



State of Connecticut  
Department of Economic and  
Community Development

**TESTIMONY PRESENTED TO THE PLANNING & DEVELOPMENT  
COMMITTEE  
February 23, 2009**

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Department of Economic and Community Development*

**HB 6387 AN ACT CONCERNING THE SMALL TOWN ECONOMIC ASSISTANCE  
PROGRAM**

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Good afternoon Senator Coleman, Representative Sharkey, and members of the Planning and Development Committee. My name is Larry Lusardi and I am the Executive Director of the Office of Municipal Development at the Department of Economic and Community Development (DECD).

I am here this afternoon to offer comments in support of HB 6387, *An Act Concerning the Small Town Economic Assistance Program*.

As she stated in her budget address, Governor Rell is serious about regionalism and taking advantage of the positive impacts it can have on local and state budgets, and this bill is another proactive step in that direction.

The legislation before your committee would allow the Small Town Economic Assistance Program (STEAP) to fund multi-town projects. Towns would be able to apply jointly for a larger project by partnering to address a mutual need. Currently, towns must submit separate applications if they are working on a joint project. This would allow one application to be submitted on behalf of multiple towns.

The savings by doing this would be significant for several reasons. First, soft costs, such as architectural drawings and engineering plans would be reduced because only one contractor would need to be hired. Second, the savings from the soft costs would then allow for more hard costs to be placed directly into the project.

Additionally, this would minimize the administrative burden for the towns and for the state. One application would be submitted by the towns through a lead town and one contract would be executed between the lead town and the state.

To give you an example of what we have seen at DECD, in one existing case three towns were awarded individual grants to carry out a similar project to review the economic potential for development along a road that traverses town boundaries. In another case two towns were awarded individual grants on two occasions to study and implement improvements on a road that passed through both towns. This bill seeks to maximize the ability for communities to apply for regional projects so that there is a greater return on an investment by the state which benefits multiple communities.

DECD knows that this method will work because we currently administer a federal program where this approach has been used for years. The federal Small Cities Community Development Block Grant (CDBG) Program has funded numerous multi-jurisdictional grants with a lot of success. We have used the multi-jurisdictional approach for grants to fund business and housing loan fund pools and roadway improvements that have crossed town lines.

I am confident that allowing for multi-jurisdictional grants through STEAP will be successful and we look forward to working with the Governor and legislature and continuing to advance a regional approach to how projects are done.

Thank you for your time and consideration of my comments.