

# Analysis of State Bond Commission Agenda Items

September 29, 2015  
10:00 AM



## **OFFICE OF FISCAL ANALYSIS**

Room 5200, Legislative Office Building

Hartford, CT 06106 • (860) 240-0200

E-Mail: [ofa@cga.ct.gov](mailto:ofa@cga.ct.gov)

[www.cga.ct.gov/ofa](http://www.cga.ct.gov/ofa)

# OFA STAFF

## *Christine Ashburn, Section Chief*

Sarah Bourne, Principal Analyst	Elementary Education, Office of Higher Education, Town Education Grants
Don Chaffee, Principal Analyst	Legislative Agencies, Budget Information System, State Personnel
Rachel Della Pietra, Principal Analyst	Children and Families, Public Health, Medical Examiner
Christina Gellman, Principal Analyst	Banking, Dept. of Developmental Services, Teachers' Retirement, Dept. of Rehabilitation Services
Alan Shepard, Principal Analyst	Board of Regents for Higher Education, UConn, Consumer Protection

## *Michael Murphy, Section Chief*

Evelyn Arnold, Associate Analyst	Economic Development, Housing, Culture and Tourism, Results Based Accountability
Anne Bordieri, Associate Analyst	Transportation Fund, Motor Vehicles, Dept. of Transportation, Military, Veterans' Affairs, Soldiers, Sailors & Marines'
William Lederman, Principal Analyst	Budget Information System, Income Tax Modeling
Linda Miller, Principal Analyst	Attorney General, Treasurer, Debt Service, Bonding
Chris Wetzel, Principal Analyst	Dept. of Labor, Tax Policy & Revenue Analysis, Dept. of Revenue Services, Spending Cap

## *Chris Perillo, Section Chief*

Bill Craven, Analyst I	Dept. of Administrative Services, State Personnel, Statewide Issues, Energy Funds, Consumer Counsel, Construction Services
Dan Dilworth, Associate Analyst	Office of Policy & Mgmt., Grants to Towns (PILOTS, Pequot), Municipal Funds, Federal Funds
Grant Gager, Associate Analyst	Emergency Services & Public Protection, Office of Government Accountability, Governor, Lt. Governor, Secretary of the State, Comm. on Human Rights & Opportunities
Marcy Ritsick, Associate Analyst	Environment, Agriculture, Agriculture Experiment Station, Council on Environmental Quality

## *Rob Wysock, Section Chief*

Neil Ayers, Principal Analyst	Dept. of Social Services, UConn Health Center, Office of Health Care Advocate, Dept. of Insurance
Jonathan Palmer, Associate Analyst	Corrections, Budget Information System
Phoenix Ronan, Associate Analyst	Criminal Justice, Judicial, Public Defender, Probate
Emily Shepard, Principal Analyst	Dept. of Social Services, Mental Health and Addiction Services, Psychiatric Security Review Board, Office of Early Childhood
Holly Williams, Associate Analyst	State Comptroller, Dept. of Social Services (Health Care), State Employee Fringe Benefits, Workers' Compensation

### **Administrative Staff**

Laurie L. Wysock, Sr. Executive Secretary
Theresa Kelly, Senior Legislative Secretary
Lisa Kiro, Staff Assistant/Fiscal Note Coordinator

Legislative Office Building, Room 5200, Hartford, CT 06106

Phone: (860) 240-0200

E-Mail: [ofa@cga.ct.gov](mailto:ofa@cga.ct.gov); [www.cga.ct.gov/ofa](http://www.cga.ct.gov/ofa)

The following is intended to provide legislative members of the State Bond Commission (SBC) with additional information and analysis of the items on the agenda.

## I. Summary

### FY 16 General Obligation Bonds<sup>1</sup>

Allocations	FY 16 \$	FY 15 \$ (November)
September Agenda	93,752,356	266,970,253
Prior Allocations	546,117,714	193,234,082
<b>TOTAL</b>	<b>639,870,070</b>	<b>460,204,335</b>

<sup>1</sup> The figures do not include reallocations.

### Calendar Year 2015 General Obligation Bonds<sup>1</sup>

Allocations	2015 \$	2014 \$
September Agenda	93,752,356	266,970,253
Prior Allocations	1,931,061,828	1,252,108,000
<b>Subtotal</b>	<b>2,024,814,184</b>	<b>1,519,078,253</b>
Automatic Allocations <sup>2</sup>	467,025,000	525,169,000
<b>TOTAL</b>	<b>2,491,839,184</b>	<b>2,044,247,253</b>

<sup>1</sup> The figures do not include reallocations.

