

## Working Group Name: Jobs/Economic Development Working Group

List the priorities of your working group in the appropriate areas below...

### **PRIORITY INITIATIVES:** Things that should be addressed during the 2011 budget/legislative process

	<b>Policy Initiative</b>	<b>Immediate Fiscal Impact</b>
1.	#8 Expand the relationship between DECD and the Metro Chambers-reestablish regional field offices with chambers and other ED organizations-Maximize EDA funds	None (potential savings)
2.	#3 Create a Sub Cabinet for Economic Development	None (potential savings)
	#4 Consolidate State Agencies to streamline services	None (potential savings)
	#6 Committee to identify opportunities to contract out state services	None (potential savings)
	#1 Appoint top level CEOs to support governor's job creation/ED efforts	None
	#18 Support expansion of Army aviation repair depot at Groton-NL Airport	Value of vacant land
	#5 Create Malloy "First Stop for business" program	None
	#11 Expedite the permit approval process	None

### **SHORT-TERM INITIATIVES:** Things that should be addressed by 2012/2013

	<b>Policy Initiative</b>	<b>Short Term Fiscal Impact</b>
1.	#7 Establish a balance of ED resources between various initiatives	Modest
2.	#9 Create State/Regional and local ED teams	None
	#10 Set high priority for contracts where agencies consolidate	None (potential savings)
	#15 Moratorium on new regulations	None (potential savings for others)
	#19 Expand funding for ED districts	None
	#2 Develop a communication plan for businesses	None
	#23 Update tax incentives	Significant
	#17 Seek federal funds for workforce readiness	Significant
	#13 State agencies to issue permits within 60 days	None

**LONG-TERM INITIATIVES:** Things that should be considered beyond 2013

	<b>Policy Initiative</b>	<b>Long Term Fiscal Impact</b>
1.	#16 Eliminate deduction of 'admin expenses' from state grants	Moderate – Maximizes local funds
2.	#22 Provide Education loan relief to students	Potentially significant
	#14 Establish new expedited review schedules for ED assistance	None
	#12 Establish a 90 day max on review/action of permit applications	None
	#20 Continue relationship with federal gov't re: Navy Base Groton	No additional cost
	#21 Appoint scientific advisor to Governor	Modest
	#24 Revisit Public Act 10-75	Unknown
	#25 Use bonding to improve infrastructure	Significant
	#26 Reclaim name of Insurance Capitol of World for state	None
	#27 Focus on Hedge Fund Industry	None
	#28 Develop Deep Harbor Ports	Significant
	#29-38 Urban Development Initiatives	Unknown

On items in which there was not consensus, please append any dissenting opinions.

**From: Chandler Howard (co-chair)  
Tony Sheridan (co-chair)**

## **Statement of Issue**

The list of needs is long when it comes to putting in place an effective economic development plan that will position Connecticut to compete in a 21<sup>st</sup> century economy; one that sweeps aside parochial considerations and pays little heed to borders. None of these needs is more important than a demonstrated commitment at the very pinnacle of state government to building a secure economic future. Without such leadership, any effort in this area will be marginalized.

Following strong, focused leadership is the need to streamline economic development efforts in Connecticut. There needs to be a “Team Connecticut” spirit among all with responsibilities in this area. The state needs the resources of public and private organizations to mount a successful economic development effort, and should utilize existing resources more effectively.

Economic development/job creation is not an isolated exercise; it cannot be successfully executed in a vacuum. Such factors as utility costs, a transportation system appropriate to the challenges we face, and a known and predictable taxing structure and regulatory process all impact on the decision of a company to settle or remain here.

Overshadowing all the specific programs and policies that need to be put in place is the state’s financial situation. Without direct, swift and certain actions here, economic development and the job creation it brings will remain a cherished goal, and nothing more. According to records received from DECD there are 33 agencies working in economic development efforts for the state. It is for these reasons and more that the Malloy/Wyman transition team on jobs and economic development recommends the following for consideration.

## **Recommendations on State Organizational Issues**

1. Appoint top-level corporate, chamber, labor, cultural and higher education CEO's to support the governor's job creation/economic development efforts.

