



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

INTERGOVERNMENTAL POLICY DIVISION

To: Senator Steve Cassano, Co-Chair
Representative Jason Rojas, Co-Chair
Members of the Continuing Legislative Committee on State Planning
and Development

From: W. David LeVasseur, Acting Under Secretary
Intergovernmental Policy Division

Date: February 25, 2013

Re: **2012 Annual Report on the Conservation and Development
Policies Plan for Connecticut**

Pursuant to Connecticut General Statutes, Section 16a-32(c), I am pleased to submit to you the annual report on the implementation of the Conservation and Development Policies Plan for Connecticut (C&D Plan). This report focuses on the conformity of State Bond Commission allocations with the C&D Plan. Prior to the publication of formal Bond Commission agendas, OPM staff conducts a review of each proposed agenda item and prepares an advisory statement commenting on the extent to which such items are in conformity with the C&D Plan.

In 2012, the Bond Commission allocated approximately \$1.905 billion in bond funds. A summary of these allocations indicates that approximately 98% or \$1.872 billion of all such allocations were reviewed for and deemed to be in conformity with the C&D Plan. The remaining 2% or \$32 million of bond allocations were not reviewed for C&D Plan conformity because they were statutorily exempt from such review.

OPM's conformity review takes into consideration the C&D Plan's six growth management principles and their associated policies. When a project is of a site-specific nature, OPM staff also takes into consideration the project's conformity to the Plan's Locational Guide Map policies. Out of the \$1.905 billion of allocations that were reviewed for C&D Plan consistency, only 16% or \$308 million of such allocations were of a site-specific nature. The annual report refers to a number of these site-specific allocations to illustrate conformity with C&D Plan policies.

My staff and I are available to answer any questions you may have regarding this report.

Attachment

CONSERVATION AND DEVELOPMENT POLICIES PLAN
ANNUAL REPORT
FOR CALENDAR YEAR 2012

TO THE
CONTINUING LEGISLATIVE COMMITTEE ON STATE
PLANNING AND DEVELOPMENT

BY THE
OFFICE OF POLICY AND MANAGEMENT
INTERGOVERNMENTAL POLICY DIVISION
OFFICE OF RESPONSIBLE GROWTH

February 2013

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Purpose

This annual report describes the conformity of state actions to the *Conservation and Development Policies Plan for Connecticut* (C&D Plan). The report is submitted to the Continuing Legislative Committee on State Planning and Development pursuant to Section 16a-32(c) of the Connecticut General Statutes (CGS). It covers the 2012 calendar year.

Conformity of State Plans and Actions

The statutory means provided to implement and ensure conformity with the C&D Plan is through the Office of Policy and Management's (OPM) review of state agency plans and certain capital actions. OPM uses a variety of assessment processes to ensure that such plans and actions are undertaken in a manner consistent with the C&D Plan, as described in Appendix A.

Pursuant to Section 16a-31(a) of the Connecticut General Statutes (CGS), the following actions, when undertaken with state or federal funds by any state agency, must conform to the C&D Plan:

- 1) The acquisition of real property when the acquisition cost is in excess of \$200,000;
- 2) The development or improvement of real property when the development cost is in excess of \$200,000;
- 3) The acquisition of public transportation equipment or facilities when the acquisition cost is in excess of \$200,000; and
- 4) The authorization of each state grant for an amount in excess of \$200,000, for the acquisition or development or improvement of real property or for the acquisition of public transportation equipment or facilities.

Review of State Bond Commission Agendas

In addition to the statutory requirement noted above, CGS Section 16a-31(c) also requires OPM to determine the conformity of projects on the State Bond Commission agendas. For illustrative purposes, this report focuses on Bond Commission activity for calendar year 2012.

References to "projects" throughout this report refer to both Bond Commission full agenda items and item subcategories. Projects that meet the criteria of CGS Section 16a-31(a) are reviewed for conformity with the text of the C&D Plan as well as the Plan's Locational Guide Map when appropriate. If such projects are not site-specific, or do not provide sufficient locational information, the requests are only reviewed for conformity with the text of the C&D Plan.

Total Bond Allocations

The Bond Commission allocated approximately \$1.905 billion in bond funds during the 2012 calendar year.

As shown in *Figure 1*, about 82 percent or almost \$1.564 billion of all bond allocations were only reviewed for conformity with the text of the C&D Plan because of the lack of site-specific information.

