

STATE OF CONNECTICUT

Community Investment Fund 2030 Board

September 26, 2023, 10 a.m.

Legislative Office Building (LOB), Hearing Room 1C/Hybrid with Zoom

300 Capitol Avenue, Hartford, CT 06106

Recording can be viewed at <https://ct-n.com/ctnplayer.asp?odID=22154>

MINUTES:

1. Welcome and Roll Call

A meeting of the Community Investment Fund 2030 Board was held at the Legislative Office Building, Hartford, CT, on September 26, 2023, at 10 AM and via Zoom. Chair and Speaker of the House Matthew Ritter called the meeting to order at **10:07 AM**.

Members in Attendance at LOB:

Speaker Ritter

Senate President Looney

Senator Duff

Representative Rojas

Senate Minority Leader Kelly

House Minority Leader Candelora

Senator Moore

Representative Napoli

Secretary Beckham

Commissioner Mosquera-Bruno

Commissioner Daum

Eileen Meskill, Attorney General Designee

Kevin Alvarez, OTT designee

Secretary Thomas

Senator McCrory

Representative Felipe

Jonathan Dach, Chief of Staff, Office of the Governor

Members Online:

Commissioner Reeves

Tara Downes, Deputy Comptroller

Eleanor Michael, Deputy Commissioner DAS, Designee of Commissioner Gilman

Others in Attendance:

Matthew Pugliese, Director, Community Investment Fund

Robert Hotaling, Deputy Commissioner, DECD

Melinda Wilson, Assistant Director, Community Investment Fund

Yukshan Li, DECD

Carlos Badiola, DECD

Members of the general public

Others in Attendance Online:
Panagiota Capaldi, DECD
Jess Reed, DECD

2. Comments from the Chairs

Senator Looney expressed that this was once again a competitive process. Almost \$700M of funding was requested in this round, of which \$101M was being recommended for funding today. He congratulated those recommended for funding, and reminded those pending that there are opportunities to perfect an application for future rounds. Speaker Ritter had no additional comments.

3. Approval of Minutes from June 12, 2023 Meeting

On a motion by Senator Duff, seconded by Senator Looney, the CIF Board unanimously approved the minutes of the June 12, 2023, meeting, as presented, with no discussion.

4. New Business

4a. Approval of CIF Change Request Policy

Commissioner Daum noted that Eleanor Michael was attending online and Matt Brachman was also in attendance.

Commissioner Daum explained that there have been 13 requests for changes, and it is problematic for both the DECD staff and the Board, as projects are needing to be reviewed multiple times which is time consuming for everyone. The proposed change is to minimize staff time, minimize Board time, and incentivize applicants to apply for real projects that they are ready to build. The change request was reviewed for projects that have not yet received a contract, noting that any requests that are greater than 20% are considered substantial changes and will go to the Board for review.

Representative Felipe asked for clarification regarding "Commissioner's discretion". Commissioner Daum clarified that it will be at the DECD Commissioner's discretion to assess proposed changes and decide whether or not they will be approved or if the change is too significant to move forward. Representative Felipe followed up asking if applicants can reapply if their award is deallocated after a proposed change, and Commissioner Daum confirmed that applicants can reapply.

Senator Moore asked what would be different in the process if the request was from an organization whose project was already in progress, and Commissioner Daum said this would be addressed in the next slide.

Senator Duff asked how many awardees fall into each category, and CIF Director Matt Pugliese answered that 7 projects fall under the Commissioner Discretion category (<20%), 2 are technical changes on today's agenda for the Board, 3 have unfunded budget gaps that have emerged, and 1 is trying to completely change the project and is becoming ineligible. Commissioner Daum summarized that 4 of the 13 would be deallocated based on this policy. Senator Duff followed up

asking if there was a mechanism to report this data in the future, and Commissioner Daum confirmed that the data can be reported in real time or at the Board meetings.

Speaker Ritter asked what will happen to funds that are returned if projects are deallocated, and Commissioner Daum confirmed that statutorily the funds can be rolled over.

Commissioner Reeves asked if the size of the organization is being considered when changes are submitted, and Commissioner Daum noted that the 20% line provides a substantial amount of wiggle room while not allowing projects to change too much from their original form.

Mr. Dach gave credit to the DECD staff for working extremely hard and overtime with the project applicants, both during the application stage and once funding is awarded. He noted that the DECD staff works hard to make the projects a reality, and he believes that smaller organizations should be treated the same as larger organizations regarding proposed changes.

Speaker Ritter noted that this is not unlike the State Bond Commission process, which would require Bond Commission approval for a significant change.

Senator Looney asked if there are other areas where there are specific dollar and/or percentage thresholds that could cause a project to be rejected or postponed, and Commissioner Daum answered that while the DECD staff notes when area are higher than typical there are no bright-lines.

Commissioner Daum continued the presentation, discussing the process after a grant contract has been executed.