**Desired Outcome**

- Committee would serve as ambassadors who would meet regularly and be called upon as needed, to support the governor's efforts to retain existing businesses and attract new businesses for the state
- Appointment of this committee would serve the purpose of informing all interested parties, in and out-of-state, that we are a business friendly state and that we are serious about supporting our business community and growing our economy

Cost to state - none

2. Develop a communications plan for business. Use existing resources at the Connecticut Economic Resource Center augmented by other private sector contributions. Ensure a consistent message from the Administration on economic development priorities.

**Desired Outcome**

- Send message to business that there is new leadership and that we are serious about changing the business climate
- Take advantage of existing private sector resources provided through CERC. Seek broader business support for the communications effort
- Send message in and outside Connecticut that we take economic development seriously

Cost to state - none

3. Create a sub cabinet for economic development including OPM, DECD, DEP, CONNDOT, CDA, CI with some private partner involvement. Also create a projects working group of mid level managers from each of these agencies to expedite approvals on high priority projects. Land use economic development transportation together – like federal sustainable communities efforts.

**Desired Outcome**

- Interdisciplinary coordination of policy, projects and programs
- Streamlining of interaction with business and economic development projects

Cost to state - none

4. Consolidate state agencies as appropriate to streamline delivery of services, while maintaining program missions and client focus.

**Desired Outcome**

- Significant cost savings for the state
- Clarity of mission
- User friendly government services

Cost to state - none

5. Announce the Malloy “first stop for business” program by re-emphasizing, enhancing, and publicizing the existing CERC Business Response Center and SmartStart/Connecticut Licensing and Information Center capabilities. Direct that all agencies include the “First stop for business” site as the “go-to” contact for business.

**Desired Outcome**

- Respond to the needs of the client
- Take advantage of the current private sector contributions to economic development at CERC
- With appropriate marketing and some reconfiguration, and in partnership with the state economic development agencies, we can maintain a world class client service operation, at no additional cost to state government.

Cost to state - none

6. Establish a working committee to identify opportunities to contract out state services. Establish the distinction between “policymaking” and “program delivery”, or “rowing” and “steering”.

**Desired Outcome**

- Allows for the Malloy Administration to set the policy direction and goals and use agencies, quasi and nonprofits to deliver.
- Program implementation or “rowing” activities currently delivered by state agencies should be competitively bid.
- Significant cost savings for the state
- Efficiency and time line gains
- Private sector job creation

Cost to state - none (potential significant savings and efficiencies)

7. Establish an appropriate balance in allocation of economic development resources between business development, retention and expansion of existing Connecticut companies and recruiting companies from out-of-state; recognizing that most new growth in jobs comes from existing state businesses. Eliminate the state travel ban immediately for employees working directly on economic development /job related retention efforts and participate in the current “Discover New England for Business” (Team New England) programs and others that are focused on economic development efforts. Continue to leverage private, utility and non-profit efforts for business recruitment.

**Desired Outcome**

- Stem the flow of businesses out of the state
- Strong message to the business community that we value their presence and support their efforts

- Easier to retain and grow companies than recruit new ones.
- Ramp up the state's economic development efforts
- Increase our potential for success

Cost to state - modest

## **Recommendations for Greater Public-private Cooperation at State/regional/local Level**

8. Expand the existing relationship between DECD and the Metro chambers to take full advantage of private sector support available through the chambers for the governor's DECD agenda. Reestablish regional field offices with chambers of commerce and other economic development organizations and maximize state receipt of federal EDA funds via the Comprehensive Economic Development Strategy (CEDS).

### **Desired Outcome**

- Fully utilize existing business service centers
- Eliminate duplication of services
- Take advantage of the existing business relationships
- Creates a user friendly, convenient environment
- Access to existing business relationships
- Use of privately supported infrastructure
- Accesses significant federal economic development funds and resources

Cost to state - none (Potential significant savings and efficiencies)

9. Create state-regional-local economic development teams -- including appropriate state agencies, regional and municipal officials -- to work jointly and simultaneously on permit applications for development projects. Assign a DECD "municipal ombudsman" that interacts regularly and directly with local governments to improve coordination for economic development, planning, transportation, etc.

### **Desired Outcome**

- Streamline the permit-approval process so that all reviews and approvals happen simultaneously rather than one after another
- Ensure timely economic development by allowing municipalities to have one key contact person for each economic development-related state agency.