Approximately 16 percent or \$308 million of 2012 Bond Commission allocations were for site-specific projects that were reviewed for conformity with both the C&D Plan text and Locational Guide Map policies.

Finally, there were 88 projects that did not meet the statutory criteria for a review of C&D Plan conformity because they either fell under the \$200,000 threshold or they were for planning/design, acquisition of non transportation-related equipment, economic development loans and assistance, entitlement programs such as the Local Capital Improvement Program (LoCIP), etc. This group comprised 1.71 percent or \$32 million of all Bond Commission allocations in 2012.

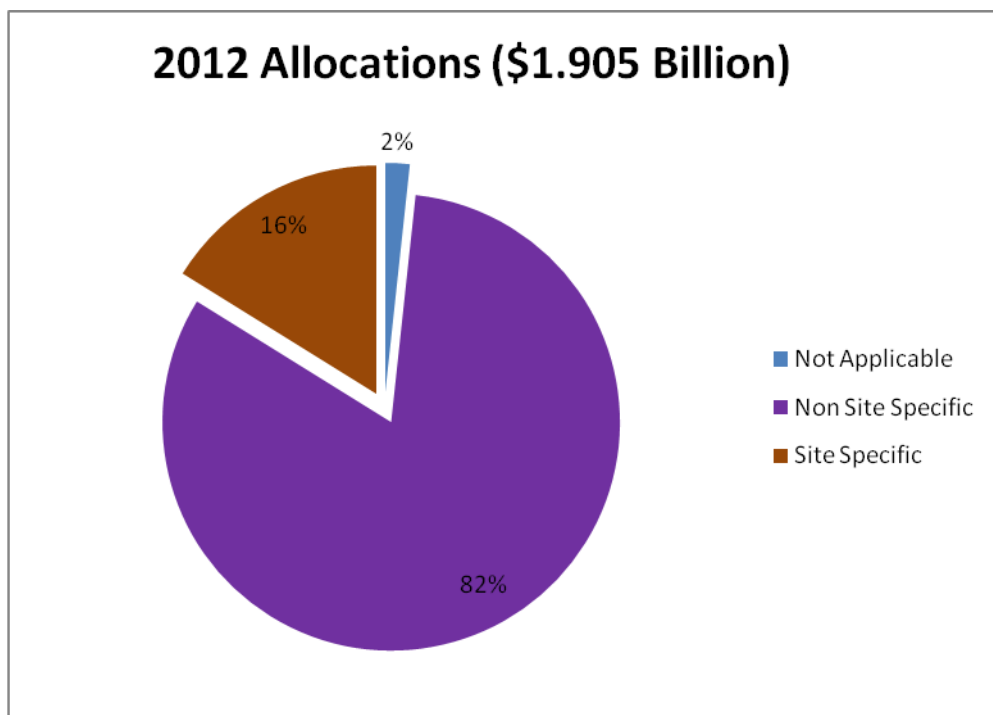


FIGURE 1

Non Site-Specific Bond Allocations

As noted in *Figure 1*, 82 percent or almost \$1.564 billion of the total bond allocations were for non site-specific projects. These allocations comprise 90 projects that were determined to be in general conformance with the policies of the C&D Plan text. As shown in *Figure 2*, the following are the major sectors these bond allocations comprise:

- **Economic Development:** Approximately 10.01 percent or \$156.63 million was allocated to projects that included the Small Business Express Program, Brownfields funding, Small Town Economic Assistance Program, and the Housing Trust Fund.
- **Education:** Approximately 29.56 percent or \$462.54 million was allocated for local school construction and capital repair projects, as determined by the Department of Education. Majority of the funding was for principal and interest for school building projects..
- **Environment:** Approximately 18.96 percent or \$296.7 million was allocated for projects such as upgrades to various water pollution control facilities, as determined by the DEEP Clean Water Fund Priority List, environmental compliance/remediation, hazardous materials abatement, demolition, and environmental emergency response related to DOT projects/operations.
- **Transportation:** Approximately 35.68 percent or \$558.35 million was allocated for upgrades to existing infrastructure, such as finance minor bridge repairs, fix-it-first program for bridges, interstate highway program, Town Aid Road grants, bus and rail facilities and equipment, including rights-of-way, other property acquisition and miscellaneous resurfacing/reconstruction projects.

