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STATE OF CONNECTICUT
SUBSTITUTE HOUSE BILL NO. 7090
PUBLIC ACT NO. 07-239

DATE: JANUARY 17, 2008
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Reporter: JACQUELINE V. McCAULEY, RPR, CSR
BRANDON SMITH REPORTING SERVICE
44 Capitol Avenue
Hartford, Connecticut 06106
(860) 549-1850

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APPEARANCES:

HON. JOAN McDONALD, COMMISSIONER
CT DEPARTMENT OF ECONOMIC AND COMMUNITY
DEVELOPMENT

DR. STANLEY McMILLEN, ECONOMIST
CT DEPARTMENT OF ECONOMIC AND COMMUNITY
DEVELOPMENT

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MS. McDONALD: Good evening,

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2 everybody. My name is Joan McDonald. I'm the
3 Commissioner of the Department of Economic & Community
4 Development. I'm joined by Stan McMillen who is
5 DECD's chief economist. We're pleased to have you all
6 here this evening. Tonight is the eighth in a series
7 of 10 public forums we have had around the state of
8 Connecticut gathering public input into the
9 development of our strategic economic development
10 plan, and tonight is about you so you're not going to
11 hear very much from me.

12 Stan is going to give about a
13 5-minute overview of our process, and what the rules
14 are for tonight. I let him be the bad guy regarding
15 what the rules are, and then we go right into an
16 overview of the regional economy from the Regional
17 Planning Organization. That will take about 5
18 minutes, and then first we will hear from the elected
19 officials, and then we will open it up to the public.
20 We are limiting people's comments to 3 minutes. We
21 have a little latitude in that, but that does keep us
22 focused, and gives everybody an opportunity to speak.
23 So with that I will turn it over to Stan, and we
24 really look forward to hearing from you.

25 MR. McMILLEN: Thank you,

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1 Commissioner, and thank you, everybody, for coming
2 tonight. We will try to adhere to the 3-minute limit,
3 because there's a lot of speakers, and there's some

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4 bad weather on the way so we want to pay attention to
5 our time.

6 The agenda for tonight, we've done
7 the introductions, is to review section 4 of PA
8 07-239, discuss what we're doing, and the ground rules
9 for the public comment process, and then we will have
10 two presentations this evening of comprehensive
11 economic development strategies from the Capitol
12 Region Council of Governments and from the Central
13 Connecticut Regional Planning Authority.

14 Public Act 07-239 basically
15 established that we, the Department of Economic and
16 Community Development, create a strategic economic
17 plan for the state by July 1, 2009. That plan would
18 be developed by us, and it needs to incorporate
19 concrete goals and objectives and measurable
20 objectives along the way so that we can assess where
21 we are with respect to the plan.

22 As part of that, we are supposed to
23 conduct public outreach, and the ten public forums we
24 have scheduled are a part of that. We will work with
25 contractors who will work in the form of focus groups

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1 and general public surveys. I don't want to spend too
2 much time. There's actually a handout up there that
3 details what the statute is.

4 The purpose of the forums is to

5 engage in open dialogue. We need to collect input
6 from you about the future of Connecticut, and the
7 strategic plan is looking 5, 10, 15 and 20 years into
8 the future, and so we need to think big. We need to
9 think outside the box. We need to be creative in our
10 vision for a different, a better Connecticut, and I
11 invite you to think if you were king or queen for a
12 day, how would you paint a picture of Connecticut 5,
13 10, 15 years in the future. Imagine what it might
14 mean to the issues we confront today every day if
15 Connecticut was known as the best, the state that had
16 the best transportation system or best education
17 system or the most affordable housing, as three
18 examples that we have heard around the state.

19 So we want to identify strategies,
20 and if you can help to articulate those strategies to
21 move the state ahead. The topics, topic areas are --
22 I think these are almost self-evident --
23 competitiveness, the cost of doing business in the
24 state which includes the regulatory environment,
25 energy costs, tax structure, among others, housing,

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1 transportation, workforce and responsible growth and
2 development.

3 So I would like to invite you to try
4 to shoehorn your comments into one of these topic
5 areas. I think of this as a conceptual framework for
6 developing a strategic plan. The first circle is we

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7 need to assess where we are now. That means
8 collecting a lot of data, doing a lot of analysis,
9 understanding where we are, why we're here and how we
10 got here. The next step is to build a vision of the
11 future, and that's the process that we're engaged in
12 now, and the public outreach process that will
13 continue.

14 Once we have a vision that's
15 articulated as clearly as possible, we need to create
16 a roadmap from where we are to where we want to be,
17 and that roadmap has to include goals and milestones
18 and matrix that measure how we're doing along the way,
19 because I can imagine the Governor calling up along
20 the process and say how are we doing with respect to
21 you said you were going to be here or in fact we hear
22 how far are we from being there. So we need to be
23 able to measure our progress with respect to where we
24 want to be.

25 So with that I would like to call

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1 Lyle Wray, who is the president or the CEO of the
2 Capitol Region Council of Governments to talk about
3 the Capitol Region's comprehensive economic
4 development strategy.

5 MR. WRAY: Thank you very much. I
6 would also like to bring up John Shemo with me as
7 well. Thank you for the opportunity, Commissioner,

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8 and others today. My name is Lyle Wray. As was said,
9 I am the executive director of the Capitol Region
10 Council of Governments. I am delighted to be here
11 today. We have a region of 29 people, almost a
12 million people, excuse me, 29 towns, almost a million
13 people, and I want to make some observations.

14 The first thing of course is that we
15 do our economic development planning in cooperation,
16 in fact have a memorandum of agreement with
17 MetroHartford Alliance, so I am going to make some
18 general observations, and John will be able to go
19 through the details of the CEDS, and how it might
20 impact the work that we're talking about this evening.

21 The cities and towns of the Capitol
22 Region have been an interconnected region for more
23 than a century. The idea of connectivity is not new,
24 going back to street cars and before that, just rail
25 lines. So the region has been an interconnected

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1 economic reality in terms of labor force and
2 transportation for more than a century so this is not
3 new. This is a matter of strengthening and buffing up
4 what we already have. I think we need some work, but
5 we're doing very well.

6 To be competitive in a global
7 economy the regional municipalities are going to have
8 to work to combine resources to support more
9 responsible growth and develop what we think is an

10 important competitive advantage through our location
11 both in New England and connectivity to New York as well
12 as the interconnection amongst the region. The
13 quality of life that our citizens enjoy here is
14 obviously one of those major issues. So one of the
15 issues, and I think this would be most relevant to the
16 discussion of going forward on the strategic plan, is
17 an important realization of the last 20 years of the
18 need to integrate economic, environmental and economic
19 planning all into one element.

20 So what we have, I think, in working
21 in cooperation with the MetroHartford Alliance is an
22 attempt to integrate economic planning, physical
23 planning and transportation planning. We do 2 out of
24 3. We don't do the economic planning, but we are
25 responsible, as a metropolitan planning organization

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1 for, transportation planning, and we do basic land use
2 oversight for the region.

3 Just a couple of points on that. In
4 addition to integrative planning, this is paralleled
5 by the responsible growth group that the Commissioner
6 is working at the state. We also need similar
7 integration of economic transportation and physical
8 planning at the local levels. The second thing I
9 think is the importance of strengthening the core
10 cities. Core cities in Connecticut define the brands

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11 of our region, and we have to, I think, tend to that
12 brand, and strengthen those core cities, and the issue
13 of how do we strengthen our core cities is going to be
14 very much at the fore.

15 The Brookings Institution has spent
16 a lot of money on what's not very flatteringly titled
17 The Weaker Industrial Cities Report. We have to find
18 a little less depressing terminology. But the bottom
19 line is there's a new opportunity for formerly
20 industrial cities to get back in the game with
21 location, transportation, and transit-oriented
22 development. There is a new way for them to succeed.

23 The second aspect is restrengthening
24 and revitalizing our cities not just in terms of
25 subsidies, not in terms of handouts, but in terms of

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1 becoming a locust for transit-oriented development,
2 and for desirable related programs and businesses to
3 continue. One of the aspects that's very critical
4 that comes up in our economic development planning,
5 the reason we want to talk about linking economic and
6 social planning is the issue of brownfields and
7 revitalization. Reuse of sites becomes critical. In
8 Connecticut we have a 150-year history of industrial
9 use so brownfields becomes a paramount choice of using
10 existing versus new lands. That's an important
11 element for us. There needs to be a whole series of
12 policies to make brownfield reuse easier than

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13 greenfields which becomes a significant struggle.

14 Another aspect of this is the
15 interconnectedness related to our knowledge economy.
16 We have a major competitive advantage in this region
17 with almost four dozen higher education institutions
18 within a 45-minute drive of where we sit. In terms of
19 regional economic competitiveness, that's a
20 substantial advantage, the knowledge corridor, and the
21 work of The Hartford-Springfield Economic Partnership,
22 I think, on the I-91 corridor bespeaks the important
23 element of the knowledge industry, the knowledge
24 business to us.

25 And so just to reiterate a couple

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1 points as I conclude this, we need cooperation. We
2 are talking about cooperation with our towns, I think,
3 in terms of coordination of land use, infrastructure
4 and fiscal policy across municipal boundaries is going
5 to be very critical and must involve the state as well
6 as local officials especially with regard to the
7 opportunity of older industrial cities to become
8 attractive places for businesses.

9 We can make that happen through the
10 policies that come through the state economic
11 development strategy and not based on a handout, but
12 based on competitive advantage related to
13 transportation access and the knowledge corridor.

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14 Just a couple of bullet points on how we might do this
15 before I turn it over to John to talk about your
16 comprehensive economic development strategy.

17 One is, I think, that is a
18 significant challenge for economics is an over
19 reliance on property taxes. National expert, Andy
20 Reschovsky, who was at the Lincoln Institute in
21 Cambridge, Massachusetts, says we have a 3-legged
22 revenue stool, but Connecticut's got a short leg,
23 which is the property taxes, which is a very, very big
24 chunk of revenues, and that distorts decision making.
25 If you are on a Grand List chase, that distorts your

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1 decision making. A more even revenue system sounds
2 abstract, but relates directly to economic
3 development.

4 Second is encouraging higher density
5 development in core areas of the region, and along
6 corridors with adequate infrastructure-related
7 opportunities. Transportation-oriented development on
8 the busway from New Britain to Hartford and the
9 commuter rail line from New Haven to Springfield are
10 classics for economic revitalization as well as for
11 building a new economy there.

12 The other one is I think the issues
13 of financial support and incentives for priority
14 projects in the region. We also strongly suggest that
15 regional organizations such as ours have an overview

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16 of a common opportunity for projects of regional
17 significance. This is very common in the rest of the
18 country, but basically to pull all the pieces together
19 we must charge the regional organizations to have a
20 look at all the pieces, and how they fit with major
21 regional economic investments rather than a piecemeal
22 approach.

23 Just a couple of final points. The
24 issue of cost-effective public and municipal services,
25 I think, is crucial. The competitive advantage of

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1 having high quality, reasonable price and public and
2 municipal services through intermunicipal cooperation
3 and service sharing. There is an \$8 million program
4 of incentive funds for towns to work together to make
5 their local services more efficient, and we believe
6 that program has been very, very successful. \$8
7 million of proposals have gone in. We think that
8 should be a permanent program.

9 So one of the aspects -- I think
10 this is a point that I would make about economic
11 development. Many of the things that are crucial,
12 workforce, tax policies, these are some of the issues
13 of shared service incentives for towns to get more
14 efficient whether it's permitting, development
15 services or other aspects or more broadly how in fact
16 our municipal services get done that's very efficient

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17 is important as far as an overall economic strategic
18 planning.

19 In terms of our efforts that we are
20 here today for in terms of making our economy
21 stronger, I think we have to remember we're 110 miles
22 from the second largest economic center in the world,
23 which is one of those opportunities, and we are also
24 rebuilding part of the economic and transportation
25 infrastructure we have had for 100 years in this

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1 region from trolleys to rail, and that revitalization
2 around that reality I mentioned is going to be one of
3 the aspects, together with the knowledge corridor that
4 we have, are two major strategic advantages that are
5 almost unprecedented in the country, and I think we
6 are in very good shape there.

7 Just a final comment then on
8 workforce development. Tom Phillips, from Capitol
9 Workforce Partners, will be speaking about this in
10 more detail, but at a regional level the issue of
11 working together on talent for the innovation economy
12 can't be overstressed so that the elements of
13 infrastructure, the elements of tax policy, elements
14 of workforce all come together, we think, in a
15 comprehensive approach.

16 With those comments I would love to
17 turn it over to John Shemo for additional comments.
18 Thank you for the opportunity to speak this evening.

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19 MR. McMILLEN: Thank you.

20 MR. SHEMO: Good evening. I'm John
21 Shemo, the vice president and director of economic
22 development for the MetroHartford Alliance. The
23 MetroHartford Alliance is the region's economic
24 development leader and the City of Hartford's Chamber
25 of Commerce. We represent 34 municipalities, nearly

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1 all of Hartford and Tolland counties as well as over
2 1,000 businesses. In 2002, the Alliance created and
3 currently houses the state's insurance and financial
4 services cluster. Our mission is to compete
5 aggressively and successfully for jobs, talent and
6 capital. The Alliance brings together business,
7 government and education to develop and implement
8 strategies to foster economic growth for the region.

9 In 2006, the Alliance developed a
10 comprehensive economic development strategy which was
11 approved by the US Department of Commerce's Economic
12 Development Agency, and represents the basis for which
13 EDA grants are approved for the region. Essentially
14 the CEDS spells out 40 recommendations in six areas
15 including business climate, education and workforce
16 development, quality of life, sites and
17 infrastructure, economic development and marketing.
18 The top five priority recommendations identified by
19 the CEDS are as follows. (1) Influence public policy

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20 to change factors affecting the cost and ease of doing
21 business in Connecticut; (2) Build a stronger support
22 system for entrepreneurs and small business; (3)
23 Establish innovative programs to improve the
24 performance of public K through 12 education systems
25 to make the City of Hartford and the Metro Hartford

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1 region globally competitive; (4) Develop housing
2 policies and programs that promote affordable housing
3 throughout the region; and (5) Strengthen marketing
4 efforts to achieve a top-of-mind, nationally
5 recognizable brand that reflects a modern and positive
6 image of the region as a place to live and work.

7 I will offer four other
8 recommendations that would rank high on our region's
9 list of priorities. They are as follows. (1) Expand
10 Metro Hartford's efforts to attract and retain
11 professionals ages 22 through 39 to the region; (2)
12 Better connect the Metro Hartford region to other
13 cities by supporting efforts to create commuter rail
14 service between the Springfield-Hartford metro region,
15 New Haven and New York City; (3) Expand retail,
16 recreational and entertainment venues and other
17 revitalization activities throughout Hartford's
18 downtown and its neighborhoods; (4) Increase the
19 number of ready-to-build sites available to business
20 throughout the region.

21 Based on the CEDS recommendations
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22 and our investors' interests that were identified
23 during our recent strategic planning process, the
24 Alliance is embarking on a plan to focus on six main
25 areas acutely focused on economic development over the

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1 next four years. They underscore the priorities
2 listed above. They are more fully described in your
3 handout, but can be summed up as follows.

4 (1) Recruiting new business and
5 retaining and expanding existing business; (2)
6 Strengthening the City as the dynamic urban core of
7 the region; (3) Marketing the region to attract people
8 jobs and capital; (4) Influencing public policy; (5)
9 Retaining and attracting diverse talent; (6)
10 Strengthening the climate for entrepreneurs and
11 privately-held business.

12 Relative to the last item, I would
13 emphasize the critical importance of this region's and
14 state's capacity to support entrepreneurs to position
15 us to effectively compete for jobs, talent and capital
16 in the future. In regards to all six areas of focus,
17 we are nearing completion on detailed 4-year work
18 plans, which we will be happy to share with you.

19 Another issue that merits attention
20 is the state, as Lyle mentioned, is the state and
21 municipal property tax system. As we are well aware,
22 our over reliance in the property tax discourages

23 development and investment in those areas of the state
24 that need the greatest attention; our urban areas. In
25 spite of the political volatility of this issue, a

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1 candid assessment of the current system with
2 appropriate recommendations to improve would be
3 welcomed.

4 We ask that the state strategy not
5 only reflect these priorities, but recognize that
6 there are distinct and unique economic regions within
7 Connecticut. While certain strategies are
8 appropriately applied statewide, others are distinct
9 to regions. It is also our hope that the state,
10 through its various agencies, will officially
11 recognize the MetroHartford Alliance as this region's
12 economic development organization for both input and
13 collaboration.

14 We would encourage DECD to leverage
15 the resources of private organizations like the
16 MetroHartford Alliance where we can respond
17 effectively and efficiently to the economic
18 development needs of our state. We would finally ask
19 that DECD and its consultant engage the Alliance as
20 appropriate throughout the strategic planning process,
21 and ensure that the business community has ample
22 opportunity to weigh in. Thank you, Commissioner.

23 MS. McDONALD: I am reminded that
24 anybody that has written testimony, before you leave,

25 to leave it in the box, because even though we are

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1 transcribing it, it's helpful to have that as well.
2 We will now move onto the three elected officials who
3 are here, and State Senator Gary LeBeau will go first
4 followed by Representative Kirkley-Bay followed by
5 Mayor Perez.