Cost to state – none

10. Declare by executive order that all grant or contract applications from local and regional organizations that consolidate or merge with similar functioning agencies would be given high priority rating for funding requests

### **Desired Outcome**

- Stream line the state's economic development efforts

- A greater opportunity to display a focused message
  - Significant cost savings
- Cost to state – none (Potential savings)

## **Recommendations for Permitting and Regulatory Improvements**

### **11. Expedite the permit approval process.**

#### **Desired Outcome**

- Reduce permit-approval backlogs in state agencies.
- Reduce the amount of time it takes to obtain permit approval for economic development projects.

Costs to state - none

### **12. Establish 90-day maximum period for state review and action on permit applications unless otherwise agreed to by both parties. If the state agency fails to act within this time period, deem the application approved.**

#### **Desired Outcome**

- Ensure timely approval of state permits.

Costs to state - none

### **13. Direct DOT, including the state traffic commission, DECD, DEP to expedite any completed viable permits and funding applications within 60 days**

#### **Desired Outcome**

- Sends the message that Connecticut is open for business

Costs to state - none

### **14. Establish and publish new expedited review schedules for economic development assistance that distinguish the state of Connecticut as a business friendly state**

#### **Desired Outcome**

- Helps stimulate the state's economy and creates jobs
- Create a user friendly environment
- Provides clarity and openness for the permit applicant

Cost to state - none

### **15. Place a moratorium on any new regulations (except for those related to public health and safety) that would diminish efforts to maintain and grow the state's economy**

#### **Desired Outcome**

- Sends a business friendly message to municipalities and the business community.

Cost to state- none (Potential savings for municipalities and businesses)

16. Eliminate the practice of state agencies deducting “administrative expenses” from state grants and from federal grants passed through to towns and cities.

**Desired Outcome**

- Reduce unnecessary overhead, which reduces the amount of funds for needed economic development.

Costs to state - moderate cost to state; maximizes local grant funds

**Recommendations for Federal Funding and Programs**

17. Commit to seeking funding in support of federal matches for workforce readiness and incumbent worker training programs

**Desired Outcome**

- To train and educate the future workforce
- Job retention

Cost to state - significant

18. Aggressively support expansion efforts by the federal government to bolster the capability of the Army’s aviation repair depot at the Groton-New London Airport, one of only four such facilities in the United States. There are plans to double the size of the facility. The expansion is part of a fiercely competitive nationwide process that would be greatly assisted if the state made available vacant land under the control of the state department of transportation.

**Desired Outcome**

- Add up to an additional 150 jobs over the present 275 full-time personnel.
- Generate construction-related business from the \$125 million project.

Cost to the state - value of the vacant land

19. Seek support of expansion of funding for Economic Development Districts at the EDA from Connecticut’s Congressional delegation – maximize the effectiveness of regional economic development organizations

**Desired Outcome**

- Alignment with federal economic development programs
- increased federal funding for regional economic development organizations
- Increased federal funding for Economic Development projects

Cost to the state - none

**20.** Continue the state's unique relationship with the federal government regarding economic development initiatives that enhance military value to the Naval Submarine Base in Groton.

**Desired Outcome**

- Makes base less vulnerable to possible closure by the federal government

Cost to the state - (no additional cost)

**Other Significant Recommendations**

**21.** Appoint a highly regarded scientific adviser to the governor whose responsibilities will include focusing the University of Connecticut on its land grant obligations to increase participation in the transfer and commercialization of technology.

**Desired Outcome**

- Assist with integrating technology led economic development into the marketplace and advise on technology issues facing state government
- Advise DECD on technology related grant and support requests
- Facilitate the transfer of research and development to the private sector

Cost to state - modest

**22.** Provide education loan relief to graduating students in high need disciplines with the proviso that the student commits to working in Connecticut for a period of 5 years. Loans to be paid off on an annual basis over the course of the 5 years

**Desired Outcome**

- Stem the flow of talented students in high need disciplines leaving the state
- Improve our capacity to compete

Cost to state – Potentially significant

**23.** Update tax incentive policies to incentivize investment in current high-growth industries such as healthcare, biotech, green education, medical devices, aerospace, defense, nuclear, insurance and financial services

**Desired Outcome**

- To retain and grow high end jobs
- Attract and retain an educated workforce
- Position Connecticut as a leader in the new economy

Cost to state – significant

**24.** Revisit Public Act #10-75 to consider adopting those business friendly components not mentioned in this document that are designed to assist with expanding existing businesses and creating jobs.