<sup>2</sup> Automatic allocations include UConn 2000, CSCU 2020, the Bioscience Collaboration Fund (Jackson Lab) or the Bioscience Innovation Fund.

### FY 16 Transportation Fund Bonds

Allocations	FY 16 \$	FY 15 \$ (November)
July Agenda	188,694,006	99,537,336
Prior Allocations	429,195,765	491,803,000
<b>TOTAL</b>	<b>617,889,771</b>	<b>591,340,336</b>

### Calendar Year 2015 Transportation Fund Bonds

Allocations	2015 \$	2014 \$
July Agenda	188,694,006	99,537,336
Prior Allocations	497,490,016	654,703,000
<b>TOTAL</b>	<b>686,184,022</b>	<b>754,240,336</b>

**Special note on job creation/retention estimates in the SBC agenda:** The Office of Policy and Management has provided an estimate for the number of jobs created or retained for each agenda item. The figures are based on the assumption that for every \$1 million of directly expended project construction costs, a total of 21 jobs are created or retained. Of the 21 job total, 9.4 are direct jobs and 11.6 are supplier jobs.

## II. Agenda Items

**Item #1** Office of Policy and Management: Development of a state-wide water plan (\$500,000 in new General Obligation bonds)

This allocation will be used to hire a consultant to develop a state water plan, with guidance and supervision provided by the four member agencies of the Water Planning Council (WPC). These agencies include the Department of Energy and Environmental Protection; Department of Public Health; the Public Utility Regulatory Authority and the Office of Policy and Management. Although the primary users of the plan will be the four WPC agencies, other state agencies will be encouraged to utilize the plan when making decisions that impact the use of water resources in the state.

*Background:* PA 14-163 requires that the WPC develop a plan to manage the state's water resources by July 1, 2017. The state does not currently have this type of plan and although some coordination of water policy occurs through the WPC, there is no overarching strategy that coordinates the actions of the several state agencies that are involved in water planning

**Items #2 & #7** Department of Labor: Subsidized Employment and Training (Step Up) Program (a total of \$3,300,000 in new General Obligation bonds)

The Subsidized Training and Employment Program (STEP UP) provides grants-in-aid to small businesses and manufacturers to subsidize on-the-job training costs during an eligible employee's first six months. The program was established as part of PA 11-1 of the October Special Session (the "Jobs Session"), which authorized \$10 million in each of FY 12 and FY 13 for STEP UP. PA 14-98 provided an additional \$10 million authorization for FY 15, of which \$3.7 million was allocated in July 2014 and \$5.0 million was allocated in January 2015 by the State Bond Commission. PA 15-1 of the June Special Session authorized an additional \$5.0 million for FY 16.

STEP UP features two types of hiring incentives:

**1) Small Business STEP-UP Grants** - Eligible small businesses can receive grants if a new employee:

- Was unemployed immediately before hire,
- Lives in a municipality with either (a) an unemployment rate at least as high as the state unemployment rate as of September 1, 2011 or (b) a population of 80,000 or more and
- Has a family income under 250% of the federal poverty level, adjusted for family size.

Employers can receive grants subsidizing a percentage of a new employee's training and compensation, up to \$12,000. The percentage subsidized diminishes over the employee's first 180 days on the job. The maximum subsidy is \$20 per hour.

The table below shows the subsidy level schedule for the program:

### Small Business STEP UP Program Subsidy Schedule

Period	% of cost subsidized per eligible employee <sup>1</sup>
Days 1-30	100%
Days 31-90	75%
Days 91-150	50%
Days 151-180	25%

**2) Small Manufacturer STEP UP Grants** - Eligible small manufacturers can receive grants if an employee is newly hired. The manufacturer must provide any necessary training at the job site, but there are no additional residency, unemployment or previous employment requirements.

These grants subsidize the costs of new employee training and compensation up to a fixed monthly limit that phases out over time. No individual grant can exceed the employee's salary, or total more than \$12,500.