Secretary of State Thomas asked for clarification asked what the mechanism would be to bring the proposed changes to the Board, and Commissioner Daum clarified that requests will not involve more funding and she hopes that changes can be discouraged and that additional meetings will not need to be scheduled to manage change requests.

Speaker Ritter commented that it is important for the Board to be briefed on these changes, noting that applicants received endorsements for their projects and the legislators who supported the projects might not be aware of the changes being discussed. Commissioner Daum proposed, per Senator Duff's question, that any change requests be brought to the Board in writing at a mutually agreed upon time.

Speaker Ritter stated the proposed amendment: "When the Commissioner determines that an eligible project has undergone a substantial change, the Commissioner will notify the full Board in writing within seven days of said decision."

On a motion by Secretary Thomas, and seconded by Representative Felipe, the CIF Board unanimously adopted the amendment.

Speaker Ritter moved on to the Change Request Policy as Amended. On a motion by Commissioner Mosquera-Bruno, and seconded by Representative Felipe, the CIF Board unanimously adopted the policy as amended.

4b. Approval of CIF Round 1 Technical Changes

Representative Rojas excused himself to avoid a potential conflict.

Mr. Pugliese discussed two change requests:

- 1) City of New Haven: 596-598 George St.- Technical Change Request
- 2) International Hartford: 681 Wethersfield Avenue- Technical Change Request with a new location and Reduction of Funds from \$1,137,564 to \$999,950.

Speaker Ritter asked for the new location for International Hartford, and Mr. Pugliese answered that it is in the same neighborhood and confirmed site control- they will be leasing the site from Trinity College, who owns the site.

On a motion by Senator Duff, and seconded by Secretary of State Thomas, the CIF Board unanimously approved the technical changes.

Representative Rojas returned.

4c. Round 3 Application Overview

Mr. Pugliese reported that in Round 3 CIF had 177 applications, down a bit from round 2. There were 15 ineligible applications and 162 eligible applications, requesting just over \$620M. Mr. Pugliese noted that 9 of the 16 municipalities that hadn't applied as of June 2023 applied for Round 3, confirming that CIF staff outreach efforts are making a difference and CIF will continue to focus on the remaining municipalities. 12 of the 15 ineligible applications were requesting less money than CIF policy.

Senator Looney asked if the ineligible applications were mostly from Non-Profit Organizations or Municipalities, and Mr. Pugliese confirmed that all of the ineligible applications were from NPOs.

Commissioner Reeves recused herself due a potential conflict with one of the applications.

4d. CIF Round 3 Applications for Funding

Attached: Schedule A

Speaker Ritter summarized that there are a total of 21 applicants and a total of \$101,347,638 being recommended for funding. He commended the Town of Windsor for their community approach to the application process.

Representative Candelora asked if there are recommendations that the DECD staff can make to avoid less impactful applications, and Commissioner Daum confirmed that Community Investment can be emphasized in future Executive Summaries. She also encouraged everyone to attend a CIF Informational Webinar, where CIF staff always leads the conversation with the idea of transformational projects.

Senator McCrory commented that a smaller project can transform a community, and that the Board needs to be aware of smaller projects that can transform neighborhoods.

Representative Rojas thanked the Commissioner and DECD for their support on the Veterans Terrace project, which he believes is an excellent example of a transformative neighborhood project.

Representative Felipe thanked the DECD staff and commended the Board for the progress that has been made from Round 1 to Round 3. He discussed how impactful the Bridgeport demolition project is, and how projects like this are how neighborhoods begin to get rebuilt, and he thanked everyone for their support.

On a motion by Senator Looney, seconded by Representative Rojas, the CIF Board unanimously adopted the funding for the 21 projects as presented in Schedule A.

5. Reminder of Round 4 & Round 5 Timelines

Mr. Pugliese said that, as approved in June, the NOFA will be issued on October 15 with applications due on December 15. Executive Summaries will move to the Board on February 9, in advance of the March 12 Board Meeting.

Senator Looney asked how Non-Profit Organizations become aware of the process, and Mr. Pugliese explained that the NOFA is distributed to the Chief Municipal Officers, Representatives, and Senators of eligible municipalities, as well sharing it with the CIF email list and various Community Partners such as the United Way and Community Foundation networks. CIF is also doing a webinar with the CT Association of NonProfits in October.

Speaker Ritter asked for confirmation about the Bond Commission, and Mr. Pugliese confirmed that it is 60 days from today.

Mr. Pugliese summarized Round 5, which will open on April 29 and close on June 21. The Board will receive materials on August 5, in advance of the September 10 Board meeting.

Speaker Ritter requested an updated amount of available funding for the next meeting, and Commissioner Daum said everyone will be notified per the policy.

6. For the Good of the Order

Mr. Dach requested that everyone please focus on projects that are shovel ready and can get underway as soon as they receive funding.

7. Adjournment

On a motion to adjourn by Senator Duff, seconded by Senator McCrory, the CIF Board Meeting unanimously adjourned at 10:47am.