**Desired Outcome:**

- Establish a strong partnership with the legislature with the goal of growing the economy and creating jobs.

Cost to the state – unknown

25. Use state bonding to improve infrastructure and stimulate employment, with a focus on investment in distressed municipalities (roads and bridges, sub terrain infrastructure, historic and anchor cultural facilities, Brownfield-remediation projects, transportation-oriented development, etc.). Governor Grasso’s Executive Order 20 (1978) foresaw a comprehensive state effort in this area.

**Desired Outcome**

- Create jobs and provide much-needed infrastructure repair.

Cost to state – Significant

26. Reclaim for the State of Connecticut the “Insurance Capitol of the World” title. Meet with the CEOs of CT’s major insurance companies. Identify both problems and opportunities that affect retention and growth, and direct staff to immediately take action to address these.

**Desired Outcome**

- Retain and grow high paying jobs.
- Retain and grow a historically important state industry.

Cost to state – None

27. Focus on the hedge fund/investment industry, identify state and local incentives and recruitment activities that will retain and expand the industry to create a “Hedge Fund Capital Corridor’ in SW CT.

**Desired Outcome**

- Retain and grow high paying jobs.
- Retain and grow a historically important state industry.

Cost to state – None

28. Develop the states deep harbor ports to maximize their potential for shipping goods and transportation of passengers

**Desired Outcome**

- Increase tourism promotion
- Reduce dependence on the overcrowded state highways
- Fully develop tax free zones
- Job creation

Cost to State – Significant

## **Native American Tribal Nation Enterprises**

The two Native American Tribal Nation have a unique and special relationship with the state of Connecticut and its citizens. Both the Mashantucket Pequot Tribal Nation and the Mohegan Tribal Nation enterprises are significant economic forces in the state. They are two of the largest five employers in the state. In addition, the ripple effect of their joint purchasing power, the entertainment venues they provide, and their significant annual contributions to the state coffers are important contributors to the good and welfare of the state. They position Connecticut as the entertainment center of New England and are significant drivers of the states tourism business.

### **Recommendation**

Native American enterprises are unique to Connecticut. The positive economic impact they have on the state should be fully understood by everyone in the new administration. It is a difficult time for both tribal nations. With potential competition looming in neighboring states it is incumbent on the new administration to reach out to both nations to embrace and support these enterprises. The Governor should, as soon as possible convene a meeting with tribal leadership. The purpose of this meeting will be to acknowledge and express support for the tribal nation's enterprises and to learn how the state can support and enhance their efforts to grow and prosper.

### **Desired Outcome**

Acknowledge the important role that Connecticut's Native American Communities play in the state's economy and quality of life.

## **Urban Job Creation and Revitalization**

Most of our older urban centers have lagged the rest of the state in economic performance and current policy approaches to improvements have been less than successful. The linkages of these centers to their surrounding communities provide a new model for public policy approaches.

For the most part, cities and towns exert little control over their own destiny. State and federal policies in the areas of taxation, education funding, economic development and transportation are examples of the many ways external forces can impact the fortunes of Connecticut's urban centers. However, cities and towns can exert significant influence over local policy and spending decisions that directly impact local conditions.

In Connecticut, as with most states, the administrative boundaries of towns have little, if any, relationship to market or regional economies. Public policies to positively impact economic competitiveness and growth should therefore match the level at which economic activity occurs. We should concentrate on the relationship of cities and towns to one another and to the state and examine and understand who has responsibility for communities' success, rather than ask specific questions about education, transportation or job growth. Questions arise such as: Are government and civic programs organized to be most effective in driving economic growth? Are different levels of government and agencies working in concert, or are they operating in silos without developing integrated approaches and strategies (most agree with the latter)?

One key organizing concept for policy that addresses urban challenges: Any approach must be flexible and carried out at the appropriate scale – inter-town, metro, state, interstate – depending on the desired outcomes. While the end result may be the same, the variability among cities requires flexible solutions, rather than “one size fits all.”