6 MR. LEBEAU: First of all, I would
7 like to endorse all the comments I just heard by Lyle
8 Wray, John Shemo. Absolutely right on target. I'm
9 going to take a different tact. Commissioner
10 McDonald, I want to thank you for having this forum
11 tonight, and for having the series of forums in
12 pursuit of the objectives of the Public Act 07-239,
13 and I passed on some written testimony. I'll try to
14 skip over some paragraphs so I can get through.

15 I'm not overjoyed about our
16 children's prospects. The CERC study from two years
17 ago showed us the long term trends are not good for
18 the state. However, the last 2 years in particular we
19 have made some good, solid progress in advancing our
20 state's economy's future, which leaves me hopeful that
21 more can be achieved if we have the proper focus that
22 more can be achieved if we have the proper focus.

23 The issue for the future of
24 Connecticut is, I believe, really quite simple. Do we
25 want to maintain and improve upon the great quality of

1 life that the state has enjoyed for the 50 to 60
2 years. If the answer is yes, then I believe there's
3 one central path to the future. That path must embody
4 an economy which produces tens and tens of thousands
5 of jobs of high quality, high value-added jobs as the
6 foundation for our future. These jobs can be produced
7 through technology-based economic development.

8 Technology-based economic
9 development should be at the center of our strategic
10 plan for the future. This is the world we are moving
11 into, and if we it wasn't to profit from this world,
12 we must be in a leadership position and we can be. I
13 say this because we have been. Our legacy industries
14 have been leaders in aerospace, precision
15 manufacturing, biotech, pharmaceutical and medical
16 devices, to name a few. Today our challenge is
17 maintain our position as one of premier states in the
18 knowledge economy, to use the base that we have to to
19 produce new and better products and whole new
20 industries.

21 There will be new industries that we
22 cannot imagine today. Go back 30 years. Who could
23 envision the disappearance of the typewriter or the
24 advent of the Ipod, which I just got one for
25 Christmas, that is half the size of a chocolate bar,

1 but can play the highest quality sound with 1,000
2 recordings on it. It's amazing. When I was in high
3 school, it was science fiction to believe you could
4 talk into a phone, and you could carry it with you,
5 and today every high school student has one.

6 My father died of congestive heart
7 failure. Yesterday I was reading that scientists are
8 growing mice heart tissue that can beat, and takes the
9 form and function of the entire heart in the
10 laboratory. Imagine growing new heart tissue that can
11 replace failed heart tissue. Talk about value-added.
12 I do not know what industries the future will bring,
13 but I know that science and math will bring us there.
14 The question is whether they will be here in
15 Connecticut or California or in China.

16 In order to get our share here we
17 must invest. We must invest in education at all
18 levels. For example, UConn must continue to become
19 one of the premier research institutions, but research
20 does not add back to the wealth of the state in jobs
21 unless we have mechanisms to commercialize the
22 research. To do so, we must change the culture.

23 Our Universities must reward
24 commercialization as much as we reward publication.
25 Yale is a tremendous resource, which has helped to

1 spawn a slew of research based biotech conditions in
2 the New Haven area. We must provide mechanisms to use
3 the wealth that exists in the state to be reinvested
4 in these types of companies. Today we do far little
5 to encourage private investments in Connecticut
6 companies. 35 states encourage entrepreneurship
7 through tax credit programs. We are the wealthiest
8 state in the nation, but we do not do this. Our
9 wealthy residents invest elsewhere. We can do better,
10 much, much better.

11 In terms of research, as a state we
12 cannot research everything. To some extent we need a
13 focus. This focus should be our work with legacy
14 industries. We should build upon their strengths. A
15 good example is fuel cells. We are the fuel cell
16 capital of the world. Fuel cells will be part of our
17 energy future. We have the fuel cells center at the
18 university of connecticut yet we are not investing in
19 fuel cells themselves by purchasing them for the
20 state. As I have often said, if we want to be the
21 fuel cell capital of the world, we should power the
22 Capitol and Legislative Office Building using fuel
23 cells.

24 All of our established major
25 industries should partner with our universities and

1 our schools to find areas of collaboration. Again,
2 investment is the key. The stem cell program in
3 Connecticut is a great example of what we can do. But
4 other states are far outstripping our investments.
5 Just a few months ago the Governor of Virginia
6 announced a billion dollar investment in helping new
7 technology companies, and his state is running a
8 deficit. New York State is creating a nanotechnology
9 center near Albany at a cost of \$800 million. Ohio
10 and Michigan are separately spending hundreds of
11 millions of dollars to develop fuel cells. The point
12 is we cannot stand still as other states are not.

13 The second major point to be made is
14 state government as a whole has to see that much of
15 what it does as part of the economy. I hear many
16 complaints about the unresponsiveness of department
17 after department in relation to dealing with both
18 businesses and individuals. The bottom line is that
19 many departments and facets of state government need
20 to see part of their mission as economic development,
21 from the Department of Revenue Services to the
22 Department of Environmental Protection from DMV to DOT
23 and OWC. Economic development is too important to be
24 the sole responsibility of DECD. It is up to the
25 Chief Executive to lead the executive branch in this

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1 direction. I know you're glad to see that,

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2 Commi ssi oner.

3 MS. McDONALD: Thank you.

4 MR. LEBEAU: I hope you'll include a
5 strong emphasis on executive leadership in your
6 recommendations. There is much more I could add about
7 interrelated nature and importance of housing,
8 transportation and education to the future success of
9 the state. A comprehensive strategy has to include
10 these considerations. Also, we must build on our
11 insurance, real estate and finance industries in the
12 similar manner that I recommend building upon our more
13 technological industries. Tourism, our arts and
14 cultural institutions cannot be ignored as not only do
15 they create wealth and provide jobs, but they make
16 Connecticut a more attractive place to live and work.

17 The last point I want to make is
18 about our relationship with the world. The word
19 globalization has become an increasing part of our
20 vocabulary as it is happening all around us. The
21 markets for our goods and services are becoming
22 increasingly worldwide. But we have precious little
23 ability or programs to help our companies export their
24 goods and services. In order for our jobs to grow at
25 home, we must sell ourselves and our products abroad.

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1 We must do more in this area.

2 Likewise, as we need to develop
3 broader programs to encourage private investment in

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4 Connecticut companies. We need to seek out foreign
5 capital for direct foreign investment in Connecticut.
6 Our efforts in this area are virtually nonexistent.
7 In the global economy we need to be in this ball game.

8 I will not wait for this report to
9 be finished to pursue the strategy that I have
10 outlined, but I also know that only pieces of it are
11 attainable without the leadership of the executive
12 branch, both this year and when the report is
13 completed next January. Both now and then I look
14 forward to working with you and your department and
15 all of state government to grow an economy that will
16 be vibrant, attract young people, and will meet the
17 needs of our children and our entire population.
18 Thank you very much.

19 MS. McDONALD: Thank you, Senator
20 LeBeau. Representative Kirkley-Bay.

21 MS. KIRKLEY-BAY: Good evening. I'm
22 going to talk about this from a different point of
23 view. I want to talk about this as the state
24 representative for the poorest district in the State
25 of Connecticut, and what I think needs to be done in

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1 order to make my city a somewhat better place to live.
2 I believe the most important question or the most
3 asked question I get is affordable, decent, affordable
4 housing. I have individuals ask me that whether I'm

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5 in church, I'm in the grocery store, no matter where I
6 am I get asked that question.

7 Recently they opened up the Section
8 8 program. 48,000 people applied for 12,000 Section 8
9 certificates. The City of Hartford did the same, and
10 there were three times as many people sign-up than the
11 certificates that were available. We need to do
12 something in the area of Section 8 which is not coming
13 out of the federal government or Rental Assistance
14 Program that is provided by the State of Connecticut.

15 Another thing that I think with
16 housing that is terrible is to have mothers with
17 children living in shelters. I think the Rental
18 Assistance Program was created to eliminate that
19 problem, but it has recreated it, and I think we need
20 to open our eyes and be honest about what's going on
21 here.

22 Transportation. The cities have
23 probably the best transportation systems, and I think
24 Hartford has an excellent transportation system that
25 could use a little bit more to upgrade it. However,

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1 because we have great transportation system, we have
2 become the repository for the pool in our region.
3 While I listen to Lyle and John talk about the 29
4 towns that they represent, the majority of supportive
5 housing, criminal justice, and all of that are housed
6 in the City of Hartford, and I don't think we can stop

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7 being the fourth poorest city in America in the
8 richest state in the union if we don't do something to
9 make the 29 towns that abut our cause who are a part
10 of CROG start picking up their share of the burden. I
11 would like to live like the people in Glastonbury, in
12 a nice place, and I think my home is beautiful. I
13 like my city, but there's some things in here that
14 need to be changed.

15 Workforce development. I think it
16 is imperative we find the opportunity for people who
17 need jobs to find them. I think it's imperative upon
18 the legislative and the executive branch to find a way
19 to provide job opportunities for individuals who are
20 coming out of prison. 98 percent of the people who
21 are in prison will return to communities. If you are
22 a convicted felon, you cannot get a job. I have a
23 friend who had a great job. I found out she did an
24 outstanding job. She was promoted twice and they
25 terminated her, because they found out she had a

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1 record. So I don't know when we stop punishing people
2 for having done and already paid for their crimes.
3 She not only did the time she had to do in the
4 criminal justice system, she showed that she could
5 work for 10 years and be a good employee, but they
6 terminated her anyway, and we have to address this
7 problem.

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8 The workforce -- I'm going to let
9 Tom Phillips talk a lot about the workforce. He and I
10 work on it, but I am going to talk about my piece that
11 I like, and that's summer youth employment for the
12 kids in the State of Connecticut. We talk about how
13 much they need an education, and beyond a doubt that
14 is the best way out of poverty, and I have believed
15 that all my life and that's education. But we have a
16 great many children in this city, in the state who
17 want to go to work at the age of 14, 13. This year we
18 were able to get through the budget the ability to put
19 \$5 million in for summer youth employment. 5,000
20 children were hired in the State of Connecticut, and
21 2,500 were turned away.

22 And if you have the opportunity like
23 I did the other day to listen to these kids talk about
24 what a great feeling they had knowing that they could
25 do certain type of job skills, the confidence they

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1 gave in themselves, improving of their self-esteem,
2 and their wanting to go on -- one wanted to be an
3 Governor. One wanted to be a teacher. One wanted to
4 be a doctor, but it's all because of things that have
5 happened in their families or things they've been
6 exposed to in the world of work, and I think we have
7 to say to them you need to understand and do these
8 things and teach it at a young age. I know at 14 I
9 worked in the tobacco fields so I learned what hard

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10 work was right away, knowing that was not the way I
11 wanted to live my life.

12 The other thing we need to do on
13 these children is we talk about asset building. We
14 need to put banking back in schools. We need to have
15 these children learn, not when they come out in the
16 twelfth grade but in maybe the ninth grade, what it is
17 to do asset building so they know what a checking
18 account is, EBT card and bonds and stocks and that
19 kind of thing. I hear they're doing it at Hartford
20 High and Weaver High School in Hartford. We're going
21 to be moving it shortly to Buckley, but it would be
22 nice to be doing this throughout the State of
23 Connecticut.

24 I'm going to end on that note,
25 because I don't want to sound very negative and I

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1 might, but I'm talking about hope. I am talking about
2 not being disenfranchised. I am talking about being
3 able to dream. In my other job I'm executive director
4 of a community center in North Hartford, in the
5 poorest district with a median income of \$10,000, and
6 I want my kids to know that they can dream to be
7 anything they can, because I and the State of
8 Connecticut did all that they can to ensure that
9 promise.

10 MS. McDONALD: Thank you,

11 Representative Kirkley-Bay. Mayor Perez.

12 MR. PEREZ: Good evening and thank
13 you for allowing me the opportunity to speak on behalf
14 of the City of Hartford. I'm encouraged by last
15 year's passage of Act Concerning Responsible Growth,
16 and this subsequent strategic planning process by the
17 Department of Economic & Community Development. As I
18 see it, this is a very important opportunity to
19 develop new policies and new programs to increase
20 capital investment and job creation in our state.

21 It is my understanding that the
22 strategic plan will cover many topics. I will address
23 some of the priorities for the City of Hartford, all
24 of which, I believe, are at the heart of smart and
25 responsible growth for our city, for our region, and

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1 indeed for our state.

2 We've heard comments from both CROG
3 and the Alliance that are in line with the areas I am
4 about to mention, and we work very hard to include the
5 City's agenda in the Alliance agenda and the CROG
6 agenda, and I think it's a system that's working. It
7 needs to be complemented and worked upon.

8 First, workforce housing. The
9 development of workforce housing, in particular
10 housing for young professionals, is critically
11 important to the City of Hartford. Last year several
12 of our corporations had made strategic decisions to

13 remain or expand their operations in our host city.
14 These decisions have been aided by the work that we've
15 done downtown through the implementation of a state
16 supported Six Pillar Program and Hartford's role as
17 the region's center for arts, entertainment and
18 culture.

19 Local corporations need to recruit
20 the best and brightest to Hartford, and housing
21 options are an important consideration. Today I met
22 with the largest eight corporations to begin exploring
23 worker housing as an option. We have a task force
24 jointly between the City and our largest corporations
25 to begin flushing out what those options may be in the

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1 coming months. Programs designed to spur both in-fill
2 development in urban neighborhoods and new housing on
3 a larger scale that are attractive and affordable for
4 young professionals must be part of an economic
5 development priority map for the state.

6 Recruiting and retaining young
7 talent is a must for Hartford. It's a must for our
8 region and a must for the state, as you have heard
9 from other speakers today. I'm sure you'll hear more.
10 No. 2, regional transportation. Developing a strong,
11 regional transportation system is needed to maintain
12 the recent development success that we have had in
13 Hartford, and more important, to continue to position

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14 Hartford and the region for years to come.
15 Approximately 120,000 people work in Hartford, and
16 hundreds of thousands of people visit our capital city
17 for business, culture and entertainment. Our reliance
18 on the automobile must be replaced by an efficient
19 intermodal system that gets employees to and from work
20 and connects Hartford with other economic centers from
21 the state and in the New England region and direct
22 rail links to Bradley International Airport, New York
23 City and Boston are imperative.

24 We can't think small. We have to
25 think big and this is big. This is an opportunity for

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1 us to do that. Not to think about the 169
2 communities. Not to think about the capital region
3 which has 32 communities or to think about Hartford as
4 one city. Simply we must connect people to Hartford
5 and Hartford to the world in order to compete in a
6 global economy, and I think the comments by the
7 Senator kind of gave us one way to approach that, but
8 we're going to be increasingly in a more competitive
9 environment, and our competitive advantage that we've
10 enjoyed over the last 50 years is slipping away,
11 because we're a small state in a big economy, world
12 economy.

13 Third, insurance and financial
14 services. Hartford is proud to be home to many of the
15 world's leading insurance and financial service

16 corporations. However, we cannot take this for
17 granted, and we must be attentive to the needs of this
18 vital industry. We're the largest job center in the
19 state, and this industry is at the core of that
20 center. The state's strategic plan must build on the
21 good work of the IFS Cluster and pursue policies that
22 improve the business climate and position of this
23 industry, if this industry is indeed to grow, which
24 is, I think, one of the major goals that we have to
25 have in any strategic economic development plan. This

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1 includes a continued focus on specific short-term and
2 long-term needs of the IFS Cluster workforce.

3 Third, brownfield redevelopment.

4 The issue of brownfield redevelopment will continue as
5 an urban priority for years to come. I am encouraged
6 by the establishment of the Office of Brownfield
7 Remediation and Development in DECD. In addition to
8 taking steps to reduce a developer's ongoing liability
9 and streamlining processes that are used to get that
10 assistance, I will urge this office to develop new and
11 creative ways to fund remediation and development
12 proposals, and to partner it up with municipalities to
13 eliminate contamination and blight as a first step in
14 the longer-term redevelopment planning process.

15 Last, enhance business. As you
16 begin to establish the goals of the state economy and

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17 to develop strategies to achieve those goals, each and
18 every tax credit and funding program in the state's
19 tool kit should be evaluated and must be evaluated.
20 Keep those that work, eliminate those that don't, and
21 design new programs to meet the needs of our changing
22 economy. Business assistance and incentive programs
23 should also be straightforward, marketed widely, and
24 deliver resources in a timely manner.

25 I hope that the new strategic plan

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1 will increase the collaboration between the state and
2 its municipalities. Too often towns and cities are
3 pitted against one another as we compete for economic
4 development projects. When a Connecticut business is
5 decide willing whether or not to retain its operation
6 and move out of town, DECD should work solely with the
7 host municipality until all options are exhausted.

8 The mentality of the Department to
9 date has been that the company is the client, and
10 indeed I think that we are one. We should be one
11 public vehicle rather than having to compete with the
12 private sector and to shift resources around, which is
13 what we end up doing when we don't have the attitude
14 that the municipalities are an economic development
15 tool for the state just as the state is an economic
16 development tool for the municipalities. Thank you
17 for your time.

18 MS. McDONALD: Thank you, Mayor
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19 Perez. As I mentioned in the beginning, Carl Stefani
20 is here now, and he will present the CEDS from the
21 Central Connecticut Regional Planning Authority.

22 MR. STEFANI: Good evening and thank
23 you for this opportunity to address you on this
24 important subject. I am the executive director of the
25 Central Connecticut Regional Planning Agency, and five

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1 years ago our agency was responsible for the
2 preparation of the Central Connecticut corridor's
3 first comprehensive economic development strategy, the
4 CEDS, which we have updated annually, and which we are
5 preparing to completely redo in the next seven months.