The table below shows the subsidy level schedule for the program:

### Small Manufacturer STEP UP Program Subsidy Schedule

Month of Employment	Maximum cost subsidized per eligible employee \$
1	2,500
2	2,400
3	2,200
4	2,000
5	1,800
6	1,600

The five regional Workforce Investment Boards administer the program. As of August 2015, 1,272 employers have hired 3,841 workers. The average business subsidy is \$9,488 per new employee, and the average hourly wage for workers hired under the program is \$14.75 per hour.

**Item #3** Department of Economic and Community Development: Grant-in-aid to the Hartford Economic Development Corporation for a minority business enterprise assistance program in the northern half of the state (\$1,000,000 in new General Obligation bonds)

---

<sup>1</sup>Maximum of \$20/hour

These funds will finance a supplemental grant-in-aid to the Hartford Economic Development Corporation (HEDCO) for a minority business enterprise assistance program in the northern half of the state.

The program assists eligible contractors in obtaining surety bonds for bidding, performance and payment. It also provides loans to assist the contractors with funding during construction to increase their chances of meeting bidding requirements and successfully completing projects.

Since 2013, the State Bond Commission allocated \$8 million to the HEDCO to assist small and minority-owned businesses in urban areas.

**Item #4 Capital Region Development Authority: Grant-in-aid to the Tennis Foundation of Connecticut in New Haven (\$300,000 in new General Obligation bonds)**

These funds will support a grant-in-aid to the Tennis Foundation of Connecticut for renovations and improvements to the Connecticut Tennis Center in New Haven.

**Proposed Renovations and Improvements at the Connecticut Tennis Center**

<b>Project</b>	<b>Description</b>	<b>Cost \$</b>
<b>FY 16</b>		
Infrastructure	Upgrade and expand electrical, water and sewer services around the facility and site to serve permanent and temporary structures.	500,000
Kitchen Design	Full design phase services for future permanent kitchen that will reduce costs and generate additional revenue	150,000
Interior Renovations Design	Full design phase services for new offices in the stadium to support tournament needs and to support year around usage for incoming organizations.	150,000
Internet	Upgrade connectivity for patron transactions, media, staff and vendors	150,000
Phase 1 Interior Renovations	Renovations to the players' lounge and media center to meet the current functional space requirements of the tournament	550,000
<b>TOTAL</b>		<b>1,500,000</b>
<b>FY 17</b>		
Phase 1 kitchen	Provide permanent commercial kitchen facility.	500,000
Phase 2 Interior Renovations	Continued construction of permanent offices in players' lounge and media center.	500,000
Elevator	Add elevator for improved accessibility and for kitchen service support.	500,000
<b>TOTAL</b>		<b>1,500,000</b>

*Background:* The Cullman-Heyman Tennis Center is a tennis complex located on the campus of Yale University in New Haven, Connecticut. The complex consists of 22

outdoor and eight indoor DecoTurf hardcourts, and five outdoor clay courts. The stadium, known as the Connecticut Tennis Center, was built in 1991, and by 2009 it had seats for 13,000 spectators. The current capacity is around 15,000, making it the third largest tennis venue in the United States and one of the largest in the world by capacity.

The Capital Region Development Authority (CRDA) purchased the rights to the New Haven women’s professional tennis tournament in October 2013 with \$618,000 from the Manufacturing Assistance Act. CRDA leases operation of the tournament to the non-profit Tennis Foundation of Connecticut, which also serves as the landlord of the Connecticut Tennis Center.

**Prior State Bond Commission Allocations for the Connecticut Tennis Center**

<b>Date</b>	<b>Description</b>	<b>Amount \$</b>
July 1990	Grant-in-aid to a private nonprofit organization for development of tennis facilities	18,000,000
February 1993	DECD: Supplemental GIA to Tennis Foundation of CT, Inc. for additional improvements	300,000
March 1994	Grant-in-aid to the Tennis Foundation of Connecticut, Inc for renovations and improvements to the Connecticut Tennis Center	3,000,000
April 2013	Grant-in-aid to the Connecticut Tennis Center for bathroom upgrades, renovation of the west concession stand, installation of flooring in various areas and other related improvements	258,000
March 2014	Grant-in-aid to the Tennis Foundation of Connecticut for improvements to the Connecticut Tennis Center in New Haven	946,300
<b>TOTAL</b>		<b>22,504,300</b>

**Item #5** Department of Transportation: Transportation infrastructure renewal program (\$170,444,006 in new Special Tax Obligation bonds)

The table below provides a breakout of the amount authorized for the Transportation Infrastructure Improvement Program in FY 16 and the amount allocated in this agenda item.