In evaluating policy options, key themes should be considered:

- *Does the policy enhance the connections between urban centers and their economic regions, including the surrounding towns?*
- *Does the policy take into account market realities? Does it balance the need to both direct investment and let the market work on its own?*
- *Does the policy allow for the efficient reuse of existing assets, justifying previously made public expenditures (rail, for example.)*

If the goal is to increase the grand lists of the cities, then jobs must be created by businesses within the city limits. Because of Connecticut's small size and regional economies, if the goal is to provide jobs for city residents, then there is equal merit to stimulating business investment within the immediate region as long as accessible transportation exists. Jobs can be created within a shorter time-span than can grand lists be increased.

Whatever the goal, the quickest way to create jobs is to incentivize existing businesses to make job-generating expansions and equipment purchases. Recruiting new businesses from out-of-state locations will first require a visible repair to the business climate and will, thereby, take longer.

According to economic development consulting firm Blane, Canada Ltd. of Wheaton, Ill., there are three strategies which states use to spur job creation. The amount of effort and resources used in these strategies is generally:

- 76 per cent from existing businesses
- 15 per cent from relocating companies
- 9 per cent from entrepreneurial start-ups

Connecticut has much work to do on its business climate and marketing strategy before it can successfully attract out-of-state businesses, but when ready, the state should capitalize on its strengths in insurance and financial services, life science/medical

devices, and aerospace. However, Connecticut's entrepreneurial sector is larger and more robust than most and would likely change Blaine, Canada's break-down to:

- 76 per cent from existing businesses
- 9 per cent from relocating companies
- 15 per cent from entrepreneurial start-up

## Recommendations

**29.** Establish "tax-free" zones in cities and surrounding regions where there are large concentrations of targeted industries.

- "Tax-free" means no taxes whatsoever. Such a benefit would only apply to incremental investments that would not diminish the existing tax base and which would result in new jobs.
- Creating zones where there are specific industry concentrations instead of spreading these industries throughout the state would capitalize on "cluster" theory that like industries prefer to be near each other.
- Targeted industry examples:
  - Insurance and financial services within the Hartford and Stamford orbits.
  - Life science, healthcare and medical devices within the New Haven and Hartford orbits.
  - Defense, homeland security and maritime industries within the New London and Norwich orbits.
  - Precision-machining within the Bridgeport, Waterbury, Meriden, New Britain and Torrington orbits.
- Zones should be sunset after five (5) years.
- Restore electric and gas utilities' abilities to offer economic development rates, a feature that was eliminated through de-regulation; activate the practice only in the zones as a pilot to possibly offering such rates throughout the state.

**30.** Recruit smaller rapid deployment distribution centers which can provide living wages and benefits to unskilled and under-educated residents who can no longer find jobs in the factory sector.

- Connecticut is an attractive location for distribution centers because of its location and transportation networks.
- Larger centers would be preferable but they won't fit inside the cities and surrounding towns deplore the "big boxes" and trucks.

**31.** Utilize "seed capital" funds and tax policy to spur entrepreneurial investments and start-ups.

- Earmark portion of Connecticut Innovations' existing funds for investments in non-technology businesses.
- Require state colleges and universities to offer discounted licensing and royalty rates for spin-outs which remain in Connecticut.

- Provide tax credits to corporations which assist employee entrepreneurs in taking technology out of the company and into commercial space; use portions of the corporations' tax payments for cash grants to such entrepreneurs.

### 32. Mandate Interagency and Interdisciplinary cooperation at the state level around urban success strategies

- Agencies of state government that have an impact on community success should organize to collaborate and understand how seemingly unrelated actions can be connected.
- Mission agencies should meet together on a regular basis around the organizing concept of what makes communities successful, and what policies enhance the success of the state's urban centers.
- Structures that ensure agencies act in concert must be set up and sustained across administrations.
- A project committee of key agencies should review projects with an eye to which investments will help a community, and thus the state, become more economically successful.
- Regional economic strategies that identify important regional investments should inform the state decision making process.

### 33. Develop a Capital Investment Plan for Connecticut

The Government Performance Project conducted by Governing Magazine gave Connecticut its lowest marks for the lack of capital planning. Compared to other states, Connecticut lacks transparency in its capital planning, and does not createput a multi year capital plan. Michigan is a state that receives high marks in this area, and could act as a model for reform here in Connecticut. Connecticut needs to be smarter about how it spends its limited capital investment dollars. Clear policies that will drive dollars to centers of activity in our urban areas should guide the Capital Investment Plan.