6 As you know, the CEDS process is
7 very comprehensive. It involves an intensive public
8 involvement process as well as a lot of in-depth
9 economic analysis. Our CEDS has been responsible for
10 bringing a significant amount of federal assistance to
11 our corridor, and has also been an effective
12 instrument in bringing a broadly representative and
13 diverse group of community leaders together in support
14 of the achievement of a common set of economic
15 development goals, objectives and initiatives.

16 Our CEDS program continues to be a
17 valuable asset to the Central Connecticut corridor and
18 to the State of Connecticut. For that reason I am
19 here this evening to strongly encourage the DECD to

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20 take advantage of its existing economic development
21 assets including the approved, adopted CEDS that
22 exists in various regions of the state, and to
23 capitalize on those assets by utilizing the existing
24 regional CEDS as an initial foundation upon which to
25 build the statewide economic plan in addition to the

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1 economic data, goals, objectives and action
2 initiatives contained in these CEDS.

3 The regional CEDS were built by
4 organizations which continue to function and which
5 should be used directly either as representative
6 advisors or as periodic consultants to help assure the
7 proper depth and direction to the statewide economic
8 strategic plan. Several of the existing regional CEDS
9 committees in the state have also attempted in the
10 past to achieve federal recognition as economic
11 development districts, and I mentioned this to
12 Commissioner McDonald in the past, and I know you're
13 aware of it. Such recognition would assure them
14 continued and expanded federal support, which would
15 benefit their regions and the state as a whole.

16 In the past DECD has opposed this
17 recognition, and that opposition should be
18 reconsidered. Connecticut is one of only a handful of
19 states in the country where the administration has not
20 allowed the establishment of economic development
21 districts. That policy has cost the state's regions a

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22 loss of significant additional available direct
23 federal support.

24 Finally, in wrapping up my comments,
25 in relation to the Central Connecticut corridor in

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1 particular and our region's economic development
2 community, we encourage the DECD to continue to work
3 with large scale industry to assure that they continue
4 to remain in the state and flourish, but we urge you
5 to consider carefully and recognize the critical role
6 that small business plays in the future job, in future
7 job growth. We are a region with many successful
8 small businesses, which have particular needs that are
9 critical to be addressed even in a statewide economic
10 strategy. Thank you very much for your attention.

11 MS. McDONALD: Thank you. Now I'm
12 going to call the next three so that people know when
13 they are up in the queue. Theresa Younger followed by
14 Deb Polun followed by Ron Thomas.

15 MS. YOUNGER: Good evening,
16 Commissioner. Good to have you on board with us. I'm
17 Teresa Younger, and I am the executive director of the
18 Permanent Commission on the Status of Women. I am
19 pleased to come before you today to share ideas on
20 state investments for economic development targeted to
21 women, people of color and urban residents, because
22 disparities in income and assets amongst these

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23 populations is greatest in Connecticut.
24 These populations are the
25 cornerstone of growing small business, of the growing

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1 small business sector, and are representative of a new
2 workforce. Thus, they are the backbone of
3 Connecticut's 21st century economy. The PCSW has
4 recently released a report in June of last year, and
5 in that report we found that 20 percent of Connecticut
6 households fell below the family self-sufficiency
7 standard. The family self-sufficiency standard
8 calculates how much it costs for different households
9 to meet the basic living standards and expenses in
10 different regions throughout the State of Connecticut.
11 We actually believe that the FESS should actively be
12 used to proactively drive business, including research
13 and development, in fields that offer pathways to
14 family self-sufficiency. Relying on demand-driven
15 business growth alone could replicate historical bias
16 among women and people of color.

17 FESS could be used as a tool to
18 evaluate sector development and job growth. Tracking
19 and reporting earnings by gender and race and
20 ethnicity against the FESS would help policymakers and
21 business leaders to assess lasting returns on public
22 investment. State investments in areas such as
23 transportation, renewable energy and technology
24 represent opportunities to merge economic security for

25 women and people of color with economic development.

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1 We suggest three strategies for economic targeted
2 economic development to help those families living
3 below the self-sufficiency standard.

4 First, we suggest you expand micro
5 enterprise support, grants, loans and tax benefits,
6 especially targeted to women, the Latino community and
7 urban residents. There are over 118,000
8 privately-owned firms in Connecticut which are owned
9 50 percent or more by women. There are 9,400 Hispanic
10 and Latino-owned businesses in Connecticut. Micro
11 enterprises employ twice as many people as the 25
12 largest top employers in the State of Connecticut and
13 combined generate billions of dollars in revenues.
14 Taxes on micro enterprises should be reviewed,
15 graduated, and made more progressive to level the
16 playing field.

17 You see, a small business entity is
18 taxed a flat \$250 charge regardless of the size of the
19 business and tax receipts. New tax expenditures
20 should be targeted to women and minority-owned micro
21 businesses to stimulate growth and competitiveness.
22 State contracts should more aggressively seek out
23 women and minority-owned businesses. I know there's a
24 time constraint so I'll wrap it up very quickly. We
25 also recommend investment in sustained sector

1 initiatives. We know that women with limited skills
2 have earned above average earnings when they go into
3 fields such as high-tech manufacturing, financial and
4 business services, construction, transportation and
5 health services. These fields have been identified as
6 growth areas in Connecticut, and should be exploited
7 as we move forward.

8 The last area I want to touch base
9 on quickly is transportation and job creation.
10 Transportation is the primary barrier for employment
11 opportunities for low and moderate income workers.
12 According to a recent poll that we've done with the
13 PCSW, 70 percent of Hispanics, 65 percent of
14 African-Americans, and 45 percent of all workers were
15 concerned about being able to afford transportation to
16 work. Increasing access to transit would link women
17 to jobs in a wider geographical range and access to
18 greater fields.

19 Expanding the transit service to
20 reflect contemporary work schedules with improved
21 evening service and weekend service would be a wise
22 investment. DECD should coordinate with the DOT to
23 help streamline these investments. I just wanted to
24 conclude by saying that the state makes investments in
25 business vitality, urban planning, land use and

1 infrastructure through economic development policy. A
2 comprehensive economic development policy is exactly
3 what the state needs. Despite disparities in wealth
4 and property ownership among women and people of
5 color, households headed by women stimulate millions
6 of dollars in commerce. Connecticut's long-term
7 economic plan should recognize the key role of women,
8 people of color, and older residents in helping this
9 state get to a better tomorrow. Thank you.

10 MS. McDONALD: Thank you. Deb
11 Polun.

12 MS. POLUN: Good evening,
13 Commissioner McDonald and Dr. McMillen. Thank you for
14 the opportunity to provide input into the development
15 of Connecticut's economic strategic plan. My name is
16 Deb Polun. I'm the legislative director of the
17 Connecticut Commission on Aging. The independent
18 state agency, which advocates for older adults of
19 today and tomorrow and per Dr. McMillen's
20 instructions, I am now queen for the next 3
21 minutes-ish.

22 I want to focus my remarks on the
23 sector of Connecticut's workforce that provides
24 long-term care services and supports. As you well
25 know, we face a dire shortage of workers to provide

1 care to Connecticut residents. I urge you to include
2 training and retention of health care and home care
3 workers in the state's blueprint for economic policy.
4 Long-term care services and supports are needed to
5 help people of all ages who require assistance over an
6 extended period due to disability or chronic illness.
7 This covers a huge range of service needs from someone
8 who needs a meal delivered a few times a week to
9 somebody who needs help with eating and getting
10 dressed to round-the-clock nursing care and everything
11 in-between.

12 Recent attention to the money
13 follows the person waiver, the situation with Haven
14 Healthcare, and the recent release of the state's
15 long-term care needs assessment all point to a mandate
16 for broad scale change in our long-term care system.
17 We must enhance quality and choice and rebalance the
18 system to emphasize home and community-based care, but
19 in order to achieve this we must address a workforce
20 shortage in nursing and other direct care fields.

21 By 2025 the number of people in
22 Connecticut over the age of 65 is expected to grow by
23 51 percent. Meanwhile, the number of people age 21 to
24 64, generally those who are working, is actually
25 expected to decrease by 2 percent. With demand for

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1 care workers far outpacing the supply, who is going to
2 provide the care? Fortunately, it will be the primary
3 providers of long-term care are, informal caregivers
4 like family and friends.

5 However, even with the most caring
6 spouses, siblings, friends, neighbors and so forth, we
7 can't fulfill all the care needs of the loved ones.
8 We are still going to need a steady supply of formal
9 caregivers such as personal care aides, nurses and
10 others. We know our state faces one of the worst
11 nursing shortages in the country. In 2 years we are
12 projected to be short about 11,000 nurses, in 12 years
13 22,000 nurses. This shortage is not restricted to
14 nurses. We know there will be a huge increase in the
15 need for home health aides, home care aides, physical
16 therapists and all of the other occupations providing
17 long-term care.

18 We have made some progress due to
19 programs like nursing faculty incentives and loan
20 forgiveness programs, but we must do more. We also
21 must make a concerted effort toward better retention
22 of workers. The Commission On Aging has partnered
23 with our state agencies on an initiative called
24 Redefining Retirement Years, and I just want to
25 quickly tell you about that before I sum up.

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1 Many older workers want or need to

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2 continue working past the current typical retirement
3 age, and this presents a significant opportunity for
4 the health care field. Flexibility in workplace
5 policies and practices will enable and encourage these
6 employees to continue working if they want to. This
7 is not only good social policy, it will also help
8 ensure that Connecticut is well-positioned to offer
9 the full range of long-term care services that
10 individuals will need now and into the future.

11 By actively working as a state to
12 promote health care careers, to recruit more workers,
13 and retain the ones we have, and to provide as much
14 support as we can to informal caregivers, we may help
15 to avert the workforce shortage that threatens efforts
16 to enhance quality and choice, and rebalance our
17 long-term care system. These efforts will make a
18 difference in the lives of patients of today and
19 tomorrow, and they are an essential part of
20 Connecticut's economy. Thank you.

21 MS. McDONALD: Thank you. We'll go
22 to Ron Thomas followed by Tom Phillips followed by
23 Alex Johnson.

24 MR. THOMAS: Hi. Good evening. My
25 name is Ron Thomas. I'm manager of the state and

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1 federal relations for the Connecticut Conference of
2 Municipalities, and thank you for the opportunity to
3 be here to talk with you about such issues of

4 importance to the state and municipalities. You have
5 my 8-page testimony so in the interest of time I'll
6 summarize this so as to meet the 3-minute limit.

7 You have heard many people before
8 me, as well as all over the state, talk about the need
9 for responsible growth within the state. Quite a few
10 organizations have examined this over the years
11 including CCM, 1000 Friends of Connecticut,
12 The Archdiocese of Hartford, Home Connecticut, the
13 Blue Ribbon Commission on Property Tax Reform and
14 Smart Growth, and they all reach the same conclusion
15 that something really needs to be done very soon in
16 order to reach a conclusion on a very serious
17 situation.

18 I would like to just focus on a few
19 things that CCM recommends with regard to Smart
20 Growth. One is some changes with regard to regional
21 planning organizations. We recommend encouraging
22 regional planning organizations to become Councils of
23 Government or Councils of Elected Officials. These
24 entities are run by municipal elected officials
25 accountable to the public; and once these sorts of

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1 changes are made, we recommend that RPOs be given
2 greater authority, greater authority in order to bond
3 for capital projects, to work jointly on planning and
4 zoning issues, to negotiate master contracts with

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5 municipal employees, and more importantly, to share a
6 portion of the state sales tax generated within their
7 region. We suggest .5 percent of the state sales tax.

8 Regional entities have already
9 talked about the types of things that they would do if
10 they were given these funds, funds that would reduce
11 initiatives, that would reduce property taxes, and
12 encourage towns to work more cooperatively together.
13 They would do purchasing of regional corridors to
14 enhance environmental quality, assist with regional
15 airports, develop regional entertainment centers,
16 ensure disaster preparedness, and construct regional
17 solid waste transfer stations, among other things.

18 We also suggest looking into a tax
19 incident analysis to show how the state taxpayers and
20 businesses, business owners are affected by the
21 present federal, state, local tax burden. We suggest
22 funding the build out analysis so that we can see how
23 the state will look in 2025, 30 years from now. Of
24 course we can't know where we're going, and to we see
25 how things are going to go if we don't make positive

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1 changes.

2 We also suggest a cost of sprawl
3 study, bonding fund for purchases of open space lands
4 as well as environmental remediation funds, and more
5 importantly, technical assistance by the state so that
6 towns and cities can make responsible and innovative

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7 choices regarding Smart Growth. Also, as discussed
8 earlier, the issue of affordable housing creating
9 incentives for municipalities to create and maintain
10 affordable housing, and that is incentives for those
11 towns that have met 8-30(g), the land use appeals
12 procedure, as well as those that have been creating
13 incentives for all municipalities to create and
14 develop affordable housing. That's all. I think I
15 met my 3 minutes.

16 MS. McDONALD: Thank you.

17 MR. THOMAS: Thank you.

18 MS. McDONALD: Tom Phillips followed
19 by Alex Johnson followed by Bill Ethier.

20 MR. PHILLIPS: Good evening,
21 Commissioner. The theme I would like to cover is
22 helping Connecticut become world wisely in my brief
23 remarks. My name is Thomas Phillips, president and
24 CEO for Capital Workforce Partners covering 37
25 communities. As the Department of Economic &

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1 Community Development works on its economic strategic
2 plan, nothing can be more important than the
3 development of a quality, sustainable labor force to
4 support business and ensure Connecticut remains
5 economically competitive now and in the future.

6 At Capital Workforce Partners our
7 mission is to leverage public and private resources to

8 produce skilled workers for a competitive regional
9 economy. That means we have to address the needs of
10 individuals currently working in our region making
11 sure they continually build on their existing skills
12 to keep the talent pipeline responsive to changing
13 business needs. It also means as a state, we have to
14 assist in the needs of workers who have been laid off
15 or otherwise dislocated. Helping them gain new skills
16 and transition into new careers, and we need to do
17 everything we can for our youth, keeping the best and
18 brightest in our state and ensuring that, at a
19 minimum, high school students are prepared with a
20 consistent set of educational standards and career
21 competencies structured to encourage continuous
22 learning and meaningful careers.

23 The State of Connecticut Department
24 of Labor provided partial funding through what is
25 known as the end worker training. Our worker skill

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1 upgrade initiative, just last year we were able to
2 provide training to over 1,500 workers at 50
3 businesses through our training providers in such
4 areas as lean tools, Six Sigma, blueprint reading,
5 financial, et. We leveraged company financial
6 commitments over 50 percent to match the public
7 training dollars. We are effective in ensuring
8 continuous, on-the-job training, achieving wage
9 growth, business competitiveness and upward mobility.

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10 This is what we need to keep doing to keep
11 Connecticut's businesses here, keep them growing and
12 encourage new businesses to the state, but we need
13 more public investment to build on that momentum and
14 we need it now.

15 From a comparative competition
16 standpoint, Massachusetts provides \$21 million and
17 Rhode Island \$9 million versus Connecticut \$1.5
18 million for incumbent worker training and Governor's
19 21st century job training programs. On the youth side
20 both profit driven and not-for-profit businesses need
21 to provide more real work experiences and 21st century
22 career competencies so critical to the development of
23 our future workforce. We need the state to continue
24 to grow its present investment \$5 million in these
25 initiatives. We need our businesses to be willing to

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1 make a proactive effort in support of this
2 development, and we need our youth service providers
3 to ensure positive developmental experiences for both
4 youth and the business.

5 This is a model we have developed
6 and proven over the years, and to this day the five
7 workforce investment boards statewide have had to turn
8 away thousands of young people through lack of
9 funding. We can make sure that our focus on youth
10 career development is a key component of the DECD's

11 strategic plan, to further develop this type of
12 programing and include more of those in need. As a
13 workforce investment board, we benefit from a wide
14 variety of funding sources including federal, state
15 and local government and private philanthropic fund
16 support. However, much of what that funding is
17 restricted in its use, making adaptive and meaningful
18 change difficult to accomplish.

19 I speak to you today as both a
20 501-C-3 nonprofit organization as a convener of the
21 organizations involved in workforce development, as a
22 member of the statewide Connecticut Workforce
23 Development Council, and as a member of numerous
24 coalitions and initiatives. It takes many
25 organizations and interests to make up the legs of the

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1 stool that supports our communities, reaching out both
2 to those in need and to those who strive to exceed.
3 When we focus on common goals, common interests, seek
4 common measurable outcomes in the areas of workforce,
5 education, business and the economy, we strive to make
6 a difference each day; not as a siloed system, but as
7 an increasingly integrated, coordinated and
8 accountable system that helps the state grow wisely,
9 more efficiently and effectively.

10 Capitol Workforce Partners is proud
11 to be had a member of the Campaign for Working
12 Connecticut, a coalition of workforce boards,

13 community agencies, Chambers of Commerce, the Regional
14 Board of Education and State Partners including the
15 Connecticut Women's Education and Legal Fund and the
16 Permanent Commission on the Status of Women. The
17 campaign has an aligned vision for effective workforce
18 solutions to increase workers' career opportunities,
19 address trained worker supply shortages and advance
20 families to self-sufficiency.

21 We seek state investment to expand
22 education and training opportunities, increase and
23 promote better service coordination, improve
24 accountability for the public investment made,
25 increase wages, reduce public investment in other

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1 public supported programs such as food stamps and
2 increase state tax revenue. This is another smart
3 solution for Connecticut, one that will help the state
4 not just grow but grow wisely and retain its growth
5 over the long term.

