Governor's Council on Climate Change (GC3)
NAME OF WORKING GROUP
MEETING MINUTES

April 1, 2020
1:00 pm – 3:00 pm
Zoom Meeting

ATTENDENCE

Working Group Member	Title	Organization	Present
Rebecca French, Co-Chair	Director of Resilience	CT Dept. of Housing	x
Andrew Mais, Co-Chair	Commissioner	CT Insurance Department	
David Lehman, Co-Chair	Commissioner	CT Dept. of Economic and Community Development	
Bryan Garcia, Co-Chair	President and CEO	CT Green Bank	X
George Bradner	Director, Property and Casualty Division	CT Insurance Department	X
George Kral	Town Planner	Town of Guilford	X
Joseph MacDougald	Executive Director	UConn Law School Center for Energy and Environmental Law	X
Claire Coleman	Undersecretary for Legal Affairs	CT Office of Policy and Management	
James O'Donnell	Executive Director	CT Institute for Resilience and Climate Adaptation	X
David Sutherland	Director of Government Relations	The Nature Conservancy	X
Curt Johnson	President	Save the Sound	
Kathy Dorgan	Principal	Dorgan Architecture & Planning	X
Wayne Cobleigh	Vice President, Client Services	GZE Geoenvironmental, Inc.	X
Dean Audet	Senior Water Resources Engineer	Fuss & O'Neill	X
Robert LaFrance		Audubon CT	X
James Albis	Senior Advisor to Commissioner Katie Dykes	DEEP	X

Associated Staff	Title	Organization	Present
Mary-beth Hart	Sr. Environmental Planner	DEEP	X
John Truscinski	Director of Resilience Planning	CT Insitute for Resilience and Climate Adaptation	X
Michael Andreana		Pullman & Comley	X

Patrick McMahon	President and CEO	CT Main Street	X
Ian Alexander		CT Dept. of Emergency Services and Public Protection	X
Kenneth Dumais		CT Dept. of Emergency Services and Public Protection	X
Donna Hamzy	Advocacy Manager	CT Conference of Municipalities	X

AGENDA & NOTES

Welcome and Announcements

Facilitated by Co-Chairs

Rebecca French began this meeting via the Zoom platform at approximately 1:02 PM and introduced the agenda for the meeting. The agenda has been posted on the same page as these minutes.

Agenda Item(s)

Tax Increment Financing

Facilitated by Michael Andreana, Pullman and Comley

- Michael Andreana introduced himself and stated that the goal of this presentation was to give an overview of how tax increment financing works in Connecticut and how it could be utilized for climate resilience infrastructure projects.
- Overview: Tax revenue from tax increment financing is generated from increases in assessed value on real properties and new developments within a given TIF (tax increment financing) district. There is no limit on the number of TIF districts that a municipality can have, and they vary in size and parcel inclusion. There are around 10-15 municipalities in CT with TIF districts.
    - Examples (demonstrating variety of size and parcels in TIF districts): New Britain has a downtown TIF district that is composed of ~100 parcels while one of the TIF districts in Windsor Locks is composed of only one large parcel.
    - Key takeaway: TIF is a way of financing development and infrastructure costs without raising tax rates or diverting existing tax funds. Instead, new tax revenues are created by developments within TIF districts and can be utilized for these purposes.
    - To see a visual representation of how funds are generated via the TIF method, see the graph in the TIF presentation portion of the posted meeting slides.
- Michael showed a slide that presented a list of costs that could be financed using TIF revenues. For full list, see attached meeting slides. A few examples included: public infrastructure improvements, remediation costs, and technical and marketing assistance.
- Revenues from TIF are usually split, with a certain percentage going into a town 'General Fund' and a percentage being funneled back into projects within the TIF district. These percentages are usually determined at the town's or municipality's discretion.
- He went over a slide that describes the general process (4 key steps) that a municipality would have to go through in order to get a TIF district approved (this slide can be viewed in the attached meeting slides). Process for approval usually takes 3-6 months.
- **Key Takeaway**: TIF revenues could be used for climate resilience projects, however, it will be more effective in areas that generate significant TIF revenues. This means that TIF districts are best applied for in regions that anticipate significant vertical development and increases in assessed value.
- **Question 1**: A participant asked whether there would be situations where a TIF was created but assessed value fell and TIF revenue wasn't generated (for a multitude of possible reasons).
    - Answer: Michael Andreana responded that yes, there could be multiple situations

where that could happen. However, assessors usually follow the same rules in determining property values so it's unlikely that the value would change suddenly and dramatically for no reason. The projects that are anticipated for TIF districts should also be economically significant in order to generate considerable TIF revenues.

- **Question 2:** Rebecca French asked whether existing climate resilience projects could contribute assessment value to certain areas and TIF districts could be formed around them?
    - Answer: Michael Andreana responded that projects might have to be funded up front with the expectation that TIF revenues would increase post-project completion and refund the costs of the project.
    - Patrick McMahon added that TIF revenues can be used in conjunction with other funding streams, such as state, private and federal grants. It would be likely that major resilience projects would still need exterior funding sources in addition to TIF revenues.
- **Question 3:** A participant asked if the TIF method might cause problems with land use along the coast or in other areas because it provides an incentive for towns to build in areas that shouldn't necessarily be developed on?
    - Michael Andreana responded that yes, there is potential for that, however TIF districts still have to adhere to local and regional zoning requirements so they still come under the normal controls for development and land use.