**Transportation Infrastructure Improvement Program Breakout**

<b>Description</b>	<b>Total FY 16 Authorization \$</b>	<b>This Allocation \$</b>
Fix it First Road	70,000,000	70,000,000
Fix it First Bridge	55,000,000	55,000,000
Local Transportation Capital Improvement Program	74,000,000	45,000,000
Improvements to State Pier, New London, and Ferry Slips	5,331,000	444,006
<b>TOTAL</b>	<b>204,331,000</b>	<b>170,444,006</b>

See Appendix A for a list of projects that are associated with this allocation.

**Item #6** Department of Transportation: Let’s Go Connecticut transportation infrastructure program (\$17,550,000 in new Special Tax Obligation bonds)

The funds will be used to finance the Let's Go CT! projects listed in the table below:

**Let's Go Connecticut! Projects (in millions)**

Description	Total \$
Construction of a section of the Farmington Canal Heritage Trail	5.1
Bike and Pedestrian Trail Connections to the Putnam Bridge in Wethersfield and Glastonbury	1.0
Downtown West Commuting Corridor to establish two-way, dedicated and protected cycle track from western residential neighborhoods and SCSU to downtown New Haven	1.2
Bike and Pedestrian safety planning grants to assist communities in identifying bike and pedestrian needs and develop recommendations to improve conditions	1.0
Innovative bridge delivery and construction program planning	1.5
Bus rolling stock for CT Fastrak bus rapid transit corridor east expansion	7.0
East Lyme(Niantic) station on Shoreline East capacity and feasibility study	0.8
<b>TOTAL</b>	<b>17.6</b>

**Item #7** Department of Labor: Subsidized Employment and Training (Step Up) Program (a total of \$3,300,000 in new General Obligation bonds)

See Item #2

**Item #8** Department of Energy and Environmental Protection: Waterbury - Grant-in-aid for improvements to the athletic fields at John F. Kennedy High School (\$1,500,000 in new General Obligation bonds)

This allocation will provide a grant-in-aid to the City of Waterbury for improvements to the athletic fields at John F. Kennedy High School, including the installation of artificial turf, perimeter curbs and a retaining wall. The site will also be graded to improve drainage. The plan for the project was developed by BSC Group, which conducted an evaluation/needs assessment of the field location/orientation, drainage, amenities, and handicapped accessibility. BCS's report served as a guide for determining which athletic facilities could be repaired and upgraded or needed to be replaced. It also included conceptual design plans depicting recommended improvements.

**Item #9** Department of Economic and Community Development: Grants-in-aid and loans under the Connecticut Manufacturing Innovation Fund (\$2,000,000 in new General Obligation bonds)

These funds will recapitalize the Connecticut Manufacturing Innovation Fund (CMIF). The funds will support grants-in-aid, loans, and other programs under the CMIF. (See Background for more information.)

The State Bond Commission allocated \$13.5 million in total to the CMIF since the program's inception in 2014.



*Background:* The CMIF’s mission is to facilitate the modernization and innovation of the state’s advanced manufacturing sector, including but not limited to: Aerospace, Fuel Cell/Energy Materials, Shipbuilding, and Medical Devices. Areas of focus include:

- Helping manufacturers adapt innovative processes, technologies, and materials, creating value-added products/services that transform the business;
- Assisting supply chain companies to gain more work from Original Equipment Manufacturers in domestic and global markets; ensure they are equipped to meet expected demand increases;
- Ensuring continuous workforce development.

Assistance available includes loans or grants to eligible applicants. The CMIF also funds the following initiatives:

- Connecticut Manufacturing Innovation Fund Voucher Program
- Connecticut Manufacturing Innovation Fund Incumbent Worker Training
- Connecticut Manufacturing Innovation Fund Apprenticeship Program
- Young Manufacturers Academy Summer Programs

**Items #10 & #13** Office of Policy and Management: Information Technology Capital Investment Program (a total of \$17,944,514 in new General Obligation bonds)

This funding will be used to develop and implement information technology enhancements for the Departments of Social Services (DSS), Public Health (DPH), Energy and Environmental Protection (DEEP), Administrative Services (DAS), Labor (DOL), Children and Families (DCF), the Division of Public Defender Services (DPDS), and the Secretary of the State (SOTS). The table below shows the breakdown of the allocation by agency and what will be purchased. The enhancements for each agency are described below the table.