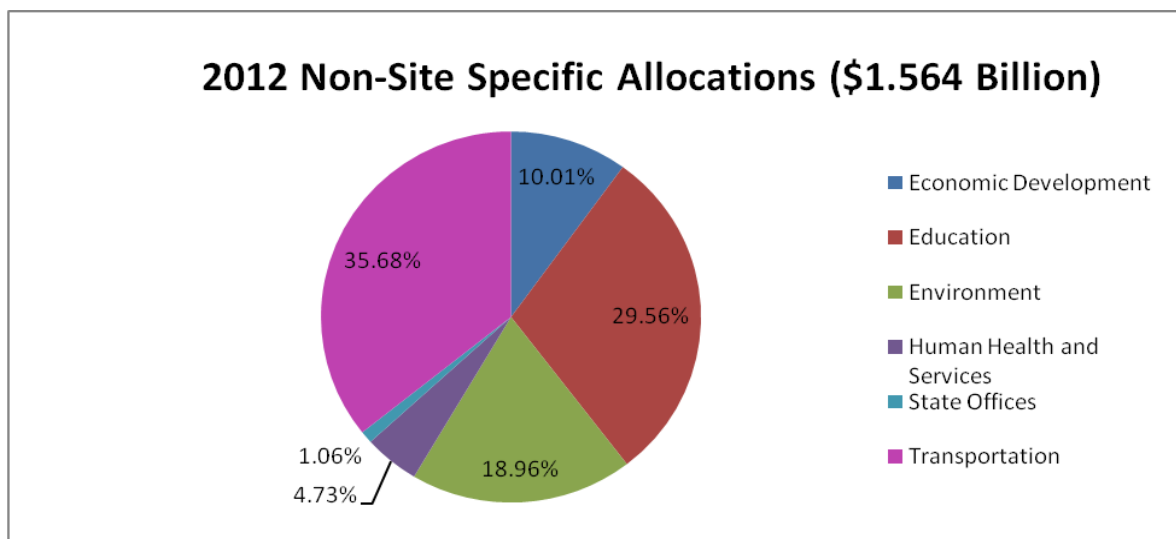


FIGURE 2

Site-Specific Bond Allocations

As noted in *Figure 1*, approximately 16 percent or \$308 million of 2012 Bond Commission allocations included site-specific information at the time the request was presented to the Bond Commission, so these projects were reviewed for conformity with both the C&D Plan text and Locational Guide Map policies.

The C&D Plan Locational Guide Map spatially interprets the Growth Management Principles contained in the C&D Plan text, with respect to each area's potential to fulfill and to balance the conservation and development priorities of the state. The Map includes four development categories (Regional Centers (RCtr), Neighborhood Conservation Areas (Ncons), Growth Areas (Growth), and Rural Community Centers (RCC) and four conservation categories Existing Preserved Open Space (EPOS), Preservation Areas (Pres), Conservation Areas (Cons), and Rural Lands (Rural).

As shown in *Figure 3*, about 78 percent or \$242.4 million of all bond allocations for site-specific projects occurred within the four development categories, while 22 percent or \$66 million of site-specific projects occurred within the four conservation categories.