6 In summary, we ask you to support
7 incorporate the Campaign for a Working Connecticut's
8 principles in your strategic plan. We also ask that
9 we continue to strengthen the relationship between the
10 Department of Economic & Community Development and the
11 state's five workforce investment boards, as talent
12 and business development are intertwined in many ways,
13 and the boards have systems in place for outreach,

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14 implementation and outcome measurements. Thank you.
15 MS. McDONALD: Thank you. Alex
16 Johnson followed by Bill Ethier.
17 MR. PHILLIPS: Alex is not going to
18 speak.
19 MS. McDONALD: He was with you.
20 MR. PHILLIPS: Yes.
21 MS. McDONALD: Bill Ethier followed
22 by Bob Rath followed by Steve Frayne.
23 MR. ETHIER: Thank you, Commissioner
24 McDonald, Dr. McMillen. My name is Bill Ethier. I am
25 the executive director of the Home Builders

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1 Association of Connecticut. We are a membership
2 organization in the state with over 1,500 companies
3 involved in all aspects of residential development,
4 new home building and remodeling, and I've been
5 affiliated with the industry for over 25 years either
6 as a land use lawyer representing them or as an
7 association executive.

8 Again, I want to thank you for the
9 opportunity to testify. I know some of my members
10 have testified at other meetings around the state,
11 presented some of the same points I am going to make
12 perhaps with a little more colorful presentations than
13 what you're going to hear from me. I'm not going to
14 get the standing ovation that one of them got down in
15 New Haven, but on behalf of the HBA, what I wanted to

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16 do was present to you our written testimony that I
17 provided along with three documents that we have
18 attached to that testimony, and contained in all three
19 documents that you'll have are explanations of a
20 number of different issues and a number of different
21 solutions that we hope forms your work.

22 In my short time here, just to
23 summarize our testimony, our general message is that
24 government at all levels basically needs to stop
25 restraining the free market particularly here in

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1 Connecticut. We have become a state that is so
2 heavily regulated there are government roadblocks to
3 getting things done at every turn that we face
4 particularly with our industry/, the land use process,
5 the land use approval process at both the state and
6 local level is extremely difficult and we just -- it's
7 just too difficult to get things built here.

8 The bottom line is that more
9 commercial and industrial growth, more job growth in
10 the state cannot be accomplished without more housing.
11 Businesses require employees and employees require
12 homes. To put it another way, homes are where jobs go
13 at night yet we are one of the slowest housing growth
14 states in the nation. Consistently since the year
15 2000 Connecticut has ranked 48th in the nation out of
16 50 states in terms of the number of homes that we have

17 been able to build per capita. So comparing apples to
18 apples, we are 48.

19 One of your matrix should be to
20 improve that ranking. We firmly believe, through our
21 experience with home building and the land use
22 process, that the most important single reason why we
23 cannot produce homes is the regulatory system. Again,
24 it's just too difficult. We believe that a new, broad
25 statewide housing policy is critically needed in the

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1 state. We examine what that means in our written
2 testimony, and provide a lot of detail in the attached
3 documents, and we understand that reasonable
4 regulations are important in a civilized society, but
5 what policymakers, both at the legislature and at the
6 administrative level, really need to understand is
7 that the ultimate, is the ultimate power of the free
8 market.

9 If we don't provide the homes that
10 people need and that employees need at all income
11 levels here in the state, then we have a lot of
12 experience with sticker shock with companies trying to
13 bring employees, both rank and file workers as well as
14 CEOs, they come to Connecticut and they experience
15 sticker shock. We need to reverse that or more won't
16 come. We need to accommodate where people want to
17 live, the type of home that they want to live in or
18 they're going to go elsewhere as they have.

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19 So I heard the bell. In closing,
20 I'll say basically that if we don't address housing
21 needs in a serious way, a way that addresses the
22 housing needs at all income levels both from
23 supportive housing to low income housing needs to the
24 housing that CEOs need in the state, all the other
25 economic development efforts that we make are going to

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1 be for naught. So we offer our expertise and our
2 experience to you, and your work is extremely
3 important, and we hope it makes a difference. I urge
4 you to take the message back to the Governor, and you
5 as well, Commissioner, to make a difference. Make
6 sure that your work does make a difference, and that
7 we can help lead Connecticut to a much better economy.
8 Thank you.

9 MS. McDONALD: Thank you. Bob Rath
10 followed by Steve Frayne followed by Joe Brennan.

11 MR. RATH: Good evening,
12 Commissioner McDonald and Dr. McMillen. My name is
13 Bob Rath, and I am the president and CEO of Our Piece
14 of Pie, a youth services agency based here in Hartford
15 that has a 30-year track record of helping young
16 people become successful and economically independent
17 adults in Connecticut. I thank you for the
18 opportunity to testify this evening.

19 Despite the nation's overall job

20 growth over the past few years, youth are experiencing
21 record levels of unemployment with a 2004 employment
22 rate that is the lowest it has been in the 57 years
23 that teen employment data has been collected. Also
24 important to know that Connecticut has been losing
25 young people dramatically especially in the 25 to

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1 34-year-old range.

2 In order to address the shortfall in
3 the employment pipeline, Our Piece of the Pie has
4 designed a youth development program model that
5 matches the needs of our youth with the needs of
6 employers. To that end we are working closely with
7 Capital Workforce Partners to prepare our youth for
8 the positions and high-demand careers for the region.
9 Through this initiative we are partnering with
10 Connecticut's leading industries to train Connecticut
11 workers to grow and compete in the global economy.

12 The core of our comprehensive
13 service approach is called Pathways to Success. Youth
14 can enter OPP programs at any age between 14 and 24,
15 and stay connected with our staff for as long as it
16 takes them to achieve their individual goals. Our
17 most fundamental principle is that the long-term
18 education employment outcomes we seek for all youth
19 are the same, and our consistent communication with
20 them confirms that we believe they are capable of
21 achieving their goals.

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22 In terms of education, we expect
23 them to obtain a vocational certificate to graduate
24 from a 2 or 4-year college program. Last year 88 OPP
25 youth reached that outcome. In terms of employment,

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1 we expect them to move into full-time, unsubsidized
2 employment, military service or national service.
3 Last year 263 OPP youth achieved that long-term
4 outcome. The current system of preparing young adults
5 for employment has tremendous difficulty. The Bureau
6 of Labor statistics estimates that of projected
7 openings in 2014, 24 of the 30 fastest growing
8 occupations are among those for which the most
9 significant source of post secondary education and
10 training is a vocational award or an academic degree.

11 From now until 2020 there is
12 projected to be no net growth in native-born US
13 population, and between this same period of time it's
14 estimated that there are \$15 million new jobs that are
15 going to be required, and we only have 3 million
16 people in the pipeline. We have to focus on our
17 youth. Last year we were part of the summer
18 initiative. We were part of helping almost 5,000
19 young people in summer employment and year-round
20 employment and turning away around 2,500 statewide.
21 We are asking that the legislature increase this
22 year-round funding and summer funding to \$6 million.

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23 We are building the future workforce
24 and need the state's help. An investment in our youth
25 is the greatest investment in the future of our state.

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1 We don't want to have to turn away young, motivated
2 people. We don't want to put them out on the street.
3 We want to help them become successful, economically
4 independent adults who stay in Connecticut, have
5 meaningful jobs, own homes, and pay taxes. Thank you.

6 MS. McDONALD: Thank you. Steve
7 Frayne followed by Joe Brennan followed by Dave
8 Driver.

9 MR. FRAYNE: Good evening,
10 Commissioner McDonald. I'm Steve Frayne. I am the
11 senior vice president for Health Policy of the
12 Connecticut Hospital Association, and appreciate the
13 opportunity to present to you tonight in the forum you
14 put together. I have provided copies of our testimony
15 in writing, so I'll do my level best here to summarize
16 to try to move this along.

17 I'm here tonight to ask you to make
18 sure that hospitals are included in the strategic plan
19 for growing the state's economy. Connecticut
20 hospitals, like good schools and safe roads, are an
21 essential part of the state's economy. Hospitals fill
22 a vital role caring for Connecticut residents 24 hours
23 a day, 7 days a week, and make enormous contributions
24 to the health and quality of life for the millions of

25 Connecticut residents who rely on them for care. Last

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1 year alone we provided over 2.1 billion days of
2 inpatient care, and in addition to that and often
3 forgotten is the millions of instances of outpatient
4 care that we provide.

5 Last year there were over 4 million
6 visits to the hospital in an outpatient setting. Of
7 those a million and a half were for emergency
8 department use. Over 844,000 of them were for
9 restorative care such as speech therapy, occupational
10 therapy, physical therapy, over 344,000 psychiatric
11 care visits and 624,000 primary care visits, basic
12 physician services for the poor who don't have access
13 in other places. In addition to the basic things that
14 you would expect us to do, which is to care for
15 Connecticut's residents, we also provide vital
16 contributions to the state's economy.

17 Hospitals are major employers. We
18 offer jobs at all skill levels and salary levels, and
19 we are in a growing employment sector. Hospitals also
20 provide purchases in their local communities, and they
21 serve as a magnet for other businesses. This year CHA
22 conducted an analysis of the economic impact of
23 Connecticut hospitals on the local economy here in
24 Connecticut, and I have attached a copy of that
25 analysis for your review.

1 I'll just pick the highlights for
2 you. Last year alone the impact on the Connecticut
3 economy was about \$12.2 billion. That's just shy of 6
4 percent of the gross state product, and of that we
5 provided over 70,000 jobs, \$6 and a half billion in
6 local payroll and purchased over \$2.7 billion in the
7 local economy. Obviously, Connecticut hospitals are a
8 fairly significant part of the fabric of life here in
9 Connecticut. The ability of hospitals to make these
10 contributions is constantly under threat. One of our
11 biggest obstacles is really the under funding of
12 government programs, and where we currently stand in
13 terms of our needs of investments is about a billion
14 short of what we think we need in order to just get
15 equal to the national average.

16 I will not focus on the comments
17 that I had here on workforce. I think Deb Polun
18 adequately covered those, and the experience is really
19 the same for hospitals. The last point that I would
20 like to focus on is our thanks again to the Governor
21 for her initiative this past spring to have a hospital
22 system strategic task force. They recently completed
23 their report, and most important in that report was
24 the effect noted in terms of how devastating under
25 funded government programs can be on the health and

1 welfare not only of hospitals but also on the ability
2 to sustain that which we think is rightly important to
3 sustain, which is an employer-sponsored insurance
4 network here in Connecticut.

5 So in conclusion, on behalf of the
6 millions of Connecticut residents who rely on strong
7 hospitals we hope that you make sure that you include
8 in your strategic plan, strategic investment plan for
9 hospitals so that we can continue to do the good
10 things we like to do for all of Connecticut citizens.
11 Thank you.

12 MS. McDONALD: Thank you. Joe
13 Brennan followed by Dave Driver followed by Patrick
14 Johnson.

15 MR. BRENNAN: Commissioner McDonald,
16 Dr. McMillen, my name is Joe Brennan. I am senior
17 vice president of public policy for CBIA, and I want
18 to thank you for having us here tonight to speak to
19 you on this very important topic. CBIA, as I think
20 you know, represents about 10,000 businesses all
21 across the State of Connecticut, and because of the
22 diversity and breadth of our organization it's very
23 difficult to talk about all these different issues in
24 such a short period of time.

25 I do have written testimony that I

1 submitted, but we do look forward to working with you
2 throughout this process. I thought what I would do is
3 just touch on a couple of points that I make in that
4 testimony. Although Connecticut has a great number of
5 assets when it comes to our economy and quality of
6 life here, we have also got some very serious
7 challenges, as I'm sure you know, and some of my
8 remarks are going to be underscoring remarks made by
9 other people, but certainly two of the biggest
10 challenges we face relate to our workforce, one being
11 that, as you have seen from statistics, Connecticut is
12 ranked 50th in the nation in growing our 18 to 35-year
13 old population. On top of that, we've also got the
14 widest achievement gap between academic success of
15 white students compared to black and Hispanic
16 students. Those two factors combined is really a
17 chilling effect for employers in the State of
18 Connecticut as they look to the future and their
19 growth here.

20 We talk to businesses every day of
21 the week that are doing well, even as the economy
22 slows, and they could grow their businesses even more
23 if they could find the skilled employees that they
24 need. They can't find them now, and they're very
25 concerned, obviously, about finding them in the

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1 future. So unless we can be very aggressive in public
2 policy changes, and also in the strategic plan that
3 you're putting together to address these issues,
4 particularly by providing every student in the State
5 of Connecticut a quality education.

6 Wrapping up very quickly, as Bill
7 Ethier said on affordable housing, because that
8 definitely drives particularly young people out of the
9 State of Connecticut, and obviously the third piece is
10 having quality jobs for people in order to keep them
11 here. So obviously I think those will be focuses of
12 your strategic plan, and we just encourage you to do
13 so.

14 Another topic I would like to just
15 touch on briefly really revolves around coordination
16 and commitment. As some of the earlier speakers said,
17 it's frustrating, I know, in your role, Commissioner,
18 representing an economic development agency, and
19 trying to grow the economy in Connecticut when there's
20 so many factors working against you whether they be in
21 the legislature or in other agencies of government.
22 So really trying to coordinate the activities of those
23 various levels, at the state level, is just one
24 example.

25 We have talked for years about the

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1 need to better coordinate transportation policy,

2 affordable housing policy and economic development
3 policy. We were very heartened when the Governor
4 appointed your commissioner because of your background
5 in economic development and transportation, but
6 obviously those are key areas where the state needs to
7 improve. We have also got to do better with
8 coordination between state and local governments. We
9 hear all the time, when we talk to location
10 decisionmakers for businesses, about why not
11 Connecticut, and it often comes down to the same
12 thing. It's just so hard to get things done here
13 compared to other states.

14 I've got a lot of other comments I
15 would like to make, but I do want to be sensitive to
16 other speakers. I'll summarize very quickly, and say
17 that we would really encourage you to go well beyond
18 these hearings, and reaching out particularly to
19 people in the business community. I know in our
20 membership we have got experts in writing business
21 plans. We've got experts in writing strategic plans.
22 So we really hope that in every level of your exercise
23 you'll reach out to the business community, and make
24 sure that we get by from all the key players with this
25 plan. We think it's very important. It's long

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1 overdo. As I said, we've got some really serious
2 problems facing us that I have no doubt at all we will
3 overcome them by everybody working together, and we

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4 hope this strategic planning program can coalesce the
5 various groups. With that I thank you, and look
6 forward to working with you.

7 MS. McDONALD: I'll pick up on that
8 last point, which is it is our intention to continue
9 the dialogue with the public as well as the business
10 community moving forward as we put some meat on the
11 bones of these initiatives. Thank you.

12 MR. DRIVER: Thank you,
13 Commissioner. Thanks for giving me the opportunity.
14 My name is David Driver. I'm regional director of
15 development for Northeast Utilities and as such, I
16 work with Connecticut and the other New England states
17 in trying to gain a little bit more of a public
18 awareness for development for the region. My theme
19 quickly, in these 3 minutes, is going to be
20 leadership.

21 I do agree with what Senator LeBeau
22 said about how economic development crosses so many
23 different agencies and so many different disciplines,
24 but DECD is the lead dog, and I am urging DECD to use
25 its statutory authority and exert very strong

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1 leadership to combat what is now perceived around the
2 country as a very hostile state business climate, one
3 that would include the development of dramatic new
4 initiatives to capture the attention of industry

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5 throughout this country; and then once those results
6 are able to be created, I launch an impactful state
7 marketing effort.

8 I have been promoting Connecticut as
9 a business location for more than 30 years, and I had
10 originally planned to come here to talk about how you
11 really ought to put a lot more money into marketing
12 and advertising as sort of a louder voice for
13 Connecticut. But in the face of large-scale marketing
14 from other states, particularly the knowledge-based
15 regions of the southwest, southeast, and the Rocky
16 Mountain states with a product that is hardly
17 competitive, it's really hard to justify expending
18 large amounts of scarce resources on marketing on a
19 product that is, frankly, very hard to market on a
20 national scale.

21 Throughout my national travels I
22 encountered hundreds of companies and consultants and
23 multipliers who believe Connecticut and her New
24 England neighbors have very unwelcome business
25 climates. There aren't enough advertising dollars

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1 available to counteract negative rankings in various
2 development and/or business magazines.

3 You have found -- you have noticed
4 on the table here the Connecticut Economic Review,
5 which Northeast Utilities produced, after a great deal
6 of research, trying to dig out superlatives for

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7 Connecticut, and we use this as a promotion tool.
8 This is very ineffective when in fact we have a
9 development magazine that will rank Connecticut as
10 last in legislative climate for business development.
11 So we have a lot of work to do.

12 As DECD is really the steward of
13 Connecticut's economic policies and business
14 development programs, I believe you have a duty to be
15 strident and unrelenting in persuading policymakers to
16 produce and sustain a pro business economic climate
17 that attracts inspired growth and can match any global
18 competitor. This must include wholesale business tax
19 relief, revamping the state's regulatory culture, and
20 onerous land use policies. Incentives could help, but
21 it is structural reform that is the only long-term
22 solution to address the state's lukewarm economic
23 prospects.