The State of Connecticut should develop a three year capital spending plan (like the Transportation Investment Plan) that in turn guides priority projects.

- A strategic cooperative, inter-agency approach to setting capital project funding priorities should be developed.
- Standards and evaluation criteria need to be developed to govern capital spending, and should include: economic impact (jobs, income generation), infrastructure development (sustainable, infill development, synergies with other projects), compliance with regional and state plans, and feasibility (such as commitment of funds, legal, zoning, local support, and organizational capacity).

### 34. Apply strategic goals to capital investment at the local level as well

- Local governments should develop a well thought out strategy for targeting public investments for urban revitalization.
- While funds may come from a variety of government and private sources, local governments should carefully analyze where public investments in public facilities, infrastructure, and private redevelopment projects will have a significant positive impact on local economic development objectives.
- Cities should avoid investments in projects that may have a vocal or powerful constituency but questionable economic payoff in the long run.

### 35. Create the Urban Growth Strategies Board

The state should establish a working group consisting of representatives from the executive and legislative branch, municipalities, business and other stakeholders with the charge of restoring our urban centers to a more competitive position. This group should be structured with sufficient resources and regulatory power that could transcend political administrations. Its work should aim to reduce cost differentials between cities and suburbs through regional tax sharing and other mechanisms.

### 36. Extend Results Based Accountability to Economic Development Programs

The state should extend current results-based accountability efforts to economic policy and programming and should measure progress and return on investment in communities and regions. Reports should be submitted regularly to an oversight board, the executive and legislative branches and the public at large. This should be an open and transparent process, perhaps building on the foundation laid by the Connecticut Progress Council in the early 1990s.

### 37. Create the Urban Development Progress Index

The state should adopt a series of metrics and indicators to measure urban communities' progress. There are four key tests in choosing appropriate indicators:

- The indicator must measure a condition that is important to a community. The indicators we chose relate to defining characteristics of communities - conditions that can truly make a community more livable and therefore more competitive.
- The data must be readily available. We chose to focus on data that is available for all Connecticut towns and cities. We might like to know many other things about our cities, but the relevant data is not uniformly collected for them.
- The data should be actionable, meaning it can be influenced through policies and programs. For example, measuring rainfall, even though the numbers are available, is not actionable and could not lead to change.

- The data must be regularly updated. While the work may continue for a decade or longer, people want some indication of progress to sustain the required effort and investment. We focused on data that is updated at least once in every three years. Unfortunately, this leaves out most US Census data due to its ten-year cycle.

A model for such an index developed for the Connecticut Regional Institute for the 21<sup>st</sup> Century is attached.

### **38. Put Renewed Emphasis on Brownfields Redevelopment**

The state has done much to clean-up challenged properties and bring them back to productive use over the past 20 years. However, the policy construct that guides programs in this area seems more based on public health and safety rather than redevelopment and economic growth.

- Provide clear policy guidance to the DEP, DECD, and CDA that Redevelopment and economic growth are at the center of any brownfields activities.
- Review the current patchwork of brownfields programs and statutes and simplify and clarify their intent to be consistent with the new emphasis on redevelopment and economic growth.
- Insure that other agencies such as CONNDOT and DPW also understand the redevelopment and economic growth goals.
- Work faster – match the market's timeline - understand time is money.

