

Department of Economic and Community Development (DECD)



Department of Economic and
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 - 110

Recurring operating expenses - \$36,012,891

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.

Economic and community vitality is a cornerstone of DECD's work and through the grant programs and services administered by DECD's Office of the Arts (COA), the creative sector throughout the state is strengthened. DECD values the arts as a core feature of vibrant communities and views the arts as essential in attracting and retaining talent by offering a diverse palette of quality of life experiences. As a result, DECD invests in Connecticut artists and arts organization and encourages public participation in the arts and in creative endeavors.

DECD 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.

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 assist agencies with avoiding or minimizing the effects of their actions on historic resources. DECD currently administers seven grant programs for historic preservation, two state tax credit programs for the rehabilitation of historic structures, the federal historic rehabilitation tax credit program, as well as manage the Connecticut Freedom Trail and Washington-Rochambeau Trail programs. In addition, DECD owns and operates four state-owned museums: Henry Whitfield State Museum, Old New-Gate Prison and Copper Mine, Prudence Crandall Museum and the Eric Sloane Museum.

Improvements/ Achievements 2016-2017

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 2016-17.

- Since the inception of the Small Business Express Program, DECD has funded 1,807 companies totaling \$292,277,656. The total number of jobs to be created and retained is 27,116. 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.
- The Office of Film Television and Digital Media approved and processed 30 tax credit applications for 25 production companies representing cumulative qualified Connecticut expenditures of \$292.6 million. (\$78.3 million of tax credits were issued to 29 production companies spending \$262.4 million. \$6.5 million of tax credits were issued to one digital animation production company spending \$30.2 million.)
- DECD's Economic Development Programs unit support new department strategic initiatives, partnerships and federal grants. It helps to create jobs by funding innovation, technical assistance/training, regional partnerships 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 Manufacturing Innovation Fund was created to support the growth, innovation and progress of Connecticut's advanced manufacturing sector. The MIF is capitalized with \$60 million in funding offering manufacturing focused programs and initiatives in the areas of Workforce and Training; Supplier Networks; Research and Innovation; Infrastructure/Site Development; Trade and International Development; Operational Improvement, and Capital Access. Grants for machinery, building upgrades and cost-saving energy-efficiency improvements have been provided to

numerous companies. MIF programs have also helped train and update the skills of workers and launch careers of apprentices and pre-apprentices.

- The National Network for Manufacturing Innovation (NNMI) provides a manufacturing and research infrastructure where industry and academia collaborate to solve industry-relevant problems. They are public/private partnerships with federal, state and private partners funding projects, mostly for small to mid-size manufactures. CT is a member of three institutes: Flexible Hybrid Electronics, Smart Manufacturing and Advanced Robotics Manufacturing with a potential pool of \$220 million in grant federal grant funds.
 - The Minority Business Initiative - a \$25 million five-year initiative to provide minority businesses with the capital and technical assistance in support of the program's initiative.
 - The New England Defense Cluster - a six state consortium of state and industry leaders working to sustain and grow a strong, competitive New England defense cluster.
- For the fourth time DECD's International team won federal grant funds from the U.S. SBA's State Trade Expansion Program (STEP). The grant award of \$244,000 supported the value of small business exports, and increased market access for those small businesses who were new-to-export.
 - The 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 \$1,319,000) and the Paris Air Show in Paris (anticipated sales of \$23,805,000).
 - Connecticut also participated in the SelectUSA Summit in Washington D.C. and had over 73 pre-arranged B2B meetings with foreign-owned companies interested in doing business in the U.S. This year DECD partnered with CERC, MetroHartford Alliance, and REX Development (New Haven) for this event.
 - Since FY 2011-12, the Office of Brownfield Remediation and Development (OBRD) has helped invest \$180 million in more than 170 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 \$11.41.
 - FY 2016-17 also included two large rounds of funding made available through a competitive process. \$14.8 million of brownfield grants were awarded to 28 projects. Several of the remediation grants awarded will help to increase the amount of new mixed income housing opportunities that are being developed in the state. The smaller environmental assessment grants work well as seed money in the crucial initial first steps in identifying the hindrances of development.