Federal Grant Programs for Climate Resilience

Facilitated by John Truscinski, UConn CIRCA

- John Truscinski introduced himself and stated that the he would be giving a general overview of the access that communities have to different streams of federal funding. He mentioned that current events revolving around the impacts of COVID-19 may impact the future of federal funding and change some of the information about to be presented.
- He presented a slide on different types of projects and their respective funding scales. This slide can be viewed in the corresponding section of the attached meeting slides.
- The slides following this presented existing Connecticut examples of high-priority mitigation actions and their respective estimated costs, as well as potential funding sources for those projects (see slides). John pointed out that this helps provide perspective on the realistic costs and scales of real-time projects.
- The following slide he presented showed federal funding programs for resilience projects and what each funding agency paid out in grants during the 2019 fiscal year.
- He presented specific example of major funding sources (specifics can be viewed in meeting slides), including:
    - The NFWF Natural Coastal Resilience Fund (which has $31 million in grants to give in 2020)
    - The NFWF Long Island Sound Futures Fund (which has an expected $3 million to give out in 2020)
    - The U.S. Department of Transportation BUILD Grants (which has ~ $1 billion to give out annually).
    - The U.S. Army Corps of Engineers Flood Resilience and Risk Reduction grants (annual funding varies based on project-specific approvals)
    - HUD Community Development Block Grant Funds (funding amount vary)
        - Rebecca French added that these grants can be used for many projects, and

recently announced ways that funds can be utilized to respond to the community challenges posed by COVID-19.

- John discussed some of the challenges for Connecticut in acquiring and utilizing federal funding, including:
    - An uneven capacity among towns to coordinate the planning and resources required to carry out larger-scale resilience projects.
    - Lack of intra-state coordination and large-scale projects that work towards more comprehensive resilience goals (more federal money is being directed towards these comprehensive project types).
    - Other states may require more federal funding because they have problems that are larger-scale and less easily managed than problems faced by Connecticut.
- To close, John briefly discussed the new direction and focus of FEMA on funding programs and projects that preserve 'Community Lifelines' (more detail in slides on this).
- **Comment 1:** One attending member commented that they had the opportunity to ask NOAA about their NFWF Resilience Fund and lowering the financial "match" from communities, which they plan to do. This will allow more communities to implement projects because they won't be as strained to produce matching local funds in order to keep their federal grants.

FEMA Pre-Disaster Mitigation Grant Program

Facilitated by Ian Alexander and Kenneth Dumais, Connecticut Department of Emergency Services and Public Protection

- Ian Alexander and Kenneth Dumais introduced themselves and provided an introduction to their positions and programs that they oversee within FEMA. They stated that their presentation would provide an overview of the programs, program-eligible activities, cost share and a benefit-cost analysis overview.
- Ken went over a slide on FEMA hazard mitigation programs and how they work. The three federal programs discussed were: Hazard Mitigation Grant Program, Pre-Disaster Mitigation, and Flood Mitigation Assistance. For a more comprehensive overview of each, see the meeting slides.
    - Alexander mentioned that to apply for any of these programs, the state must have a mitigation plan.
- Alexander went over some Pre-Disaster Mitigation (PDM) eligible projects, including:
    - Mitigation Projects (acquisition, building retrofitting, etc.) - a more comprehensive table was shown on this which can be viewed in the uploaded meeting slides.
    - Hazard Mitigation Planning (local, regional, state hazard mitigation plans)
    - Management Cost (staff salary, applications, review, etc.) - this is usually calculated as 5% of the total project cost for any type of project
- Alexander went over the BRIC (Building Resilient Infrastructure in Communities) program, the funding for which is not federally appropriated, but is a 6% monetary share set aside from the national Disaster Relief Fund that is intended specifically for mitigation. This sets it apart because funding is rarely impacted by congressional appropriation delays and allows payouts to be more streamlined. More details about this program are shown on the corresponding slide.
    - The following slide contained a graph that showed the average funding payout on a yearly basis (see in meeting slides).
- Rebecca French presented an example project that combined both green and grey infrastructure in an underground resiliency park to maximize benefits and address multiple

risks simultaneously. This example was also utilized to point out that federal programs may cap funding for projects at a set maximum. This poses the need for communities to be prepared to procure the non-federal share, which can be expensive depending on the project.

- Ken and Alexander went over a cost share guide for FEMA, which demonstrates how non-federal matches can be broken down. Some of the contributions that can be counted towards the non-federal share include:
    - Cash paid by the applicant, state/local government or donors
    - Donated resources (is a little more difficult because applicant must demonstrate what those resources would have cost and prove that they were, in fact, donated for no charge)
    - Government loans
- They briefly described Benefit-Cost Analysis (BCA), which is a tool utilized in most projects to demonstrate the cost-effectiveness (projects are considered cost-effective if that have a ratio over 1.0). Alexander pointed out that this is often cited as a more difficult component of the project process, as it can be very time consuming. Graphics showing benefits/costs can be seen on the meeting slides.

Discussion and Next Steps

Facilitated by Rebecca French, Connecticut Department of Housing

- James Albis stated that due to time constraints, questions on the last presentation by Alex and Ken should be emailed or asked at a later time.
- He thanked everyone for attending and thanked the presenters for wonderful work.
- Meeting was adjourned at approximately 3:04 PM.

Public comments

- **No public comments**

NOTE: *Slides are available on GC3 web page: www.ct.gov/deep/gc3*