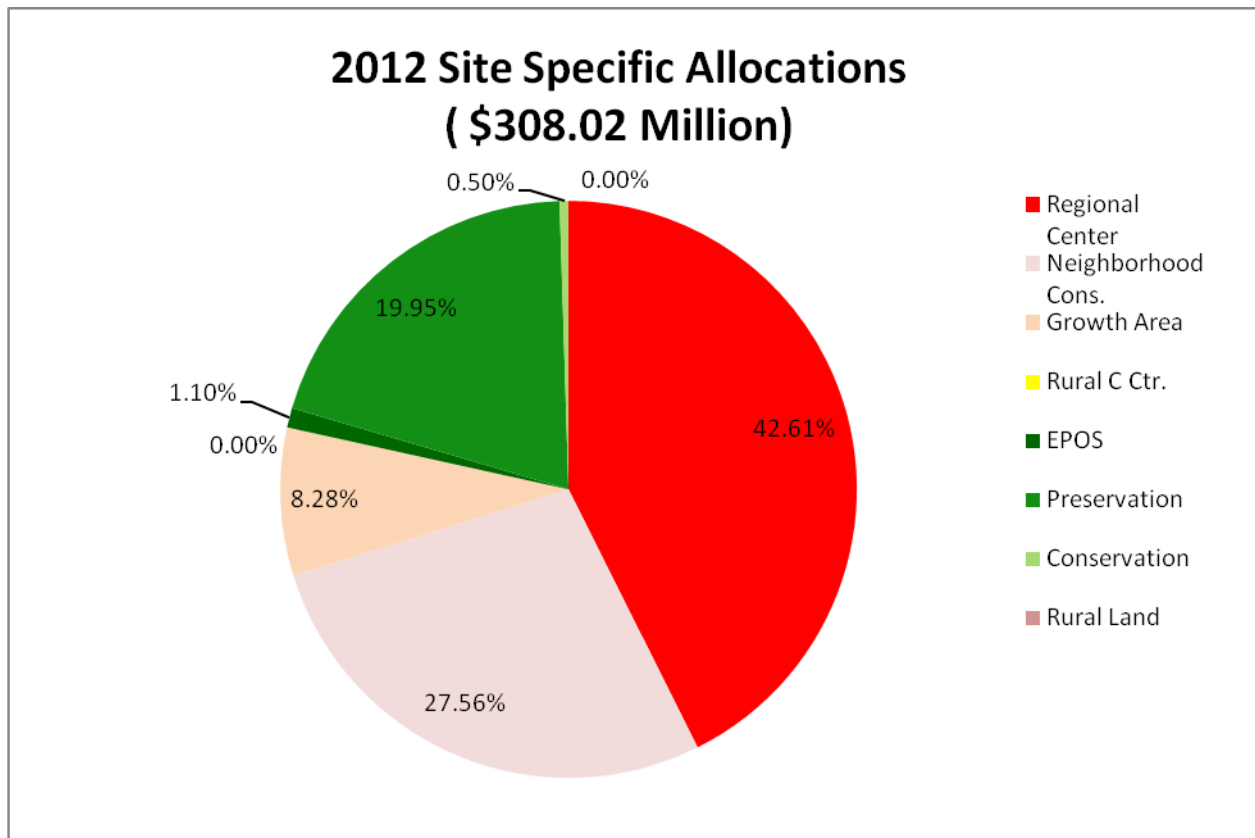


FIGURE 3

Figure 4 further illustrates site-specific bond allocations for each of the Locational Guide Map categories by dollar amount for various sectors.

