new CTvisit.com. Public relations and social media were used to expand into other key markets as well.
- COT partnered with the tourism industry to sponsor the Connecticut Governor's Conference on Tourism, the state's premier tourism industry event, bringing together more than 400 professionals from hotels, restaurants, casinos, tourist attractions, entertainment venues, historic sites, and cultural and arts institutions to share best practices and foster cooperative marketing efforts.
 - Connecticut Governor's Tourism Awards were presented to honor and celebrate individuals and organizations that demonstrated excellence in the

tourism industry and contributed to the success of the state and health of Connecticut's economy.

- Tourism Marketing Outreach Meetings during March introduced the Office of Tourism's 2016 cooperative marketing opportunities to more than 300 industry partners throughout the state.
- DECD's statewide Connecticut Convention & Sports Bureau partnership contracted 210 future meetings, conventions and sports events that are expected to generate more than \$61.6 million in local spending and \$4.7 million in tax revenue to the state. In addition there were 507 leads issued accounting for 320,589 room nights, representing a 24% increase over the prior fiscal year.