**Funding for the Information Technology Capital Improvement Program**

Description	DSS \$	DPH \$	DEEP \$	DPDS \$	DAS \$	SOTS \$	DOL \$	DCF \$
Consultant Services	2,414,929	326,000	2,750,000	480,000	645,591	-	530,768	800,000
Software	-	-	-	525,000	-	725,000	-	100,000
Hardware	94,106	-	-	275,000	2,303,120	5,975,000	-	-
<b>TOTAL</b>	<b>2,509,035</b>	<b>326,000</b>	<b>2,750,000</b>	<b>1,280,000</b>	<b>2,948,711</b>	<b>6,700,000</b>	<b>530,768</b>	<b>900,000</b>

Department of Social Services: The funds will be used to continue replacement of the Eligibility Management System. The new system will integrate the enrollment process for Medicaid, CHIP, and CTHIX. The new system will better allow for the processing of revisions to Medicaid coverage for certain Husky A adults.

Department of Public Health: The funds will be used to expand the Vital Records Module to include the collection and registration of all deaths and fetal deaths in the date into a unified database.

Department of Energy and Environmental Protection: The funds will be used to convert a paper document repository to an online digital repository.

Division of Public Defender Services: The funds will be used to standardize information tools and mobile access of the Connecticut Information Sharing System, the state’s criminal justice information technology system.

Department of Administrative Services: The funds will be used to improve the communication capabilities of the Enterprise Licensing Management System.

Secretary of the State: The funds will be used to: (1) implement electronic poll books, (2) purchase a new voting system for voters with disabilities, and (3) improve the collection and reporting of results of elections.

Department of Labor: The funds will be used to: (1) join the State Information Data Exchange System, which allows for the sharing of unemployment insurance information across states, and (2) develop reemployment and eligibility assessments to better address reemployment needs of unemployment insurance recipients and help prevent fraud and improper payments.

Department of Children and Families: The funds will be used to continue the development of the State Automated Child Welfare Information System. The Department plans to develop a Request for Proposal in collaboration with the Department of Administrative Services.

**Item #11** Department of Administrative Services: Alterations and repairs to state facilities (\$3,205,872 in new General Obligation bonds)

The funds will be used for the projects listed in the table below:

**Alteration and Repair Projects at State-owned Buildings**

Location	Amount \$	Description
505 Hudson Street, Hartford	650,000	Design HVAC and interior upgrades
Ag. Exp. Station, New Haven	62,000	Window replacement for the Johnson-Horsfall and Slate Buildings
Uncas on Thames, Norwich	452,972	Building masonry and structural repairs
61 Woodland Street, Hartford	1,040,900	Design HVAC and fire protection system
Statewide	1,000,000	Emergency and minor capital projects as needed
<b>TOTAL</b>	<b>3,205,872</b>	

**Items #12 & #23** Department of Children and Families: Repairs and improvements to departmental facilities (a total of \$2,000,000 in new General Obligation bonds)

The funds will be used for the renovation and improvement projects at Department of Children and Families (DCF) facilities described below:

Kitchen and dining hall renovations, cottage patio repairs at Solnit North in East Windsor (\$288,000) - The funds will be used to replace: (1) kitchen cabinets, (2) the concrete patio slabs located in front of three cottages, (3) the dining hall floor, (4) windows in the main building, and (5) air conditioning units. These renovations and improvements are necessary because of the age of facility and the amount of usage it receives. The cottages, where the cabinets and the front entry patios are failing, were constructed in 1996, the dining hall floor is over 70 years old, and the windows in the main building are over 100 years old.

*Background:* This facility was originally a family residence. It became the Swiss orphanage in 1869 and the County Home in the early 1900s. DCF began utilizing the facility in the early 1970s, when it was known as the State Receiving Home at Warehouse Point. It was renamed Connecticut Children's Place, which subsequently became the Albert J. Solnit Psychiatric Center - North Campus.

Gym roof replacement and repaving at High Meadows in Hamden (\$350,000) - Prior to closing of the facility in 2010, DCF had planned to repair/repave the campus roads because they were rutted, failing, and becoming dangerous. The last three severe winters have caused even greater damage. If the agency can complete these projects now while the building is vacant, DCF anticipates saving time and money, as certain regulations that apply when a building is occupied do not apply when it is vacant.