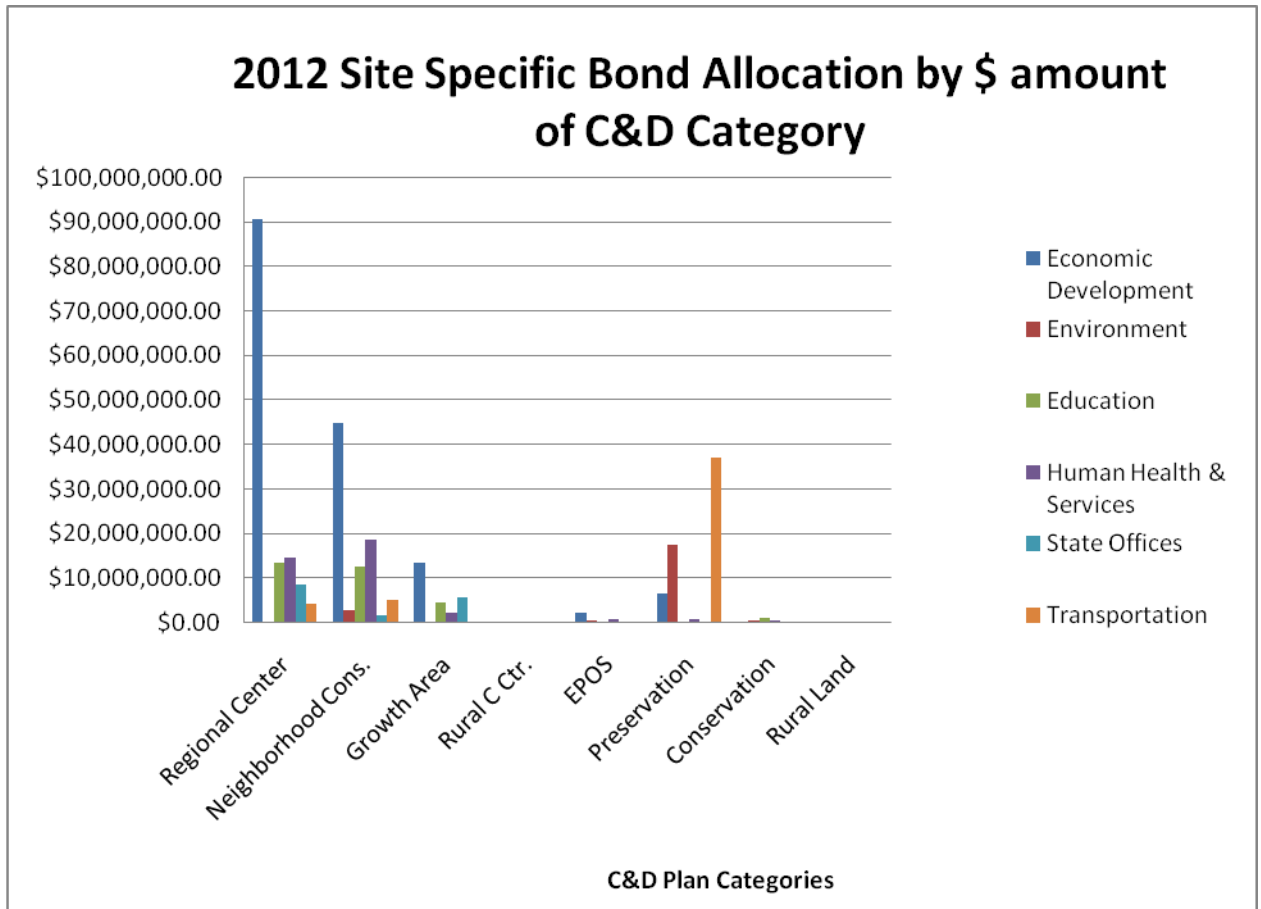


FIGURE 4

Bond Allocations by Development Category

Regional Centers (RCtr)

Regional Centers are considered the highest development priority in the C&D Plan. Approximately 42.6 percent or \$131.25 million of Bond Commission allocations for site-specific projects occurred in Regional Centers. The C&D Plan encourages revitalization of these areas by focusing capital investments in facilities and public infrastructure that help attract and leverage private investment.

Major projects in this map category included grants and loans to the First Five Program in order to fund the relocation of Alexicon Pharmaceuticals to New Haven (\$26,000,000). Other major projects included a grant to Hartford Hospital to fund a new 30,000 square foot training facility (\$10,000,000).

A complete summary of all 2012 allocations in Regional Centers grouped by major category is shown in the following table.

REGIONAL CENTERS	
Primary Activity	Allocations
Education	\$13,505,702
State Offices	\$8,415,082
Economic and Community Development	\$90,603,515
Transportation	\$4,050,000
Health and Human Services	\$14,674,724
Total	\$131,249,023

Neighborhood Conservation Areas (NCons)

Neighborhood Conservation Areas are considered the second highest development priority in the C&D Plan. This map category accounted for nearly 27.56 percent or \$84.9 million of Bond Commission allocations for site-specific projects. The C&D Plan encourages infill or intensification of development in these areas when consistent with community stability and the capacity of available urban services.

Major projects in this map category included funding for renovations in the Ella T. Grasso Technical High School in Groton (\$6,033,351), additions and renovations at the Connecticut Juvenile Training School in Middletown (\$7,205,500) and a loan in order to build a new manufacturing operation for Sustainable Building Systems LLC in North Haven (\$19,100,000).

A complete summary of all 2012 allocations in Neighborhood Conservation Areas grouped by major category is shown in the following table.

NEIGHBORHOOD CONSERVATION AREAS	
Primary Activity	Allocations
Economic & Community Development	\$44,729,000
Environmental Protection	\$2,607,938
Human Services	\$18,647,496
Transportation	\$5,000,000
Education	\$12,388,457
State Offices	\$1,520,000
Total	\$84,892,891

Growth Areas

Growth Areas are considered the third highest development priority in the C&D Plan. The plan encourages the concentration of new development that occurs outside of Regional Centers and Neighborhood Conservation Areas to be located in Growth Areas. Growth Areas typically have basic infrastructure in place, or there is the planned capacity to expand such infrastructure into these areas. As a result, Growth Areas typically are able to support urban-scale, mixed uses, and higher densities.

About 8.28 percent or \$25.5 million of the site-specific bond allocations were invested in Growth Areas. Major projects in this map category included a loan to Dollar Tree Inc. in order to prepare for the development of a new one million square foot distribution center in Windsor (\$7,500,000) as well as hot water piping and air conditioning at the Manson Youth Institute in Cheshire (\$5,241,400).

GROWTH AREAS	
Primary Activity	Allocations
Economic and Community Development	\$13,500,000
Education	\$4,373,253
State Offices	\$5,603,382
Health and Human Services	\$2,023,480
Total	\$25,500,115

Rural Community Centers (RCC)

In the state's rural towns, the C&D Plan encourages the clustering of more intensive land uses and public services and facilities within Rural Community Centers. There were no site-specific bond commission allocations for projects in this map category in 2012.