24 Now, state economies don't change
25 overnight, but their business climates can evolve

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1 quickly, positively or negatively, even after one
2 legislative session. What Connecticut needs is a bold
3 stroke for progress, one that could be as effective
4 for attracting development as the imposition of the
5 state income tax was in chilling it. As you prepare
6 Connecticut's strategic development plan, I urge you
7 to consider maybe some of the following. Seek to wow

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8 the development world with an uncharacteristic
9 initiative maybe like repealing the corporate income
10 tax or another measure that would immediately capture
11 the attention of the nation.

12 It is no secret why virtually
13 tax-free New Hampshire is the most attractive and
14 strongest performing economy in New England.
15 Eliminate this 30-year-old jigsaw puzzle or enterprise
16 in corridor zones, and instead establish industry
17 tax-free havens for incremental investments by such
18 important industries as financial services, life
19 science and aerospace.

20 While working to improve the
21 product, capitalize on where Connecticut can compete
22 overseas, bolster your own international trade and
23 investment activities so the state can take advantage
24 of Europe's propensity to favor investments in the US,
25 especially today. Maintain visibility with important

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1 influencers such as national site selection
2 consultants, national real estate brokers and targeted
3 corporations who today generally ignore Connecticut
4 and the other New England states when considering
5 locations. Sell the selective strengths such as its
6 skilled and educated population and market proximity.
7 Maintaining the communication relationships with these
8 industry targets which thrive in knowledge economies
9 is critical as we drive toward bona fide business

10 climate change.

11 You also need to understand that in
12 the analysis Connecticut has extremely creative
13 incentive programs that are hidden under a bushel
14 basket. Prospects come to the state after a lot of
15 gnashing of teeth and are told about incentives after
16 they call the state. The state needs to show the
17 country that it has the ability to make equity
18 investments, to do brownfield development, to do just
19 about any kind of financial incentive that's in its
20 statutes, because it has enormous flexibility, but it
21 hides it. It doesn't really project what it can do.

22 You should also join with the other
23 New England states who share Connecticut's woes as
24 well as its positive attributes in promoting the
25 region's common brands of ingenuity, brains and

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1 resilience as we work together to transform
2 Connecticut's national reputation. I am talking about
3 a perception of Connecticut, whether it's factual or
4 not, as unwelcoming as its other New England neighbors
5 are. If we have a product to sell, then we can market
6 it.

7 What you've heard repeatedly from
8 long-time economic development professionals during
9 these strategy forums and at numerous other forums is
10 that Connecticut is indeed in the midst of a crisis, a

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11 crisis of complacency. What's required are bold,
12 long-term remedies and an agency willing to be an
13 economic champion for growth, the kind of agency DECD
14 was originally designed to be. Thank you.

15 MS. McDONALD: Thank you. Patrick
16 Johnson followed by Matthew Sawyer followed by Marcia
17 Bok.

18 MR. PATRICK JOHNSON: Good evening,
19 Commissioner. My name is Patrick Johnson. I'm
20 president of Oak Hill, which is a nonprofit community
21 provider of services and solutions for people with
22 severe developmental disabilities. We are
23 headquartered here in Hartford, but have 110 sites in
24 59 towns throughout the State of Connecticut, and a
25 workforce of over 1,400 employees. We're a service

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1 provider, a major employer, and a critical part of the
2 Connecticut economic infrastructure. I'm also vice
3 chairman of the Connecticut Community Providers
4 Association.

5 It is all too easy to discount the
6 importance of nonprofit organizations providing
7 essential services and enhancing the quality of life.
8 Stop and think for a moment what the Connecticut
9 landscape would look like if suddenly nonprofit
10 organizations disappeared. If you've not read Claire
11 Gaudiani's book *The Greater Good; How Philanthropy
12 Drives the American Economy and Can Save Capitalism*, I

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13 would urge you to do so. Claire was president of
14 Connecticut College for several years.

15 Imagine for a moment that all the
16 private nonprofit organizations disappeared from the
17 landscape. What would our cities and towns look like?
18 Hospitals, universities, colleges, private schools,
19 performing arts, theaters, churches, museums,
20 libraries, mental health services, group homes,
21 nursing homes, homeless shelters, and I could go on,
22 all gone. In many of our major cities these employers
23 and institutions are the heart of the community
24 without which the community could not survive.

25 Economically resources are the

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1 life's blood that pumps through this heart of the
2 community. Hospitals and allied health organizations
3 such as my own, Oak Hill, and other critical care,
4 nonprofit, private providers are increasingly being
5 deprived of adequate resources by our own communities
6 as represented by our public policymakers and the
7 administration. Community-based private providers
8 like Oak Hill are a vital part of this economy, and a
9 family with a child who was autistic or mentally
10 retarded who was considering where to work often has
11 their child's welfare as their top priority.

12 When Connecticut chronically under
13 funds its own state contracts, it deprives private

14 agencies of their lifeblood. 1.4 percent per year for
15 20 years is what the state has provided on average as
16 an increase in state contracts to fund our essential
17 services. Our tax paying employees are paying the
18 price since most nonprofit agencies cannot afford to
19 keep wages at or about inflation. An economic cast
20 system is developing in Connecticut with government
21 employees doing the same work often getting paid 50
22 percent more than someone in the private sector. That
23 gap grows significantly wider each year and needs to
24 be addressed. This is a major symptom of an eroding
25 economy where wealth accumulates and people decay.

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1 Increasingly our staffs cannot
2 afford to live in the communities in which they work,
3 because their wages are too low and housing is too
4 expensive. How can Connecticut expect businesses,
5 major employers like Oak Hill, to survive and thrive
6 in this economy when the state itself does not deal in
7 reality, and seems not to want to respond until a
8 major crisis occurs.

9 In the past five years my gasoline
10 bill for my agency, which has 184 vans on the road
11 every day, jumped 123 percent. At the same time
12 electricity jumped 74 percent from \$454,000 a year to
13 \$793,000. Heating oil jumped 53 percent. Health care
14 is up 34 percent, and this year the cost of health
15 care for my organization alone will be \$6,900,000. In

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16 2003 it was \$5 million. We've been cutting costs and
17 reducing benefits and giving our employees raises
18 lower than inflation. This year our 800-union
19 employees received a 1.75 percent wage increase.

20 The State of Connecticut needs to
21 set the standard with strong visionary leadership,
22 economic priorities, increased efficiencies and
23 address economic injustice in how it does business
24 itself. Civil society, even in ancient Athens,
25 supported people with disabilities. Our streets are

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1 again seeing the homeless and mentally ill begging on
2 the street and for those who are so disabled they
3 cannot beg, private nonprofit community providers have
4 become the surrogate beggars. Philanthropy cannot
5 supplant state responsibility and Connecticut is
6 assuming it can.

7 This economy and this civil society
8 needs to consider carefully all the ingredients that
9 attract employees and business to a geographic
10 location and the perceived quality of life that is
11 essentially represented by private nonprofit agencies
12 is a critical factor in their judgment. A very real
13 crisis is looming, and we are urging the state to
14 support the private provider rescue fund. People's
15 lives literally depend upon it.

16 We are clearly a cost effective and

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17 cost efficient option through which the state carries
18 out its statutory and moral responsibility. We're
19 also asking in this venue that you give serious
20 consideration to the critical and vital role nonprofit
21 organizations play in this economy as businesses
22 employers, service providers and magnets for the
23 workforce and businesses in the future, and I thank
24 you for your consideration.

25 MS. McDONALD: Thank you. Matthew

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1 Sawyer, Marcia Bok followed by Michael Winterfield.

2 MR. SAWYER: My name is Matthew
3 Sawyer. Please e-mail me at
4 investineducation@hotmail.com. I'm here on a separate
5 issue, actually; not to spend money. I believe we
6 should reinvest our motivation in human contact with
7 each other, meet with people on a personal level, you
8 know, get in the communities and get involved; not
9 just throw money at the problem. The issues I want to
10 address are education, depopulation, energy,
11 environmental, trade and capital.

12 Education. Most of the most
13 powerful magnates in the world educated themselves.
14 Ironically, we have the best grammar schools in the
15 world, but the worst high school system in the
16 industrialized world. Graduation has become more
17 symbolic and ceremonial than practical. It's no
18 longer about retention.

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19 Depopulation. Connecticut is
20 shrinking, becoming elite. I want to affirm a program
21 called WIC. I'm sure you all are aware of it. It
22 basically supplies food and guarantees food for
23 children up to the age of 5. This will accelerate
24 human capital and help the standard of living and
25 longevity.

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1 Energy. I spend so much time
2 working I don't really have time to use my energy so
3 it's cheap for me. The true problem is inefficient
4 appliances, incandescent lighting and buying stuff we
5 simply do not need, which brings me to my next point.
6 Environmental. The average Connecticut resident
7 throws away around four pounds of trash every day of
8 which 60 percent is burned. We produce more trash and
9 consume more energy per capita than the world.

10 Trade. With importation and
11 inflation trade deficits are occurring, and as an
12 economist, I want to make a prediction. I predict
13 that when oil prices hit \$5 a gallon, the Australian
14 dollar will actually be worth more than ours. We need
15 to export more technological services and stop buying
16 worthless imports. We need to focus on our strength
17 rather than exposed on our weakness.

18 Capital. About half the people on
19 the planet live per day off the cost of a Starbuck's

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20 coffee. We need to build capital, because as you
21 know, paper money is only worth what someone's willing
22 to accept for it. Manufacturers are fleeing in the
23 response. We need to replace these jobs.

24 And I conclude. Who cares? You
25 know, why should anyone care? Well, this is because

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1 we have a fundamental shift that needs addressing.
2 You know, we went from founding fathers that answered
3 the White House door to a clockwork standard operating
4 procedure society. This is wrong. Again, I reiterate
5 my introduction, and say that we need to not go
6 through the motions, and we need to address the
7 problems with human contact. Thank you.

8 MS. McDONALD: Thank you. Martha
9 Bok followed by Michael Winterfield followed by Jude
10 Carroll.

11 MS. BOK: Good evening. My name is
12 Marcia Bok, and I'm testifying today for the
13 Connecticut Chapter of the National Association of
14 Social Workers, and I'm also testifying in support of
15 the Campaign for Working Connecticut's legislative
16 agenda. I'm going to specifically address issues of
17 education and training and workforce development.

18 For the past several decades, as you
19 know, we have talked about the bifurcation of the
20 workforce into highly skilled and unskilled workers.
21 But more recently, and probably your experience to

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22 this is firsthand, this two-tiered system really
23 doesn't reflect the reality of the current job market.
24 It's a little more complex than that, and I've been
25 thinking about at least three tiers consisting of the

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1 so called working poor, those in middle skilled jobs,
2 and the more highly skilled, and we also don't want to
3 forget the very poor who may be only marginally
4 attached to the workforce, but also need our attention
5 in economic development so their attachment to the
6 workforce can improve.

7 I would just like to suggest how all
8 these groups need education and training, and how each
9 group has different training and education needs, and
10 I believe that addressing all of these groups is
11 really what economic & community development is about.
12 It's not just about skilled workers. It's about all
13 the workers and. While it's crucial that all working
14 people receive the education and training they need
15 for good jobs with adequate pay and benefits and
16 upward mobility, we must also, in addition to
17 education and training, address the need for job
18 creation, better pay, better working conditions, and
19 protection of worker rights. So it's a workforce
20 development and economic development issue.

21 Very briefly I will mention several
22 groups. A little bit more about the groups that I

23 have alluded to. The very poor often need basic
24 education to be successful in the workforce. Welfare
25 policies often make it difficult for this group to

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1 receive the education and training they need. I hope
2 that your economic and community development concerns
3 will include concerns about how welfare policies often
4 limit education and training opportunities but can be
5 turned around so that people who have very low income
6 and maybe depend on the safety net programs will also
7 have access to the education and training they need.

8 In addition to other safety net
9 services such as the earned income tax credit to
10 supplement their low income. The working poor and
11 very poor are often overlapping groups, because the
12 working poor live very close to the poverty level.
13 Their work is often unstable with low pay, few, if
14 any, benefits, little or no upward mobility, and if
15 they are not high school graduates, they may need to
16 receive their GED.

17 If English is not their first
18 language, they may need to receive ESL. Those with
19 middle skill jobs who are often forgotten but are a
20 very large part of the workforce these days, they may
21 not require Bachelor's degrees or graduate degrees,
22 but they may very much require training past high
23 school, specifically vocational training in areas of
24 construction, health care, firefighters, EMTs, other

25 jobs that cannot be outsourced and are critical to the

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1 quality of life and standard of living in the US.

2 Quickly, I want to mention the
3 disposal Americans who are being downsized. These are
4 people who are downwardly mobile who are losing their
5 jobs because of the globalization and other
6 outsourcing and other policies that create a loss of
7 jobs. These individuals, while they may need some
8 help with retraining, also need -- it's here we need
9 to create more jobs, better jobs; not just training
10 won't meet that need totally. So we need the demand
11 side of the economy for better jobs, better pay,
12 benefits. That needs to be emphasized.

13 Quickly, I just want to say that
14 economic development is about everyone in our state.
15 Wide gaps between the rich and the poor, limited
16 educational opportunities for people can be corrected.
17 I mean, I think that is really what economic
18 development is about. The public sector, the business
19 sector, labor organizations need to work together on
20 this. In the interest of equality, definitely
21 decreasing the inequality amongst our people,
22 education and training, economic mobility -- I'm
23 sorry. In the interest of equality, self-sufficiency,
24 economic mobility and higher standard of living for
25 all our people, education and training must be a

1 priority, and we must really examine our education and
2 training system to make it much more appropriate,
3 effective and working better for all of our people.
4 We must not forget that education and training cannot
5 stand alone, and economic development must create a
6 strong environment for everyone.

7 MS. McDONALD: Thank you. We have
8 to wrap up.

9 MS. BOK: Yes, I'm finished, thank
10 you very much.

11 MS. McDONALD: Thank you. Michael
12 Winterfield, Jude Carroll and Helen Figueroa.

13 MR. WINTERFIELD: Good evening. My
14 name is Michael Winterfield. I chair the Issues
15 Committee for the Greater Hartford Interfaith
16 Coalition for Equity and Justice. The Coalition has
17 been advocating for progressive tax reform for the
18 past five years, and our short-term priority is
19 passage of a Connecticut earned income tax credit
20 equal to 20 percent of the corresponding federal EITC.
21 Our longer term priority is to build more
22 progressiveness into our state income tax rates. For
23 example, we favor significantly higher rates on the
24 portion of income in excess of \$250,000.

25 During the last legislative session

1 we coordinated a statewide petition drive in support
2 of a state EITC. We delivered over 8,200 signatures
3 to Governor Reil and to the Democratic and Republican
4 legislative leaders. We are absolutely pained by our
5 income disparities. Connecticut is our richest state.
6 Our average per capita income is running at over
7 \$52,000 for every man, woman and child yet we also
8 have the third largest gap between the top 20 percent
9 and bottom 20 percent of income earners. Our low wage
10 workers need help to make ends meet. The 10th
11 percentile hourly wage is just \$8.12 per hour, which
12 equates to a little over \$1,300 a month. I don't know
13 how you can support a family on \$1,300 per month.

14 Approximately 165,000 Connecticut
15 households receive federal EITC benefits. The average
16 credit is \$1,610. A 20 percent Connecticut credit
17 would add another sorely needed \$322. I would also
18 note that approximately 35 percent of Hartford
19 families would qualify. Our petition effort received
20 consistent support from folks of all different income
21 levels. Middle income and upper income earners
22 understand that low wage workers should be helped when
23 they are working as hard as they can.

24 Connecticut EITC will also address
25 some of the regressiveness in our state and local

1 taxes. According to the Institute on Taxation and
2 Economic Policy, in 2002 the bottom 20 percent of
3 workers earning up to \$21,000 annually paid more than
4 twice the tax rate of the top 1 percent that earned
5 more than \$471,000 per year.

6 In closing, the Coalition believes
7 that a Connecticut earned income tax credit is an
8 optimal way to provide additional assistance to low
9 wage workers. Thank you.

10 MS. McDONALD: Thank you. Jude
11 Carroll followed by Helen Figueroa followed by Susan
12 Winkler.

13 MS. CARROLL: Good evening,
14 Commissioner McDonald and staff members of DECD. My
15 name is Jude Carroll. I'm the director of the
16 Connecticut Kids Count Project of the Connecticut
17 Association for Human Services. I would like to add
18 my voice to the choir asking you to step outside the
19 typical economic development box when you put together
20 the strategic plan.

21 The previous speaker talked about
22 the gap in income between the highest and lowest
23 earners, and I want to emphasize the fact that
24 research has shown there is a negative correlation
25 between that gap and economic development, and that's

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1 why it's very important for you to consider the
2 situation of low income workers and poor income
3 workers, those who could either move into higher
4 skilled jobs with some education and training or those
5 who actually are working in the basic jobs that we
6 need to keep society going.

7 Two particular programs that CAHS
8 would like you to consider in your definition of
9 economic development is the establishment of a state
10 earned income tax credit and increasing child care
11 subsidies, because those help parents work, and they
12 can help children in the long run work their way out
13 of poverty. With the few minutes that I have left, I
14 just want to call your attention to the
15 recommendations that have just been presented to the
16 Connecticut Child Poverty and Prevention Council.

17 Many of those could be considered
18 part of an economic development plan, and they
19 included the creation of a state EITC and child care
20 subsidies. You are shaking your head so I'm sure you
21 are aware of it, but please consider them when you
22 actually sit-down to pen and paper. Thank you.

