



**TESTIMONY OF BART RUSSELL
CONNECTICUT COUNCIL OF SMALL TOWNS (COST)
BEFORE THE
PLANNING & DEVELOPMENT COMMITTEE
MARCH 2, 2009**

**H. B. No. 6387 - AN ACT CONCERNING THE SMALL TOWN
ECONOMIC ASSISTANCE PROGRAM.**

The Connecticut Council of Small Towns (COST) supports the intent of HB-6387 to open up the Small Town Economic Assistance Program (STEAP) to regional municipal economic development efforts. However, we are very concerned that the Governor's proposed budget eliminates funding for STEAP, which has been successful in assisting Connecticut's small towns in meeting their economic development needs. The proposed elimination of STEAP seems especially unfair to small towns in light of the fact that the Governor proposes to continue millions in funding for the Urban Act Grant Program, which targets big city needs.

Recognizing that Connecticut's suburban and rural towns -- communities under 30,000 in population - play a vital role in the state's economic, social and cultural wellbeing. STEAP was established by the legislature in 2002. Since its creation, STEAP has provided these communities with \$20 million annually in critically needed assistance with which to undertake important economic development projects -- projects that improve both their economic development infrastructure and quality of life. To protect and nurture the growth of Connecticut's economy, small town revitalization must continue to be a critical element of the state's public policy agenda.

Examples of projects funded with the assistance of STEAP grants include:

- Somers - Revitalization of Mill Village in the Town of Somers -- STEAP funding provided initial leverage needed to bring more substantial private and public investment commitments to bear.
- South Windsor - I-291 Corridor District Municipal Development Project.
- Coventry - Critical public safety improvements.
- Oxford - Developed the Oxford Economic Development Corporation business incubator building space.
- Windsor - A site remediation project.
- Ellington - Initiated elderly housing improvements.
- Hebron - Village Green Infrastructure project.
- New Milford - Aspetuck Ridge Road Brownfield clean up efforts

All of these projects have been of tremendous benefit to the towns and their regions as well as the state as a whole. Projects eligible for STEAP funds include: 1) economic development projects; 2) Transit; 3) Recreation and solid waste disposal projects; 4) social service-related projects, such as day care centers; 5) Housing projects; and 6) Pilot historic preservation and redevelopment programs that leverage private funds.

Prior to the establishment of STEAP, small towns had access to very few resources with which to undertake important infrastructure improvements and economic development projects. These projects help spur economic development throughout the state. STEAP clearly fills an important funding void.