*Background:* Although the facility is currently closed, DCF is required to maintain it and plans to reopen it for future use. For the last two and a half years the agency has allowed state technical schools to use part of the facility as swing space while their own buildings are renovated. The gym roof is compromised and needs repair to keep snow from damaging the interior of the structure. DCF has been working with the Division of Construction Services' (DCS) asbestos unit for part of the roof repair, as it contains asbestos. DCS will split the cost of that portion of the work once it is funded.

Roof replacement and exterior repairs at Tress Road in Prospect (\$40,000) - The roof is over 30 years old and is being replaced because it is leaking. The chimney is original to the building and requires re-flashing and repointing. The cement stairs and back patio are also original to the building and have deteriorated (broken steps/depressions) to the point where they have become safety concerns. DCF has made minimal repairs to the home and may be viewed as negligent in its contractual obligations with the private provider if the structure is not repaired.

*Background:* Tress Road is a Therapeutic Group Home with four licensed beds. It has been operated by a private provider for DCF in 2001.

School west roof replacement and repaving at Solnit South in Middletown (\$930,000) - The existing roof is over 22 years old and began leaking this past winter due to the frequency of snow storms. The melting snow caused internal damage to the roof and the carpeting below the roof had to be removed because of water damage. The Department of Labor's Division of Occupational Safety and Health (CONN-OSHA) was called in to investigate air quality concerns due to mold.

The repaving project is necessary because the poor condition of the sidewalks and roadways has become a safety concern. DCF used emergency funding to fix cement steps by the parking lot and frost heave has caused major damage to roads.

*Background:* The Solnit - South Campus was opened by DCF in 1993 with a new building for administration, dining, three residential units, and other ancillary structures. A portion of the buildings on the campus were given to DCF from DMHAS' Connecticut Valley Hospital dating back to the late 1960s and early 1970s.

Security improvements and lightening protection at the Connecticut Juvenile Training School (CJTS) in Middletown (\$67,000) - A recent increase in violent threats against all DCF facilities and area offices has created safety concerns so the agency is reviewing preventative measures. It was determined that security glass should be installed in the vestibule. It was also suggested that the new school building at CJTS be grounded to protect the electronic equipment in the structure from lightning strike damage. CJTS opened August 28, 2001.

Emergency/minor capital projects as needed (\$325,000) - The funds will be used for emergency and minor capital projects at DCF facilities. This will allow the agency to immediately initiate corrective action when code, safety, health, or emergency conditions develop and to make interior and exterior improvements to maintain the comfort, safety and integrity of residential and office facilities. Examples of such projects include: (1) repairs to CJTS sidewalk in April 2015 for \$42,000; (2) emergency repairs to a sally port gate due to operator safety issues for \$48,000; (3) replacement of a perimeter fence security system in 2015 for \$83,000; and (4) emergency repairs to a broken sprinkler pipe at High Meadows in February 2015 for \$80,000.

**Item #13** Office of Policy and Management: Information Technology Capital Investment Program (a total of \$17,944,514 in new General Obligation bonds)

See Item #10.

**Item #14** Capital Region Development Authority: Capital improvements to Rentschler Field in East Hartford (\$514,000 in new General Obligation bonds)

This funding will support (1) Phase 3 of field wall repairs and (2) building systems upgrades at Rentschler Field.

*Background:* Originally, a capital reserve within Rentschler Field’s enterprise fund was used for capital improvements. However, the annual operating budget is no longer sufficient to provide funding for capital repairs needed due to normal wear and tear.

The State Bond Commission (SBC) allocated \$2.8 million in July 2013 to replace the main scoreboard (\$2 million) and other capital items including: (1) concourse waterproofing repairs, (2) energy efficiency replacements, (3) modernization of the building’s sound and IT systems and (4) new field equipment. In November 2014 the SBC allocated an additional \$400,000 for: (5) concession stand upgrades, (6) electrical upgrades, (7) repair of concourse leaks and (8) field wall repairs.

PA 15-1 JSS includes new authorizations for Rentschler Field and the Connecticut Convention Center. It is anticipated that these authorizations will be distributed as follows:

<b>Project</b>	<b>FY 16 \$</b>	<b>FY 17 \$</b>
Rentschler Field	2,000,000	1,500,000
CT Convention Center	3,500,000	2,000,000
<b>TOTAL</b>	<b>5,500,000</b>	<b>3,500,000</b>

It is anticipated that the authorizations for Rentschler Field will be used for projects as indicated in the table below.