23 MR. McMILLEN: Thank you. Ellen
24 Figueroa, Susan Winkler and Mark Johnson.

25 MS. FIGUEROA: Good evening,

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1 Commi ssi oner McDonal d and Dr. McMIl len. I 'm speaki ng

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2 tonight as a resident of Meriden, Connecticut and a
3 registered voter and taxpayer of Connecticut, and I
4 really have to tell you that I envy your task. I do.
5 I really do, because it is rare that one can really
6 take a comprehensive look at public policy, and so I
7 urge you let's not squander that great opportunity.

8 Connecticut is a little speck in the
9 global economy, and so I would urge you and I feel
10 that we need a big, bold vision for economic
11 development, but probably not the way it has been
12 described by others who have talked about a big, bold
13 vision tonight. I'm talking about something that can
14 really be inspirational, not just for business but for
15 families and workers who really feel that coming to
16 Connecticut, staying in Connecticut right here, they
17 can flourish and they can grow. That's not the sense
18 at this point in time.

19 So I urge you to go beyond -- you
20 had a couple slides before. You had competitiveness,
21 cost of doing business, housing, transportation.
22 Please don't stay within that narrow framework. We
23 need to go beyond that, and in addition to the factors
24 that you list here, which are actually pretty
25 important, and actually resonate very well with the

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1 transportation, because I have to commute every day,
2 and I would much rather take a bus or train to work
3 every day and back.

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4 I think it's important to really
5 focus in on the human capital, but look at it in a
6 much broader way. It isn't just lifelong learning.
7 You can't deal with the workforce issues without
8 dealing with the child care issues. They go together
9 if you really want to have great strong families here
10 in Connecticut. Health care is a real crisis
11 situation, and I don't think from an economic
12 development position you can ignore it, because
13 businesses can't afford to pay for it and neither can
14 workers.

15 It has to be more affordable. It
16 has to be more accessible, because then you end up
17 with a workforce and a community of people who are
18 just not healthy. I realize that DECD can't do it all
19 although I'm asking you to think of it all, but I do
20 think that you can really bring how we think about
21 economic development to a new level and I really want
22 that -- I want to be inspired by what you come out
23 with.

24 So don't make it so small that
25 everybody says, oh, isn't that nice. It's so doable.

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1 I want something that may be not doable in the next
2 five years, but something that everybody wants to
3 shoot for. I think a comprehensive approach is
4 possible, and I really hope that you layout a great

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5 map for Connecticut's success. Thank you.

6 MS. McDONALD: Thank you.

7 MR. WINKLER: Good evening,

8 Commissioner McDonald and Dr. McMillen. My name is
9 Susan Winkler. I'm the executive director of
10 Connecticut's Insurance and Financial Services
11 Cluster. I would like to start off first with giving
12 some statistics on Connecticut's IFS industry. As you
13 may or may not know, Connecticut's IFS industry is the
14 fourth largest industry sector in Connecticut
15 representing about 140,000 employees or 7 percent of
16 the state's total employment.

17 The IFS industry contributes 17
18 percent to the gross state product. It has the
19 highest concentration of actuaries and underwriters in
20 the nation. We are ranked No. 2 in highest
21 concentration of IFS jobs and wages, and lastly,
22 Connecticut has the fourth largest number of
23 investment jobs in the US primarily located in
24 Fairfield County.

25 Calendar year 2006-2007 the IFS

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1 Cluster created 1,700 new jobs. The investment sector
2 accounted for most of that growth, and, again, that
3 growth was, again, mostly in Fairfield County. Human
4 capital is every company's most valuable asset, and
5 it's the most important priority and should be the
6 most important priority of the strategic plan. It

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7 also needs to be a collaborative effort between state
8 government, academia and business and industry.

9 An example of this already underway
10 is the IFS Center for Educational Excellence, and I
11 would like to elaborate on this as an example. In
12 2006, the state DECD and the IFS Cluster was awarded a
13 \$2.7 million workforce development grant from the US
14 DOL, and we created the IFS Center for Educational
15 Excellence, an industry designed training program that
16 addresses the short and long-term workforce needs and
17 provides technical training to advance the industry.

18 I brought with me today a package
19 and brochure highlighting the types of entry-level,
20 intermediate-level and advanced-level training that is
21 currently being offered through our community college
22 system, Norwalk and Capitol, most specifically. To
23 date, over 231 employees have received training as
24 well as 49 dislocated workers at no cost. We are
25 surpassing our goals on this. This type of

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1 partnership guarantees that Connecticut's future
2 workforce is strong and viable, and this model should
3 be replicated in the strategic plan.

4 In support of maintaining
5 Connecticut's competitive position in the global
6 financial marketplace the development of our workforce
7 is paramount. Additionally, we need to allow

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8 businesses, in its most intrinsic sense, to grow. Two
9 priorities to consider. The reduction of the premium
10 tax and adoption of the Interstate Compact. We are at
11 a competitive disadvantage when neighboring states
12 reduce their premium tax rate. Supporting a decrease
13 in Connecticut's premium tax would level the playing
14 field with competing states such as Iowa and New
15 Hampshire.

16 As Dave Driver indicated earlier, we
17 are at a constant disadvantage when site selector
18 magazines and those companies that are hired by
19 Fortune 500 companies and insurance and financial
20 service companies, through service providers, are
21 looking at the collateral material and information
22 that's out there, and it is not showing Connecticut in
23 a position of competitiveness.

24 So if we are able to take a
25 reduction of the premium tax or we're able to adopt

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1 the Interstate Compact, we are now leveling the
2 playing field. We are getting promotion and publicity
3 on those fronts, and we are going to be able to
4 compete with those service providers who are making
5 those decisions on behalf of those companies. On the
6 Interstate Compact legislation, a speed-to-market
7 approach allowing resident insurers to file their
8 products within a streamlined, centralized system,
9 reducing the administrative burden and cost of

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10 marketing and production, freeing up resources at the
11 State Department of Insurance, and ultimately allowing
12 consumers to access more choices of competitive
13 products sooner and less expensively.

14 Thirty states have already adopted
15 the Interstate Compact including every other state in
16 New England. These states have sent a clear message
17 to their resident insurers that they understand the
18 competitiveness of their business, and want to
19 preserve their economic contribution to their states.
20 With one of the largest concentrations of insurance
21 and financial services companies in the United States
22 and for purposes of retention, we need to send that
23 same message.

24 Thank you for allowing me to provide
25 testimony today. The IFS Cluster stands ready to

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1 assist DECD both in the planning and implementation of
2 the strategic plan. I look forward to our continued
3 partnership. Thank you.

4 MR. McMILLEN: Mark Johnson,
5 followed by Doug Hall followed by Karl Wagner.

6 MR. MARK JOHNSON: Thank you for
7 allowing me to speak tonight. My name is Mark
8 Johnson. I am the government and community liaison
9 for the Connecticut Renaissance Faire. You probably
10 want to know what is the Connecticut Renaissance

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11 Faire. This year we will be celebrating 10 years as
12 an enchanted recreation of a 400-year-old agricultural
13 festival.

14 At the Connecticut Renaissance Faire
15 hundreds of performers breathe life into the legend of
16 King Arthur all around you. With over 40 hours of
17 themed entertainment daily, that means there is always
18 something to see and do. We are New England's largest
19 Medieval marketplace with over 100 artisans and
20 vendors. That's over 100 independent contractors that
21 bring income and bring tax revenues and so on here to
22 the state. If you've missed the Renaissance once,
23 please don't miss it again. Come to our fair.

24 Part of why we're here is that since
25 our beginning in 1999, the Connecticut Renaissance

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1 Faire has grown significantly in size and attendance
2 each year. In 2006 the Maryland Renaissance
3 Festival's 30th anniversary, of which we hope to
4 achieve as well, was attended by over 325,000 people
5 and infused over \$19 million into the local economy.
6 In 2008, our fair estimates that we will be attracting
7 over 40,000 visitors from as far away as all of the
8 New England states and sometimes even further than
9 that.

10 Our goal is to create a seasonal
11 fall attraction on a permanent site that has a high
12 impact on the local economy, but very low-impact on

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13 the environment. With the right state and local
14 support, CTRF can and become the state's next
15 blockbuster attraction.

16 What can Connecticut do? Well, we
17 need a one-stop office that plays well with others.
18 To assist aspiring and existing businesses with state
19 policy and regulation. This would be a positive, can
20 do organization that strives to find ways to make
21 Connecticut business work wherever possible. An
22 example of a neighboring state that has a renaissance
23 festival that purchased a hard site only to struggle
24 with rigid and cost prohibitive state organizations is
25 Vermont. The festival was forced to close its doors

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1 forever costing jobs and lost tax revenues.

2 For Connecticut to mean business, we
3 need to entice businesses to want to make their home
4 in Connecticut, but being No. 1 when it comes to
5 business costs, maybe not we're No. 1, but we could be
6 close to it, I guess, is not conducive to attracting
7 the new business. Workers' Comp needs to be looked
8 at, our electricity and oil costs, all of those, and I
9 hope you can add something in there, health care. We
10 have heard that a couple of times. Our costs for the
11 small business is incredible.

12 Tax rewards. Reward businesses for
13 helping the local economy with incentives versus

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14 overtaxation and Connecticut on the job. Connecticut
15 needs a higher education internship office to assist
16 schools in connecting with businesses. This
17 organization would help schools place interns into
18 businesses, training the intern as well as helping the
19 business.

20 As far as the transit is concerned,
21 basically we just need affordable transit and good
22 roads to get people to locations. Thank you so much
23 for your time. I appreciate being able to talk today.

24 MR. McMILLEN: Thank you, sir. Doug
25 Hall.

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1 MR. HALL: Good evening,
2 Commissioner McDonald and Dr. McMillen, and thank you
3 for having the courage to undertake this ambitious
4 process. I'm struck by the fact that we have been
5 here for over 2 hours, and there's been very little
6 repetition in the things people are talking about.
7 That would be true of my comments also.

8 I'm here to offer some process
9 recommendations that should help you to get from an
10 analysis of the status quo, not implementation of the
11 vision. Specifically I'm here to highlight the fact
12 that, as others have said, Connecticut's economic
13 development spending is spread across a number of
14 state agencies as well as quasi public entities.

15 In addition, a considerable, in fact
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16 growing amount of Connecticut's investing is done
17 through the tax side through preferential tax
18 exemptions, exclusion, deductions, credits and rate
19 reductions. As a result, Connecticut cannot measure
20 the success of its economic development investments
21 because these tax expenditures are not subject to
22 regular oversight.

23 An important step in understanding
24 and addressing Connecticut's economic development
25 needs is to develop a report, which we are going to

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1 call an integrated economic development report that
2 looks at the total investment, looks at the recipients
3 of investments, and looks at the return on investment.
4 Right now we don't have very good comprehensive tools
5 that are able to integrate all of the work that's done
6 just within DECD, but also within these other broad
7 range of state agencies and particularly through the
8 tax expenditure side.

9 Other states like North Carolina and
10 Illinois have developed these unified development
11 reports, and they've gone a long way toward helping
12 those states to plan effectively and build toward
13 their economic futures. Such a report would also
14 require that every single economic development
15 incentive, whether it be through an appropriation or
16 through a tax expenditure process, is assessed on a

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17 regular basis. States such as Minnesota and Maine
18 have pursued subsidy-specific reporting to achieve
19 just this.

20 Connecticut's tax expenditures are
21 estimated to be approximately \$5 billion. Our general
22 fund budget is about \$18 billion. Of that proportion
23 approximately, \$2.1 billion is to support Connecticut
24 businesses. To put that in perspective, that's over
25 10 percent of Connecticut's general fund. We think

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1 that it is important that this economic development
2 work, both the appropriations side and the tax
3 expenditure side, be assessed on a regular basis both
4 by DECD and by the General Assembly.

5 The importance of such oversight is
6 highlighted by looking just at Connecticut's
7 corporation business tax. We've seen, since 1987, a
8 113-fold increase in the use of that business tax
9 credit. In 1987 there were nine credits totaling \$2.7
10 million. In fiscal '09 we are anticipating over \$305
11 million just for that credit alone.

12 Finally, I would like to emphasize
13 the fact that this strategic planning process is one
14 which we would like to see echoed throughout
15 Connecticut. As I'm sure you know, the Connecticut
16 Program Review and Investigation Committee recently
17 recommended that Connecticut adopt a long-term
18 planning process. What we're seeing here tonight, I

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19 think, is an important piece of that process, and it's
20 a process that we ask you and your colleagues to take
21 to other state agencies as well. Again, thank you for
22 your time and for your undertaking.

23 MR. McMILLEN: Thank you, Doug.

24 Karl Wagner.

25 MR. WAGNER: Good evening. I'm Karl

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1 Wagner. I'm executive director of the State Council
2 on Environmental Quality, which is a state agency
3 probably best known for our comprehensive annual report
4 to the Governor on the condition of the state's
5 environment. The Council asked me to come this
6 evening and make some brief comments, which I've put
7 in the box as well.

8 We're glad that you're doing this.
9 We're glad to see that the guidance for the plan says
10 quite a bit about protection and enhancement of the
11 environment, natural resources, and the conservation
12 and development plan. The conservation and
13 development plan does provide a vision for
14 Connecticut, but will never realize that vision if we
15 keep trying to balance economic growth and
16 environmental protection. They have to become one and
17 the same.

18 Because the economic strategic plan
19 is supposed to include environmental protection goals

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20 and measures, we want to suggest to you that you
21 include in your plan a strategy for developing
22 industries which by their very success will help to
23 improve the air, water and other natural resources of
24 the state. I'll give you three examples which we
25 selected, because they are areas where the state is

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1 failing to meet as environmental goals, and the first
2 is recycling. We failed to meet our statutory
3 recycling goal, and as a consequence, we are sending
4 hundreds of thousands of tons of garbage per year to
5 be buried in Pennsylvania and Ohio, and it's a
6 ridiculous situation, but it can be solved.

7 We are spending tens of millions a
8 year collectively to send our garbage west, and the
9 situation won't be solved by simply having the DEP
10 exhort people to recycle more. There's a huge role
11 for the recycling industries, and the real solution is
12 to help develop the private sector's ability to, well,
13 the private sector's role in collecting, sorting,
14 marketing, remanufacturing and distributing recyclable
15 material.

16 We don't know exactly how to do
17 that, but we trust that you do, and the payoff will be
18 that the state will come out ahead financially because
19 hundreds of millions of dollars won't be spent to send
20 the garbage westward. Second is fuel cells, but you
21 have heard enough about that. I'll go to the third

23 Hartford.txt
MS. McDONALD: Heather Gates
24 followed by Yanil Teron followed by Richard Wheeler.
25 MR. GATES: Good evening. My name

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1 is Heather Gates. I'm the president and CEO of
2 Community Health Resources. CHR is a business with
3 locations in Enfield, Windsor, Bloomfield, Manchester,
4 Vernon and Willimantic. We employ over 400
5 professionals and paraprofessionals to provide
6 behavioral health services in the community to over
7 4,000 children, families and adults per year. Our
8 operating budget is \$25 million. We receive funding
9 from the State of Connecticut, third-party insurers,
10 United Way, municipalities, client fees and private
11 donations.

12 As a Connecticut business, we
13 provide jobs to over 400 individuals. We provide job
14 training to many of those whom we serve, and we treat
15 depression and other mental illnesses which result in
16 lost productivity in the workplace, if left untreated.
17 We contribute to the health of Connecticut's citizens
18 and the economic health of the state. We're a vital
19 part of the state's economy and an efficient and
20 effective alternative to the state delivering those
21 same services directly often at a much greater cost.

22 We are part of a \$1.5 billion health
23 care industry in the state. We have many of the same
24 issues that any business in Connecticut has, labor

25 force quality and sustainability. It's essential that

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1 the state attend to its workforce if critical services
2 are to remain available. The shortage of
3 Master's-prepared clinicians, nurses and psychiatrists
4 effects the quality and availability of care. You've
5 heard about the shortage of nurses particularly, and
6 how difficult that is for both hospitals as well as
7 long-term care facilities. We're in the same
8 position. Incentives to work in the public sector
9 should be offered by the state post-graduation, and
10 linked to service in the nonprofit community.

11 Transportation is also an issue for
12 us. We train individuals to get off of public
13 assistance and go to work, but they cannot afford a
14 car, and they cannot get to jobs even after they
15 receive training. The cost of doing business in
16 Connecticut has far outpaced the cost of living
17 increases we have received from the state. Over the
18 last 20 years the COLA and state grants has averaged
19 less than 2 percent.

20 In order to remain financially
21 viable, we cut our services and reduce access to
22 critical health care. This in turn hurts the
23 individuals we serve, our communities and the health
24 of the state. It leads to decreased work productivity
25 due to untreated mental illnesses, and costs the

1 country \$79 billion per year. Untreated depression
2 costs in excess of \$31 billion per year. This effects
3 the economy of Connecticut, and can be addressed
4 through proper funding of mental health treatment
5 services and other related health care services.

6 The solution that we are asking for
7 is that in order to stabilize the system and plan for
8 the future is to support a Community Provider Rescue
9 Fund. One of my colleagues mentioned it earlier, and
10 the details of that are in our written testimony which
11 we've also submitted. Thank you for your attention
12 tonight.