## Benchmarking Indicators for Selected Cities

<b>CT Regional Institute For the 21st Century — Benchmarking Indicators Model for Selected CT Cities</b>							
Population Estimates (2003)	139,664	124,387	71,572	124,662	84,170	120,107	108,130
City	Bridgeport	Hartford	New Britain	New Haven	Norwalk	Stamford	Waterbury
<b>Education Benchmarks:</b>							
High School Graduates As % of 9th-12th Graders Enrolled:	16%	15%	16%	17%	20%	23%	17%
Overall Graduation Rate at CT State University System (2004)	37%	43%	43%	37%	32%	32%	40%
Overall Graduation Rate at Community College System (2004)	9%	13%	10%	14%	7%	7%	8%
<b>Employment Benchmark:</b>							
Average Annual Employment (2003)	46,654	114,392	23,249	74,672	42,241	75,840	41,117
<b>Economic Activity Benchmarks:</b>							
Sales Tax per capita (2003)	\$428	\$1,051	\$400	\$1,204	\$1,115	\$956	\$436
Median Residential Sales Value (2003)	\$197,700	\$130,000	\$120,000	\$130,000	\$331,500	\$370,000	\$100,000
Commercial & Industrial Property Assessment as % of Grand List (2002)	18%	37%	15%	36%	20%	25%	22%
<b>Quality of Life Benchmarks:</b>							
Violent Crime per 1,000 Population (2002)	12.1	12.4	4.5	13.9	4	2.3	5.4
Percent of Population Enrolled in Medicaid & HUSKY A (2003)	41%	57%	37%	43%	15%	14%	41%
<b>Fiscal Health Benchmark:</b>							
Total Taxes Collected as A % of Total Outstanding (2003)	77%	89%	90%	91%	98%	96%	82%

**Working Group Name:** Jobs/Economic Development Working Group – Arts, Culture, Tourism Report

List the priorities of your working group in the appropriate areas below...

**PRIORITY INITIATIVES:** Things that should be addressed during the 2011 budget/legislative process

	<b>Policy Initiative</b>	<b>Immediate Fiscal Impact</b>
1.	#2 Phase out Districts	Potential Savings
2.	#5 Develop a advertising/marketing plan	Modest
	#1 Reunite Arts, Culture, Tourism with DECD	Potential Savings
	#3 Encourage partnerships with Regional Chambers of Commerce	Potential Savings

**SHORT-TERM INITIATIVES:** Things that should be addressed by 2012/2013

	<b>Policy Initiative</b>	<b>Short Term Fiscal Impact</b>
1.	#4 Contract out operation of welcome centers	Savings
2.	#6 Establish CT as a leader in Creative Economy	Modest
	#7 Ensure compliance with National Endowment of Arts	Modest

**LONG-TERM INITIATIVES:** Things that should be considered beyond 2013



# Arts, Culture & Tourism in Connecticut

## Draft 3

In 2004 the Connecticut Office of Tourism, Commission on the Arts, Historic Commission and the Film Office were merged under a single agency the Commission on Culture and Tourism. There are many components to this industry that provide a rich fabric and quality of “place” and collectively play an important role in attracting visitors to the state. It is for this reason we define "tourism" as the promotional or marketing effort that brings the attention of the widest possible audiences to our collective attractions in the state of Connecticut.

During the course of the gubernatorial campaign Governor elect Malloy indicated that the tourism structure in Connecticut “is broken.” His view is absolutely correct and unless it is repaired Connecticut will continue on a downward glide path of losing the economic impact of job creation, tax revenue and quality of life that a strong tourism industry supports.

Arts, Culture and Tourism is an Economic Development function. To this end there is an important role that state government plays in supporting a strong arts, culture and tourism economy. However; arts, culture and tourism promotion should never be assumed to be entirely the burden of government. Of paramount importance is that all marketing must represent the objectives of the state’s leadership. In that light the committee offers the following recommendations when it comes to investing in and promoting the arts/culture institutions and tourism industry.

### **Recommendations**

1. Reunite Arts, Culture and Tourism with the economic development initiatives of the state with a director reporting directly to the DECD Commissioner.

### **Desired Outcome**

- Recognition at the top level of state government that Arts, Culture and Tourism is an important economic driver and job creator for the state.
- Fully utilize and focus the significant DECD resources and talent to promote Arts, Culture and Tourism as an important economic development and job creating entity for the state.

Cost to state – Significant savings

2. Phase out the three remaining Districts. Fold the three tourism districts into one advisory board, possibly a public/private partnership, appointed by the Governor and reporting to the DECD commissioner. This Advisory Board would be responsible for advising the Commissioner on all aspects relating to advertising and presenting the state to the outside world in a cohesive, focused fashion as well as other duties related to Arts culture and tourism.

The intent would be to have a unified organization, whose members would, in part, be recommended by the states COG's along with leaders in the tourism industry. It's formation would go a long way towards streamlining the delivery of tourism related services, by elevating arts, culture and other state attractions to the highest level of state government. In addition, establishing state wide and unified branding for all audiences, would save significant dollars for Connecticut. The intent would be to have the new entity subsume the function of the districts.