<b>Project</b>	<b>FY 16 \$</b>	<b>FY 17 \$</b>	<b>TOTAL \$</b>
Parking Lot Development & Upgrades	800,000	1,200,000	2,000,000
Operational Capital Projects	555,000	85,000	640,000
Cost Savings Capital Projects	595,000	25,000	620,000
Revenue Generating Capital Projects	50,000	190,000	240,000
<b>TOTAL</b>	<b>2,000,000</b>	<b>1,500,000</b>	<b>3,500,000</b>

**Item #15** Department of Developmental Services: Emergency and minor capital improvements at departmental facilities (\$500,000 in new General Obligation bonds)

The funds will be used for emergency and unanticipated minor improvements at DDS facilities. This funding allows DDS to immediately initiate corrective action when code, safety, health, or emergency conditions develop and to make interior and exterior improvements to maintain the comfort, safety and integrity of residential and office facilities to include but not limited to flooring, bathrooms, kitchens, walkways, HVAC, exterior doors, fencing, electrical, site lighting.

*Background:* The agency has 325 buildings with over 1.6 million sq. ft. of space. The facilities include consumer-occupied group homes, six institutional campuses and

administrative areas to support facilities. As of June 2015, 798 individuals were being served in public settings: 291 at Southbury Training School, 177 at the five Regional Centers and 300 in group homes. The date of construction of the buildings ranges from 1760 to 2002. The systems include residential utility systems, major power plants, and campus utility distribution systems. The agency has extensive code requirements for life safety, ADA, OSHA, environmental, health, and buildings.

**Item #16** Board of Regents: Housatonic Community College (Bridgeport): Renovations and additions to Lafayette Hall (\$37,503,825 in new General Obligation bonds)

These funds will be used for a construction contract to renovate approximately 36,000 sq. ft. of space in Lafayette Hall and a 46,000 sq. ft. addition for new and renovated spaces for student services, the library, the academic support center, media services, science and mathematics space expansions, a new welcome center and other purposes.

The total legislative authorization for Lafayette Hall additions and renovations is \$45,136,817. The Bond Commission previously allocated \$4,669,770 for pre-construction services. The additions and renovations is a phase III project and should be fully complete by December 2017. The BOR will be requesting in approximately one year the remaining \$2,963,222 for equipment purchases.

The total headcount enrollment at Housatonic Community College is approximately 7,500 students.

**Item #17** Department of Housing: Flexible Housing Program (\$1,175,976 in new General Obligation bonds)

This funding will support a grant-in-aid to Mutual Housing Association of South Central Connecticut, Inc. or another eligible applicant to assist with rehabilitation of 13 family rental units at Hubbard Woods in Guilford.

The project includes necessary repairs and replacements include kitchens and baths, windows, roofing and paving. The project also includes gas conversion for the units to address energy sustainability. The renovation work will be coordinated with Southern Connecticut Gas, which will bring gas service to the development, saving tenants an estimated \$2,000 annually in utility costs.

**Item #18** Department of Housing: Grants-in-aid to nursing homes for right sizing (\$582,500 in new General Obligation bonds)

The funds will support grants-in-aid to the following licensed nursing facilities to finance planning and design to diversify or establish new business models.

### Funding for Nursing Home Conversion Planning

Recipient	Town	Project	Cost \$
United Methodist	Shelton	Planning for a community center	298,500

Recipient	Town	Project	Cost \$
Church Homes	Hartford	Planning for conversion to affordable apartments	284,000
<b>TOTAL</b>			<b>582,500</b>

*Background:* The Right-Sizing Conversion program provides financial assistance to the owners of nursing facilities that are licensed by the CT Department of Public Health. This assistance allows them to change or diversify their business model in a way that supports individuals on Medicaid who need Long Term Supports and Services (LTSS) but who can reside in community-based facilities rather than more expensive nursing home facilities.

**Item #19** Department of Administrative Services: Renovations to the State Office Building in Hartford (\$2,000,000 in new General Obligation bonds)

The funds will be used to finance preliminary design and planning for renovations to the State Office Building at 165 Capitol Avenue in Hartford and adjacent parking facilities.