13 MS. McDONALD: Thank you for your
14 patience. Yani I Teron followed by Richard Wheeler
15 followed by Dave Sousa.

16 MS. TERON: Hi, good evening. Thank
17 you for doing this. My name is Yani I Teron. I am the
18 interim executive director of the Connecticut Puerto
19 Rican Forum located in Hartford. It's in front of
20 your building. For 28 years our organization has been
21 in the business of employment training and job
22 development. The employment needs that prompted
23 establishment of our agency are still with us today.
24 There is new influx of limited English proficiency
25 people making of Connecticut their home. These people

1 encounter a society which requires a higher
2 proficiency in literacy to subsist since lower skilled
3 jobs are no longer as available.

4 Our agency is a part of the Campaign
5 for a Working Connecticut which purpose is to promote
6 the state's economic competitiveness through the
7 development of sustainable, effective workforce
8 solutions to increase workers' skills and advance
9 families to self-sufficiency. The Campaign works to
10 accomplish these goals through a unique and diverse
11 statewide coalition which includes over 40 members.

12 40 percent of Connecticut's adults
13 lack adequate literacy skills to function effectively
14 in the workplace. As much as 40 percent of tomorrow's
15 available workforce live in the state's major cities,
16 and many are living and learning in poverty. These
17 are two of the powerful reasons for which I am here
18 today.

19 I urge you to include in your
20 strategy plan long-term investment specifically geared
21 toward workforce development for which the Campaign
22 has already outlined and drawn-up financial figures.
23 Connecticut's economic success ultimately will depend
24 on its ability to consistently produce a skilled
25 workforce. Without these skills, many individuals

1 would be relegated to low wage work in the dual
2 economy. The Campaign is comprised of members who
3 address a variety of education sectors and models.
4 Members who have developed proven strategies such as
5 the Connecticut Puerto Rican Forum Model that are
6 implemented successfully and need to be offered more
7 should the state choose to invest in its economic
8 future.

9 The Connecticut Puerto Rican Forum
10 model of contextualized vocational programs with
11 comprehensive support services is and should be
12 replicated by others. It is our experience that
13 employment success does not happen in isolation. It
14 requires a system of intervention that enables our
15 clients to make successful transitions. We provide
16 case management, skills training, job readiness, job
17 development and retention services. Unfortunately,
18 most funding fails to provide resources to tackle the
19 myriad of obstacles that prevent so many residents
20 applying for gainful employment. Funding is needed to
21 effectively correct the basic skills deficiencies of
22 our workforce.

23 This successful comprehensive design
24 requires the investment of the state to be replicated.
25 The state must make investments that supplement and

1 fill in the gap left by the federal authorities.
2 Working along with the campaign partners, we can
3 create an economic security plan that benefits all the
4 Connecticut workers, employers, families and
5 communities. I will leave you today with a
6 testimonial sheet from our clients and would I like to
7 say that Luz Berrio-Tavarez says it best. A train
8 brought me from Chicago to Connecticut, but my
9 education at the Connecticut Puerto Rican Forum
10 brought me from despair to success. That's the kind
11 of work we do. I have several testimonies here, and
12 also I leave you with them. Thank you.

13 MR. McMILLEN: Thank you. Richard
14 Wheeler? Richard Wheeler? Dave Sousa followed by
15 Alice Pritchard followed by Steve Bender.

16 MR. SOUSA: Thank you, Commissioner
17 McDonald, for hosting this forum. My name is Dave
18 Sousa. I am a landscape architect and planner, and I
19 am speaking as a concerned citizen. I believe that
20 the state needs to embrace Smart Growth in the
21 development of the its strategic economic plan. The
22 benefits of Smart Growth far exceed the obvious gains
23 the state can achieve in preserving open space and in
24 improving the environment.

25 Smart Growth also cultivates

1 heal their life-styles by improving access to

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2 recreation and allowing people to walk and bike to
3 their destinations. It reduces dependence on foreign
4 oil. It improves mobility of people and goods. It
5 improves productivity by reducing traffic congestion.
6 It maximizes the investments in public infrastructure,
7 engages social interaction and civic engagement,
8 improves housing choice, results in a variety of
9 transportation modes, preserves Connecticut's rich and
10 distinctive history and culture, and creates
11 attractive cities that are safe and healthy for
12 children and the elderly.

13 Our current policies aren't working.
14 Our young and educated population is moving to other
15 distant cities and states for jobs and housing, more
16 affordable housing and for more active and vibrant
17 cities. Older folks are retiring in far away places,
18 places that provide safer neighborhoods and more
19 diverse recreation and culture. Our highways are
20 crippled by traffic congestion, and our businesses are
21 moving away because their employees prefer to work in
22 places that provide a better quality of life and are
23 more affordable.

24 The State of Connecticut must
25 reverse these trends and promote Smart Growth at every

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1 level. Here are some suggestions. First, promote
2 TODs, transit oriented development. Provide grants to
3 cities and towns to plan and conduct feasibility

4 studies or transit oriented development neighborhoods
5 where people can live, work, learn, play and shop
6 without ever using a car.

7 The state should rebuild civic
8 structure, provide guidance and resources to cities
9 and towns, to adopt policies and revamping zoning to
10 foster compact mixed use and walkable neighborhoods.
11 These new types of development enhance civic
12 structure.

13 Third, the state should save its
14 greenfields by stopping subsidies of sprawl, and by
15 financing and providing tax credits to businesses that
16 build on greenfields. The state should support
17 downtowns, re-focus its economic efforts and support
18 public/private partnerships that bolster Connecticut's
19 traditional downtowns and main streets.

20 Invest in transit. Design and build
21 infrastructure that facilitates, Smart Growth,
22 particularly rail transit, light rail, bus and bus
23 rapid transit. The costs would be excessively high,
24 but the paybacks will be enormous. Lead by example.
25 Mixed use development by requiring state offices, new

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1 state construction of offices as well as new leases to
2 be in buildings that have access to transit, and that
3 provide for mixed use development including affordable
4 housing.

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5 Lastly, achieve sustainability by
6 requiring that all state investments support Smart
7 Growth goals and objectives that result in sustainable
8 and efficient use of the land. I believe that we can
9 be more economically competitive in a viable state if
10 we embrace these goals, and we have a social and
11 economic imperative to do that. Thank you very much.

12 MS. McDONALD: Thank you. Alice
13 Pritchard followed by Steve Bender followed by Donald
14 Poland.

15 MS. PRITCHARD: Good evening. My
16 name is Alice Pritchard, and I am the executive
17 director of the Connecticut Women's Education and
18 Legal Fund, and I'm here tonight on behalf of the
19 Campaign for Working Connecticut. I know you have
20 heard from others tonight about the Campaign, and at
21 the other forum somebody compared us to bumblebees
22 buzzing at all these and that's very important.

23 I'm very proud of our little team,
24 but I want to reiterate the campaign's goal, which is
25 to promote the state's economic competitiveness

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1 through the development of sustainable, effective
2 workforce solutions, to increase worker skills, and
3 advance families to self-sufficiency.

4 I did prepare written testimony
5 which you have, and I just want to call your attention
6 to a number of investments that the Campaign has

7 called upon the legislature for, and hope that these
8 kinds of strategies can be included in your plan. For
9 instance, we believe that the state must invest in
10 basic skills, in English language instruction targeted
11 to providing individuals with the foundation skills
12 necessary for today's employers.

13 As you are probably well aware,
14 CBIA's 2007 survey of Connecticut businesses found
15 that 24 percent of their respondents stated that
16 availability of skilled workers was the number one
17 concern facing their businesses within the next five
18 years only surpassed by the cost of doing business.
19 We also believe that the state must invest in building
20 the technical skills of individuals and key workforce
21 shortage areas for the state, and in matching those to
22 individuals who come off of the welfare rolls as well
23 as out of our low wage worker pools.

24 We also believe the state must
25 invest fully in its one-stop career centers to provide

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1 individuals and employers with access to employment
2 and career development information and services. And,
3 lastly, we believe the state must invest in building
4 collaborative training, education and skills
5 development programs among employers and the workforce
6 development system for those in need of basic and
7 technical skill development.

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8 As somebody stated earlier,
9 Massachusetts currently spends \$6.54 and Rhode Island
10 spends \$16.93 per person in an incumbent worker
11 training program. In Connecticut we spend 16 cents.
12 Connecticut's economic success will ultimately depend
13 on its ability to consistently produce a highly
14 skilled workforce with the prerequisite basic and
15 technical skills needed for 21st century economy.
16 With an ever-increasing number of jobs in this state
17 requiring at least a post-secondary education and many
18 a college degree, the barriers to employment and
19 advancement up the career ladder are substantial for
20 those with limited skills. Without these skills, many
21 individuals will be stuck in low wage work in the dual
22 economy, and unable to meet the growing skill needs of
23 Connecticut's employers.
24 If employers can't find employees
25 here with the skills they need, they will go

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1 elsewhere. Connecticut has lost and will continue to
2 lose thousands of young college educated workers,
3 because they can find better, higher-paying jobs
4 elsewhere. The state needs to invest into these
5 strategies, and we hope you'll consider them as part
6 of your plan. We know you've been asked to do a
7 daunting task in coming up with this economic plan,
8 and we want you to know that we are with you in this
9 mission, and are happy to help. We believe that we

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10 can create an economic security plan together and I
11 thank you for your time.

12 MS. McDONALD: Thank you. Steve
13 Bender followed by Donald Pol and followed by Matthew
14 Nemerson.

15 MR. BENDER: Good evening. I'm
16 Steve Bender. I'm the executive director of the 1199
17 training and upgrading fund. We are a joint labor
18 management educational program of District 1199, the
19 Health Care Workers Union and nursing homes who
20 contribute to our fund. Currently there's 35 nursing
21 homes contributing to our fund. As of this summer,
22 there will be close to 60 nursing homes contributing
23 to our fund, and we are managed together by those
24 nursing homes and the union.

25 Our organization is also a member of

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1 the Campaign for Working Connecticut, and we're
2 strongly urging your support and your long-term
3 strategic plan for those strategies. I won't speak
4 specifically to those, because I know you've been
5 hearing those.

6 What I would like to do is to take a
7 minute to tell you a little bit more about some of the
8 partnerships we've been part of recently as part of
9 the Connecticut Career Ladder Initiative, but I'm
10 going to start by reading just a little bit that was

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11 written by one of our members. She's been a nursing
12 aid in a nursing home for about 7 years in Hartford,
13 and about a year ago she decided to go back to college
14 for the first time, and she is currently enrolled in
15 The Bridges to Health Care Careers Program at Capitol
16 Community College, which you may have heard about.

17 What she wrote is this. "The
18 Bridges to Health Care Careers Program is geared
19 toward those individuals who need extra help to
20 achieve our goals. These professionals, meaning who
21 run the program, are in tune to many needs of the
22 working adult learner. They understand that each
23 individual has different learning styles, and that
24 we're all at different levels and stages of learning.
25 As an adult student, I feel that it is important to

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1 have a program like this that fosters and nurtures
2 adult students that have little or no experience in
3 higher education. When given this opportunity, we're
4 able to achieve what were once just dreams, and become
5 competent, professionals within the health care
6 field."

7 I think that really says much better
8 than I could tell you or the statistics can tell you
9 about the importance of what our campaign and the
10 organization is talking about. There are thousands of
11 low wage workers like this nurse's aide, not just in
12 health care but in other industries as well, that are

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13 dying for the opportunity to go up the career ladder,
14 but they need help. They need resources. They need
15 case management. They need support systems, child
16 care, other kinds of things, and there are --

17 At this point there are a lot of
18 organizations that are part of our campaign coalition
19 and others that have developed models that work that
20 we're very interested in scaling out to other parts of
21 the state. The Bridges Program I mentioned at Capitol
22 is a partnership of four organizations, the community
23 college, Capitol Workforce Partners, our union's
24 training fund and CREC, and Vernon Regional Adult
25 education. Other adult education providers are

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1 involved.

2 You may have heard the Capital
3 Workforce Partners has a new health care initiative
4 with the federal grants that's been received last
5 summer, a 3-year grant that's a partnership with eight
6 soon to be 10 nursing homes, the area community
7 colleges, adult ed providers, ourselves, so we really
8 think the partnerships are in place. If the state is
9 able to come up with more resources, there are
10 organizations within our campaign and others, I think,
11 that are ready to really help our incumbent workforce
12 help with the state's long-term economy. Thank you
13 very much.

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14 MS. McDONALD: Thank you. Donald
15 Poland followed by Matthew Nemerson followed by Eric
16 Person.

17 MR. POLAND: Good evening and thank
18 you. My name is Donald Poland. I'm here tonight
19 representing the Connecticut Partnership for Balanced
20 Growth. Connecticut Partnership for Balanced Growth
21 believes that Connecticut needs an aggressive growth
22 policy that ensures our economic competitiveness and
23 maintains our high quality of life.

24 Connecticut is a very slow growing
25 state that would actually be declining in population

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1 if it were not for foreign immigration, and recent
2 demographic projections actually show the state will
3 start declining in population probably by 2020. This
4 is not a good situation. Compared to other states in
5 the nation, Connecticut has lost the greatest
6 percentage of 18 to 34 year olds as well as many
7 business expansions and jobs to other regions and
8 states.

9 One of the biggest concerns here,
10 especially if you read the papers and look at local
11 land use decisions and what goes on through these
12 application processes especially with the 18 to 34
13 year olds, which is kind of the family years, this is
14 the young population getting married, having kids. We
15 so often hear people talking about we need to stop

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16 building housing, because it's generating more
17 school-age children. This is kind of anti-family,
18 anti-community policies, and the fact is it's causing
19 problems with our demographic profile.

20 Furthermore, related to this,
21 Connecticut has also consistently ranked 48th in the
22 nation since 2000 in terms of new housing units
23 constructed per capita. For example, in 2006, 1.8
24 million new housing units were built in the United
25 States and only 9,600 were built here in Connecticut.

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1 That's less than .5 percent of the total when
2 Connecticut's population share is about 1.1 percent of
3 our nation's total. Without housing we cannot retain
4 and attract and create jobs. Without jobs we cannot
5 retain and attract young people who will play a vital
6 role in Connecticut's future and economic success.

7 I've submitted a document called Is
8 It Sprawl or Suburbanization Respecting Markets and
9 Citizen's Freedom to choose, and my concern here is we
10 don't oppose Smart Growth. There's many great
11 concepts within the hall of the Smart Growth realm.
12 However, there are many individuals out there that
13 believe Smart Growth actually means no growth, and we
14 often see policies put forward that want to halt and
15 stop growth or force it into specific areas, and
16 really kind of forget that there's consumers out there

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17 that have preferences and desires on where they want
18 to live work and play.

19 We want to make sure as you move
20 forward looking at these types of policies that you
21 consider our concerns and consider the fact that you
22 know today's sprawl is actually what we used to call
23 suburbanization and its natural growth within our
24 region. So I thank you for this opportunity and have
25 a wonderful night.

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1 MS. McDONALD: Thank you. Matthew
2 Nemerson followed by Eric Person followed by Jim
3 Warren from ILSC.

4 MR. NEMERSON: Last week,
5 Commissioner, I threatened to bring slides, and so I'm
6 living up to that threat. So thank you for indulging
7 us in allowing you to change the environment a little
8 bit. Congratulations for sitting through another one
9 of these. You have great patience, and I would love
10 to see your doodles sometimes. I would like to
11 publish those. It's a Rorschach for what the state --

12 MS. McDONALD: They are not doodles.
13 They are actual notes.

14 MR. NEMERSON: My name is Matthew
15 Nemerson. I am president of the Connecticut
16 Technology Council. The Connecticut technology world
17 is about 2,500 companies, and depending upon how you
18 add up the numbers, it's about 10 percent of the

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19 workforce, and that ranks us in the top 10 of all
20 states so technology is very important.

21 You've heard a lot of things tonight
22 and your last sessions, which really represent what a
23 post-industrial society goes through, the angst of the
24 change as we go from industrial jobs to trying to
25 figure out where we stand in the world economy. So

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1 what I would like to do is to show you the top 10
2 things which sort of summarize a lot of what you heard
3 so I'll try to do this. They all came up at once.
4 Well, sorry about that. Let me go through the top 10
5 things.

6 Number 10, increase foreign
7 marketing and trade show presence. Clearly we have to
8 be out there in the world stage. We are beginning to
9 do that. We used to do a lot more of it. We need to
10 do more.

11 Next, improve mass transit not just
12 within the state but connecting to New York. You've
13 heard about all of the complaints. It turns out that
14 our traffic may not be as bad as other places, but we
15 can do a better job with Connecticut. The
16 Hartford-Waterbury corridor is an important area to
17 expand commuter rail to New York City and to that
18 world network. Even a return to trolleys should be
19 considered.

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20 Reorganization is something you've
21 heard. We think it's important that we're a small
22 state that we speak with one voice. It isn't that
23 each of these agencies don't do very important things,
24 but as somebody said before, I think it was Dave
25 Driver, we need to know there's got to be a

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1 quarterback on the field; and if you're going to be
2 that quarterback, we want you to take that position,
3 get the ball, and call the plays. Somebody's got to
4 lead the charge.

5 Encourage affordable housing.

6 Whether you call it Smart Growth or whatever, one of
7 the reasons that young people leave is because they
8 want an environment that's attractive to them. If
9 they have that, they are not going very far away. A
10 few years ago we would see our young people going to
11 Seattle, Austin. Nowadays people are going to Boston
12 or New York. They are not going that far away. We
13 can create those environments, and a lot of them are
14 going to smaller cities. The whole route 8 corridor,
15 a lot of old mill towns can play very well. It's
16 happening in the Hudson Valley in New York. We can do
17 it here.