- Funds for the remediation of state owned brownfield sites under PA 11-1 were mobilized during FY 2016-17 to include; a New Haven based incubator technology site and the Preston Riverwalk Remediation Project.
- Identifying all brownfields in Connecticut remains a priority. The online database tool is available to the public and is updated with each funding round that is announced. Although a firm number is hard to determine, OBRD estimates Connecticut has at least 1,000 brownfields.
- OBRD has processed 27 successful Brownfield Liability Relief applications since the inception of Conn. Gen. Statutes Sec. 32-769.
- The Office of Capital Projects (OCP) manages a wide variety of economic and community development projects, most notably those funded by the Small Town Economic Assistance Program and Urban Act Grant Program. DECD supported 43 projects for a total state investment of over \$29 million, which leveraged an additional \$19 million. These projects help in building strong town centers, revitalizing downtowns, and promoting economic development by supporting the arts, tourism and other community growth based projects.
- OCP manages large-scale infrastructure projects focusing on Transit Oriented Development and mixed-use projects as well as large-scale rehabilitation projects including theaters, community centers, and museums. This office also manages the agency's environmental regulatory obligations, such as the Connecticut Environmental Policy Act compliance and the State Plan of Conservation and Development compliance.
- FY 2016-17 was a positive year for Tourism in Connecticut. The Office of Tourism released the results of the latest Tourism Economic Impact Study administered by *Tourism Economics, an Oxford Economics Company*. The study showed traveler spending in Connecticut at \$14.7 billion, supporting 82,688 direct jobs and a total of 121,527 jobs in Connecticut and generating a total of \$1.7 billion in tax revenue, including \$910 million in state/local and \$778 million in federal tax revenue generated by visitor activity.
- Connecticut Office of Tourism (COT) continued with the award-winning *Connecticut still revolutionary* campaign promoting travel to Connecticut. The Connecticut *still revolutionary* advertising, social media and public relations efforts are now a year round endeavor to provide continuity in the marketplace. Given the greatly reduced budget for paid media, there was a focus on digital tactics and Out of Home placements in our key markets NY and Boston. We continued building awareness with public relations and social media tactics. 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 also continue to be supported.

- Approximately 2,000 Tourism industry partners were featured and/or supported through advertising and public relations efforts, representing 170 towns.
- Co-op marketing opportunities returned and were offered to our tourism partners to coincide with COT's spring/summer campaign
- COT's all new Tourism website www.CTvisit.com, offering more than 4,000 reasons to visit Connecticut, where travelers can find information about 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. Visits to CTvisit.com increased 38.59% from FY 2015-16 to FY 2016-17.
- 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 April introduced the Office of Tourism's 2017 marketing opportunities and CTvisit.com and Regional partner opportunities, to more than 300 industry partners throughout the state.
- DECD's statewide Connecticut Convention & Sports Bureau partnership contracted 239 future meetings, conventions and sports events, which is an increase of 14% over last year, and are expected to generate more than \$69.6 million in local spending, representing a 13% increase over the prior fiscal year, and \$4.3 million in tax revenue for the state. In addition, there were 508 leads issued accounting for 296,975 room nights.
- Connecticut Open House Day was a great success. This year's event was the 13th annual event and was designed to showcase Connecticut's exceptional cultural and tourism assets. It was a great opportunity for residents to become tourists in their own "backyard" and learn about all the great places to take visiting friends and family. Over 230 attractions, museums, historical sites, theaters and other venues in every corner of the state participated in this year's event.
- COT announced the launch of a new Regional Marketing Program designed to expand its partnerships with organizations from every region of the state committed to promoting tourism. The program's mission is to work even more closely with regional organizations to help tourism-related businesses capitalize on the State's existing broad array of marketing initiatives.

- DECD's State Historic Preservation Office (SHPO) reviewed or provided guidance on nearly 3,000 projects throughout the state to avoid or reduce development impacts on our state's most important historic resources.
- The State Historic Rehabilitation Tax Credit accepted 38 new projects into the program and reserved \$31.7 million in tax credits for 18 projects. The total project costs for the 18 projects is over \$149 million, which leverages the state's investment by an over 4:1 ratio. We are proud to be a part of revitalization efforts across the state.
- SHPO reserved over \$1.3 million in tax credits for 84 projects through the Historic Homes Rehabilitation Tax Credit program, generating over \$4.5 million in local rehabilitation expenditures. This direct assistance to our constituents enhances stewardship of historic properties and pride in home ownership.
- As a testament to SHPO's strong belief in partnerships, last year SHPO awarded \$581,297 in Partners in Preservation grants, \$390,000.00 for Basic Operational Support, and an additional \$35,000 to statewide organizations to conduct lectures and workshops.
- Historic Preservation is important to Connecticut's communities. In support of local initiatives, SHPO awarded \$105,500 to 5 communities for survey and planning projects, \$80,000 to municipalities in the Certified Local Government program, and \$745,614 for project specific restoration, rehabilitation, and stabilization projects.
- To recognize the important places in our state's history, SHPO assisted with the listing of 10 properties to the National Register of Historic Places and 9 properties on the State Register of Historic Places.
- Old New-Gate Prison opened its doors to the public for a one day event after being closed for six years. Over 3,000 people were in attendance.
- The Connecticut Office of the Arts (COA) completed its 5 year strategic plan that will guide our programs and services from 2017-2021. COA conducted the plan using a human-centered design approach with our constituents and through the plan COA developed a new framework that focuses on Relevance, Equity, Access, Diversity, and Inclusion known as READI.
- COA participated in the Americans for the Arts (AFTA), Arts & Economic Prosperity Study (AEP5) and through this study, COA captured 2015 data for Connecticut arts and culture nonprofits. The results were released in June with Connecticut showing an increase in arts and culture economic activity from the prior study in 2010. Connecticut generated \$797,249,391 in economic activity in 2015, arts and culture nonprofits employed 23,114 full-time equivalent jobs, and generated \$42,528,000 in state government revenue.
- In March, COA convened its second annual Arts Day at the State Capitol with over 400 in attendance who took part in workshops and networking. The event included an

awards ceremony that acknowledged nine outstanding Arts Heroes from across the state.