### **Desired Outcome**

- Provide thematic state wide direction, receive the arts, culture and tourism industry support as well as executive support from the highest level of Government
- Allow a timely response to the ever changing economic environment
- Significant economic growth for the state and the business community
- A centralized international, national, and state wide focused message promoting Arts Culture and Tourism
- Engagement of top Arts, Culture and Tourism leadership in promoting the state

Cost to the state – None (significant savings)

3. Encourage partnerships with regional chambers of commerce or other economic entities most of whom have an already established office infrastructure and presently oversee a tourism component. Culture and tourism organizations who have partnered with local chambers of commerce or other economic development entities will receive a high priority rating on all future tourism related contracts and grants.

### **Desired Outcome**

- A regional supportive response to the Arts Culture and tourism needs

- Eliminate message confusion
- Coordinated promotional efforts with the regions legislators
- Help eliminate duplication
- Take advantage of existing chamber infrastructure
- Broaden support for the arts culture and tourism among chamber members

Cost to the state – None

4. Consideration be given to contracting the operation of the state's welcome centers with the private sector, i.e. chambers of commerce

**Desired Outcome**

- Significant savings for the state
- Guaranteed operation
- Local involvement of the cultural and tourism related businesses

5. Develop and implement an in-state, national, and international advertising and marketing plan, focusing on attracting the following activities
  - Arts and cultural institutions
  - corporate business, group, and incentive conventions
  - sports teams and events
  - social, military, educational, religious, and fraternity groups' conventions
  - arts & cultural trade shows
  - gaming and gaming related activities and events

**Desired Outcome**

- Develop a broad base of support for the tourism industry
- Show case Connecticut as a wonderful place to live work and play
- Retain and grow high paying jobs.

Cost to the state – 15 million dollars

6. Establish CT as a national leader in Creative Economy. Develop an ad-hoc group of

arts, entertainment, economic development, digital technologies, and business recruitment leaders to create a master plan identifying opportunities and strategies for strengthening the creative economy.

**Desired Outcome**

- Grow a cutting-edge and catalytic state industry
- Retain and grow high paying jobs

Cost to State – none

7. Ensure that structural changes to the commission of Culture and Tourism comply with National Endowment for the Arts requirements so that the State will be eligible for matching and other federal grant support for the arts and culture

**Desired Outcome**

- Ensures an independent, collaborative agency for public/private partnerships and investments in the cultural economy
- Increased federal funding opportunities for arts and arts-related programs partnerships and investments in the cultural economy

Cost to State – minimal

<b>Committee Member</b>	<b>Representing Organization</b>
Tony Sheridan	Chamber of Commerce of Eastern Connecticut, Inc.
Chandler Howard	Liberty Bank-Middletown
Matthew Nemerson	
David Driver	Northeast Utilities
John Padilla	
Fred Carstensen	UConn Avery Point
Chris Bruhl	Business Council of Fairfield County
Oz Griebel	MetroHartford Alliance
Lynn Ward	Waterbury Regional Chamber
Larry McHugh	Middlesex County Chamber of Commerce
Mike Nicasro	Central Connecticut Chambers of Commerce
Anthony Rescigno	Greater New Haven Chamber of Commerce
Paul Timpanelli	Bridgeport Chamber of Commerce
Joe Brennan	CBIA
Harry Hurvitz	Deloitte
John Beauregard	Eastern Connecticut Workforce Investment Board Inc
Robert Santy	CERC - Connecticut Economic Research Center, Inc.
Shelly Saczynski	United Illuminating
Frank Johnson	Manufacturers Alliance of Connecticut
Elliot Ginsberg	Connecticut Center for Advanced Technology, Inc.
Roy Occhiogrosso	Global Strategy Group
Joe Carbone	
Shawn Wooden	Day Pitney, LLP
Mark Ojakian	
Len Miller	Dan Malloy for Governor
Juanita James	
John Olsen	
Ms. Cynthia Clair	Arts Council of Greater New Haven
Kathryn Emmett	Emmett and Glander, PC
Jason Jakubowski	
Steve Sigel	Garde Arts Center, The
John Markowicz	SECTER Southeastern CT Enterprise Reg
John Shemo	MetroHartford Alliance

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