Bond Allocations by Conservation Category

Existing Preserved Open Space (EPOS)

It is the strategy of the C&D Plan to preserve these lands in perpetuity as public or quasi-public open space and to encourage actions that maintain or enhance their value as open space or recreational areas. The only site-specific bond commission allocation for projects in this map category in 2012 was \$2,242,000 to the Town of Glastonbury to assist with construction of a boathouse at Riverfront Park.

Preservation Areas (Pres)

Preservation Areas represent significant resource, heritage, recreation, and hazardous areas that require coordinated state, regional, local and private efforts to ensure their future protection through acquisition, easements, public education, regulation, and technical assistance to landowners. The C&D Plan policy for these areas is generally to avoid support of structural development, except as directly consistent with the preservation values.

Approximately 19.95 percent or \$61.4 million of Bond Commission allocations in 2012 were for site-specific projects located in Preservation Areas. Major projects in this map category included fix-it-first program to repair the state's bridges (\$36,000,000), purchase of development rights for preservation of agricultural lands (\$10,000,000) and farmland restoration program (\$5,000,000).

PRESERVATION AREAS	
Primary Activity	Allocations
Economic and Community Development	\$6,565,000
Transportation	\$37,020,000
Environment	\$17,305,000
Human and Health Services	\$571,650
Total	\$61,461,650

Conservation Areas (Cons)

Conservation Areas represent myriad natural or cultural resource values that do not have the same level of protection as Preservation Areas, but can help to provide for the state's future need for food, fiber and water when properly managed. Although some development can be accommodated within these areas, the goal is to ensure that any changes in use are compatible with the underlying resource values.

In 2012, almost 0.5 percent or \$1.5 million of site-specific bond allocations were allocated for projects located in Conservation Areas. The major project in this map category included funding for power plant and heating repairs to the Southbury

Training School in Southbury (\$335,000) and renovations to anatomy and physics laboratories at Middlesex Community College in Middletown (\$323,224).

Conservation Areas	
Primary Activity	Allocations
Environment	\$275,000
Human and Health Services	\$335,000
Education	\$926,224
Total	\$1,536,224

Rural Lands (Rural)

The C&D Plan strategy for Rural Lands is to avoid support for intensive forms of development and to discourage the introduction of urban types of infrastructure, in order to preserve rural character and the environmental and open space values of undeveloped lands. There were no site-specific bond commission allocations for projects in this map category in 2012.

APPENDIX A

The following are established review procedures used by OPM staff to review state agency plans and capital expenditures for conformity with the Conservation and Development Policies Plan for Connecticut (C&D Plan).

- Connecticut Municipal Development Program. CGS Section 8-189 requires that project plans be prepared giving "due consideration" to the C&D Plan and other statewide planning objectives. OPM receives project information from DECD and reviews it for conformity with the C&D Plan.
- Connecticut Environmental Policy Act (CEPA) Regulations. RCSA Section 22a-1a-3 directs sponsoring agencies to consider the C&D Plan in determining the environmental significance of their proposed actions.
- Where state actions require National Environmental Policy Act (NEPA) documentation, such documentation is used to determine the degree of conformance with the C&D Plan, and information is provided to the sponsoring agency when required.
- Prior to the allocation of any bond funds, CGS Section 16a-31(c) requires OPM to provide an advisory statement regarding the conformity of proposed actions with the C&D Plan.
- Prior to the issuance of grant awards under the Small Town Economic Assistance Program (STEAP), CGS Section 4-66g, OPM staff advises on the conformity of each municipal application with the C&D Plan.
- When requested by another state agency under CGS Sec. 16a-31(b), OPM provides an advisory statement on the extent to which a proposed action conforms to the C&D Plan.
- In accordance with CGS Section 16a-31(e) OPM reviewed the following state agencies draft plans for conformity with the C&D Plan: 1) DECD's 2012-13 Action Plan for Housing and Community Development, 2) DEEP's 2012 Draft Comprehensive Energy Strategy for Connecticut, 3) DEEP's Draft Climate Change Preparedness Plan.

Finally, various state statutes require that consideration of the C&D Plan be given to certain activities, including the development of water utility water supply plans and area wide water supply plans, the acquisition of properties under the Recreation and Natural Heritage Trust Program, and in setting the priority of Clean Water Fund grants and loans for eligible water quality projects.