18 No. 6, promote STEM education.

19 Obviously a lot of people are doing that. They are
20 probably 12 agencies in the state that are getting a
21 handle on that, but we've got to somehow incentivize

22 people to stay here. Scholarship programs, a lot of
23 the other states are now getting people free rides
24 through public education, if they'll stay in
25 engineering, if they'll stay in mathematics. As you

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1 know, we believe in emulating some of the micro
2 economies like Singapore, Finland, Denmark where they
3 are encouraging their youth to become the leaders of
4 that technology revolution. Obviously, the Chinas and
5 Indias are doing it, but we can do it as well even in
6 the post-industrial world.

7 Overtax credits. You can't always
8 sort of pay for people to do things, but you can offer
9 them incentives. We believe that entrepreneurs, the
10 investment capital can be brought here if we can at
11 least play the game the same way other states are. 35
12 states are credits for investment capital. We've got
13 to make sure that the wealth of Connecticut is being
14 deployed here in some of the riskier kinds of
15 investment, because those will bring larger returns.
16 We can do that by having tax credits.

17 Quickly, push for tech transfer out
18 of the universities. Clearly we're seeing efforts,
19 now more at UConn, it's been happening at Yale, but
20 one of the weaknesses that we have is we don't have
21 research programs in our state college campuses.
22 That's something that a lot of other states have done.

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23 More researchers, more Ph.D.'s. that's where the
24 capital, the IP for the future is being held. We're
25 shortchanging ourselves by not having Ph.D. programs

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1 in other places, and by not putting state money into
2 some of our smaller schools like Trinity University,
3 UHA, University of New Haven. You heard about the
4 billion dollars that Virginia is investing. Many
5 states are supplanting NIH and NSF funding for their
6 own programs so reserves stay and grow. That's one
7 of the ways we can keep up with the Indians and
8 Chinese by making sure more research is going on here.

9 Finally, support large businesses.
10 We talk a lot about innovation, small business
11 start-ups, but with the big guys it also makes a lot
12 of sense to keep them near, because as they go
13 through, the creative and capitalism companies branch
14 off from them, they reorganize themselves, and even as
15 they change, they still are very important, and we've
16 missed the boat, I think, by not encouraging
17 manufacturers to stay here. We used to have a large
18 industrial base. We thought we could lose them. You
19 really can't lose anybody. You have to make it
20 attractive for them somehow.

21 Finally, work regionally. Towns are
22 important. All 169 of them are great. I grew up in
23 Connecticut. My town's the best, but the reality is
24 we're just a small piece of a large regional economy.

25 We have to think of ourselves as the east part of the

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1 Metro New York region, and somehow play that game, and
2 convince people to be part of that.

3 And, finally, somehow we've got to
4 give you the capacity to come to us with a plan that
5 you then ask us to support. We're all here asking for
6 our dollars, our programs, Our Piece of the Pie. The
7 truth is just set an agenda, come back to us, and say
8 come with me and support this, support this with OPM,
9 support this with the press, with the Legislature,
10 because the boldness is what's going to capture
11 people's attention. Entrepreneurs have been flocking
12 to Connecticut for generations. We have to come back,
13 make sure they're doing it again, and we just want to
14 help you provide the leadership that we know you can.
15 Thank you.

16 MS. McDONALD: Thank you. Eric
17 Person, Jim Wakim, Jonathan Rosenthal.

18 MR. PERSON: Good evening,
19 Commissioner McDonald and Dr. McMillen. Thank you
20 very much for having the hearing, and I appreciate
21 your holding this. My name is Eric Person. I am the
22 executive officer of the Home Builders Association of
23 Hartford County. The Home Builders Association of
24 Hartford County is a professional trade association
25 that represents almost 600 members of builders, I and

1 developers, remodelers, general contractors,
2 subcontractors, and suppliers in the home building
3 industry in Hartford, Tolland, Middlesex Counties.

4 I would like to keep my remarks
5 short, but build on some of the comments you heard
6 tonight from Billy Ethier and a couple of other
7 gentlemen. The state is at a critical crossroad, and
8 the policies that are a result of this planning effort
9 will have a huge impact on the future job, income and
10 business development opportunities for businesses,
11 individuals and communities in Connecticut.

12 Specifically, I would like to
13 address the need to focus on land use policies, and
14 the need to encourage the development of housing units
15 across the state that will be affordable to people at
16 all income levels and age brackets.

17 There is no secret that house prices
18 have skyrocketed in Connecticut and across the nation
19 in recent years. In Connecticut, housing prices have
20 risen more than 63 percent from 2000 to 2005, and in
21 157 of the 169 towns, a family that is earning a
22 median income cannot afford the median sales priced
23 home. One of the major factors contributing to the
24 rapid increase in prices for new homes is government
25 planning rules that prevent homebuilders from meeting

1 demand. It has been shown that in more than 50
2 metropolitan areas nationwide that induced housing
3 shortages have added nearly \$100,000 to the cost of a
4 median-value home.

5 The current land use regulatory
6 environment in Connecticut is confusing with each
7 community enforcing regulations differently.
8 Providing more common and consistent regulatory
9 enforcement will go a long way to controlling the cost
10 of new housing thereby helping to stimulate the
11 economic growth and wealth creation that is needed to
12 build the economy of Connecticut.

13 The economic lynchpin of
14 Connecticut's future is to attract and retain the 20
15 to 34-year-old population, and have them fully
16 integrated into the state's economy. Since 1990,
17 Connecticut has lost more members of this demographic
18 group than any other state. We must create an
19 environment that fosters the creation of quality
20 employment opportunities as well as the development
21 and availability of affordable housing for our
22 workforce to purchase.

23 A recent CFO Magazine article noted
24 that with one-fifth of American workers reaching
25 retirement age by 2020, an estimated 25 million people

1 are poised to leave the workforce. The mass exodus
2 will not only create a shortage of workers to fill
3 jobs, one Bureau of Labor Statistic's estimate put the
4 shortfall at 2.3 million by 2014, but it will
5 precipitate a boomer brain drain that will be felt for
6 decades.

7 We must take steps now to stop the
8 trend of young people leaving Connecticut for more
9 affordable opportunities elsewhere. We take steps to
10 not only create the jobs employers need to grow their
11 businesses, but also create the regulatory environment
12 and marked to meet the future housing needs and
13 demands of skilled employees.

14 I encourage DECD to focus on land
15 use issues as they relate to the creation of
16 affordable housing for everyone in Connecticut. The
17 HOMEConnecticut legislation that was passed last year
18 should be supported and adopted as a component of
19 DECD's plan. The purpose is to designate and set
20 aside land that is zoned for higher density
21 residential development thereby stimulating the
22 availability of housing for all members of the
23 workforce. Without employees, our state's businesses
24 and economy will never survive.

25 The members of the Home Builders

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1 Association of Hartford County are local business
2 people living in the same towns that they are building
3 in. They want to build neighborhoods, and work with
4 towns to enhance the character of the communities that
5 we all call home. We want to see all the residents of
6 the state prosper, and have the opportunity to realize
7 the dream of homeownership.

8 I hope that the Department of
9 Economic & Community Development will keep these key
10 points in mind while developing this comprehensive
11 plan. We need to create housing opportunities for
12 everyone in Connecticut, and allow builders to
13 maximize the use of their land with higher density
14 development. Combined with more common and consistent
15 regulatory enforcement, these measures will go a long
16 way to stimulating and achieving the economic growth
17 and development that is needed to build the economy of
18 Connecticut.

19 Again, thank you very much for your
20 time this evening. Please make sure that housing is a
21 key component of your plan.

22 MS. McDONALD: Thank you. Jim
23 Wakis, Jonathan Rosenthal and Jeff Martin. Jonathan.

24 MR. ROSENTHAL: Thank you,
25 Commissioner McDonald and Dr. McMillen. I'm very

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1 appreciative of you giving everyone an opportunity to

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2 speak. It was nice to see so many of my friends and
3 colleagues here today. I'm here not so much of a big
4 picture concern. Again, Jonathan Rosenthal. I am
5 development director for the City of Bristol.

6 Just from a municipal perspective, I
7 would argue that we need to see municipalities as
8 partners in this process. Several reorganizations ago
9 of DECD had some people assigned to each community,
10 and sometimes there was somewhat better advocacy and
11 better support when we had correct people to go to
12 although I work with some great people when I call up.
13 I would like to say that I want to continue the
14 current staff and the programs, because they are
15 effective and very helpful in the communities.

16 We are here where the rubber meets
17 the road, and that's why we're so important as
18 partners. When somebody wants a site in our
19 community, we do get the phone call from folks at
20 DECD, and, you know, it's good that we try to work
21 together. There were more Team Connecticut building
22 training programs that have not been done in more
23 recent years where we were kind of trying to build the
24 intellectual infrastructure for economic development.

25 Again, my advocacy is for the second

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1 tier cities. We have had a really fabulous
2 infrastructure program that supports downtowns.
3 That's very important. I know that's something the

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4 Commissioner is looking at. Industrial development.
5 The creation of shovel-ready sites, as our friends at
6 NU like to call it, is not being done by the private
7 sector. It is the public sector that's doing that,
8 and it's very, very important that we continue to have
9 that help and we have that support.

10 Again, this is the basis for quality
11 jobs. We in Bristol, over the last decade or so, have
12 worked with 65, 70 companies that have expanded, built
13 new facilities, and they really are the intellectual
14 backbone for the new economy, the people who maybe
15 have older technologies in terms of they're doing
16 springs, but they're doing springs in a new way in
17 order to be competitive. It's the only way that they
18 can do that.

19 So expanding employment training, as
20 a number of people have said, is very important
21 especially on-the-job training. We need the state to
22 look for mechanisms to be as flexible and responsive
23 as possible, quick turn around. There has to be the
24 ability to examine issues, and be able to bring it to
25 fruition quickly, and I would again argue that,

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1 repeating what some people said. To study, protect,
2 improve transportation corridors and mass transit is
3 very important including in places such as routes 6,
4 72 and 229 in Bristol. So thank you for your time,

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5 and thank you for inviting us.

6 MS. McDONALD: Thank you. Jiff
7 Martin, Elliot Ginsberg and Fernando Rosa. Jiff
8 Martin? Elliot, you're up.

9 MR. GINSBERG: Good evening,
10 Commissioner McDonald and Dr. McMillen. My name is
11 Elliot Ginsberg. I'm the president/CEO of the
12 Connecticut Center for Advanced Technology and I want
13 to, first of all, say I appreciate the opportunity to
14 speak tonight, and to put in a word that says I look
15 forward to working with the Department as we have over
16 the past years as a partner in developing a number of
17 varied programs and services that help entrepreneurs
18 and small businesses here in the State of Connecticut.

19 Let me just also say that the idea
20 of holding this forum, these forums around the state,
21 the staff of my office have monitored each of them, it
22 really does give the opportunity for the public to
23 come out and speak, and really provide them with the
24 opportunities to give input so drastically needed in
25 this day of citizens wanting input to our government.

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1 The partnership that CCAT and the
2 Department have is a wonderful one, because it really
3 does provide the opportunity to leverage the federal
4 dollars we have with the state dollars that are given
5 to the Department, and it's important, because it
6 really does, in many respects, show those who are

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7 constituents to you and to us and to the public for
8 resources that we both give that the government can
9 work. I think so often you've heard and so many
10 people have expressed the frustrations about wondering
11 whether government can work. I'm here to say, as one
12 partner with you in many of the programs, it can work
13 if we do it well, and I think we have shown that, and
14 it's a pleasure to be that partner.

15 We haven't gone far enough. I think
16 people have said it. We need growth and we need
17 improvement probably more drastically greater than we
18 ever thought we would probably even a few years ago.
19 I think we both recognize the new technology, its
20 processes, its materials. Certainly the workforce of
21 the next generation are a significant part of
22 Connecticut's future as we search to find an
23 appropriate balance between development, sustainable
24 growth, environmental sensitivity and transit
25 enhancement. I will let go what others have said.

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1 There is a quote by Morris Udall that says most
2 everyone has said something, but not everybody said
3 it. So let me reiterate a lot of what has already
4 been said, and then beg your indulgence for a couple
5 minutes.

6 The Department of Economic and
7 Community Development, by its name, by its mission, by

8 its rightful place in state government, is the lead
9 agency and as such, I do believe that this strategic
10 plan needs to be very broad based. It needs to be
11 wide spanning and needs a philosophy of maintaining
12 and enhancing the ultimate objectives for everyone in
13 government, and that is to provide a greater number of
14 jobs, and really increase the quality of life here in
15 the State of Connecticut. If need be, it means
16 putting this plan in place that does force crossover
17 opportunities, and in some cases the need to force
18 crossover between state agencies and partners that you
19 have along the way. This plan does provide and needs
20 to provide, I believe, an opportunity for you to show
21 to the world, to certainly the states, an arena of
22 expectation, a buzz, something that will show that
23 this state is serious about its legacy, and serious
24 about its young industry that will create an
25 entrepreneurial climate that will in fact make things

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1 happen here in the state.

2 Let me quickly just list a few
3 things and again reiterate them. Strengthen and
4 protect those industries in which we have a leadership
5 role. I would be remiss if I didn't mention fuel
6 cells. A department in CCAT has an opportunity,
7 through its development plan, through the formation of
8 a cluster, and through enhancing that industry to move
9 forward from where we have already been. We look to

10 see this plan assist in some kind of diversification
11 and decrease cost into business and industries and the
12 public in general. Energy costs are clearly an issue
13 for the public in general in terms of their costs and
14 increasing energy reliability. We look to increase
15 productivity of business by providing support for
16 their enterprises to learn, implement and sustain lean
17 programing. It is the way we are going to move
18 forward with businesses in the future.

19 We need to focus on innovation
20 technology, technology transfer for start-up
21 companies, increase our capacity to assist these
22 entrepreneurs with programs such as our partnership in
23 supporting companies through our incubator program,
24 provide greater support for their needs to achieve
25 commercialization. We need to streamline our

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1 processes provide, and provide more continuity because
2 there are a number of states' programs that have their
3 edges meeting but something not seamlessly.

4 We need to continue to work in fact
5 strengthen with appropriate partners STEM education
6 starting in middle school including assurances that
7 teachers receive professional development on current
8 technologies. We need to enhance connectivity between
9 academia and industry focusing on current industrial
10 needs as well as planning for long-term technological

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11 advancements. We need to ensure the state
12 collectively, again, inside and outside of government,
13 focuses the needs of small and medium size
14 enterprises, including incumbent worker training using
15 real-time online methods, virtual training tools.

16 I'm going to end in a second. I
17 promise you. We need to continue to invest in
18 research and development. Finally, we need to address
19 a shortage of available, affordable working housing
20 throughout the state, and continue to work in
21 conjunction with your state partners regional planning
22 agencies, advocates and citizens to address
23 transportation infrastructure issues, which we know
24 directly impacts the capacity to grow the state's
25 economy.

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1 I appreciate the opportunity to
2 finish, and to allow me a little bit more than 3
3 minutes, but, again, thank you for allowing us to
4 speak, and most of all, thank you for the partnership
5 we already have and for continuing on that growth in
6 the future.

7 MR. McMILLEN: Fernando Rosa
8 followed by Joan Allen. Fernando Rosa? Joan Allen,
9 you're it.

10 MS. ALLEN: Hi. Thank you very much
11 for having me. My name is Joan Allen. I'm the owner
12 of GenCell Corporation, a fuel cell company in

13 Southbury, Connecticut, and along with the Connecticut
14 Hydrogen and Fuel Cell Coalition, we have been working
15 toward the betterment of energy in Connecticut, and
16 one of my main concerns is not just funding the larger
17 fuel cell companies, but also putting money and funds
18 into the research and development of the smaller fuel
19 cell companies as well.

20 One of the main issues today in fuel
21 cells is the high cost and GenCell's technology
22 directly answers that question because of the way we
23 manufacture, but we do need more money for research
24 and development and for more employees. We could, if
25 we had more money, employ probably 25 to 50 more

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1 employees within the next year to 18 months to bring
2 our project or to bring our fuel cells and we're in
3 different arenas. We're in the six different arenas
4 of fuel cells. We are in four of them right now, and
5 to bring them to commercialization we need to have the
6 bodies to be able to do that.

7 We could be, right now, shipping
8 more if we had more money to hire more people, and if
9 we could get our research and development better
10 underway and better funded, and also a lot of the
11 money to be able to keep the IP in Connecticut, the IP
12 attorneys being as expensive as they are, and being
13 able to keep the intellectual property in Connecticut

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14 funding is needed to support the smaller companies in
15 Connecticut, and I thank you very much, and we have
16 had a lot of support from CICA and the Clean Energy
17 Fund, but we need quite a bit more, and I thank you
18 very much.

19 MS. McDONALD: Thank you. That's
20 the end of the speakers who have signed up. Is there
21 anybody else who wishes to speak? Okay. Well, it's 8
22 o'clock, and this concludes the Hartford public forum.
23 We have two more, and then we will be back to the
24 public to continue the dialogue. Thank you.

25 (Whereupon, this deposition was

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1 concluded at 8:01 p.m.)
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CERTIFICATE OF REPORTER

I, Jacqueline V. McCauley, a Notary Public
duly commissioned and qualified in and for the State
of Connecticut, do hereby certify that this hearing
was taken by me on the 17th day of January, 2008.

IN WITNESS WHEREOF, I have hereunto set my hand
and affixed my seal this 27th day of January, 2008.

Jacqueline V. McCauley
Notary Public

My Commission expires: 5/31/10

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