*Background:* The current plan is to relocate all of the state workers housed in the SOB into the newly-acquired 450 Columbus Boulevard in Hartford, building once that building has been renovated. This will allow for the complete renovation of the SOB, including the gutting of the interior masonry walls, partitions, mechanical and electrical systems, fire alarm and fire protection systems and telecommunications systems. The renovated building will be designed to meet current code requirements and all new mechanical systems will meet the latest energy efficient designs. Renovation will also include improvements to security and handicapped accessibility and the creation of an open floor plate increasing the amount of usable space allowing the agency to house more state workers. This project is in keeping with the state's plan to consolidate and eliminate leases to save operational dollars. The new HVAC system will replace existing window air conditioning units and will be connected to the Capitol Area System (CAS) energy loop. The Buckingham Street Garage built in 1968 needs to be replaced. The project will include the demolition of the existing structure and the construction of new larger capacity garage.

**Item #20** Department of Emergency Services and Public Protection: Emergency and minor capital improvements at departmental facilities (\$750,000 in new General Obligation bonds)

The funds will be used for emergency and unanticipated improvements at DESPP facilities that will allow the agency to immediately initiate corrective action when code, safety, health, or emergency conditions develop and to make interior and exterior improvements to maintain its buildings.

**Item #21** Department of Mental Health and Addiction Services: Elevator improvements at Connecticut Valley Hospital in Middletown (\$405,669 in new General Obligation bonds)

The funds will be used to replace the motor and electronics of a 76-year-old elevator in the five-story Shew building on the Connecticut Valley Hospital campus. The building has no patient wards. It is primarily used as office space for various programs and clients may attend group meetings in the building.

**Item #22** Department of Education: Emergency and minor capital improvements at regional vocational-technical high schools (\$500,000 in new General Obligation bonds)

The funds will be used for emergency and minor capital improvements at vocational-technical high schools.

*Background:* The Connecticut vocational-technical high school system operates twenty high schools throughout the state, and enrolls approximately 11,372 full time day students and an additional 1,000 adult students that attend part-time apprentice programs in the evening at various schools throughout the district.

**Item #23** Department of Children and Families: Repairs and improvements to departmental facilities (a total of \$2,000,000 in new General Obligation bonds)

See Item #12.

**Item #24** Department of Economic and Community Development: Brownfield Redevelopment Initiative (\$3,000,000 in new General Obligation bonds)

The funding will provide financial assistance for environmental investigations and remediation activities. Investments in contaminated properties are proven to stimulate job creation and to increase tax revenue in communities and businesses.

The funding will specifically support projects already selected through an application process.

*Background:* The Department of Economic and Community Development (DECD) provides qualified applicants funds in the form of low interest loans and grants. Communities and private businesses can benefit from the economic benefits of brownfield redevelopment. In calendar year 2014, DECD awarded \$38.1 million to 55 projects across the state, bringing the total funding awarded for brownfield remediation since FY 12 to more than \$110 million.

The Governor announced Round 7 Brownfield Grant recipients in July 2014 which will award \$7 million to 12 brownfield redevelopment and assessment projects across the state. Round 6 and Round 5 were announced in January 2015 and September 2014 respectively. The State Bond Commission allocated \$10 million at the May 2015 meeting to support the projects selected under Rounds 5 and 6, plus a few additional loans under the program.



**Item #25** Department of Economic and Community Development: Environmental investigation and preparation of a remedial action plan for the former CT Transit bus garage in New Haven (\$125,000 in new General Obligation bonds)

This funding will finance additional environmental investigation and preparation of the Remedial Action Plan for the proposed redevelopment of 470 James Street in New Haven, a former CT Transit bus garage site that encompasses a 195,000-square-foot building and 6.95 acres of land.

*Background:* PA 11-1 of the October Special Session requires the Department of Economic and Community Development (DECD) to identify, remediate, and market five geographically diverse state-owned contaminated properties (i.e. First Five Brownfields program).

The State Bond Commission allocated \$500,000 in August 2012 to support the study on the present condition of five facilities, including the New Haven garage and the level of remediation required for each.

The DECD conducted, in close coordination with DEEP, DAS and DOT, environmental assessments on the New Haven Transit Bus Garage for the First Five Brownfields program. The expected cleanup costs for the garage range from \$5 million to \$7 million.

The City of New Haven received two development proposals as of June 2015.<sup>2</sup> In 2014, the Assembly passed legislation directing DOT to convey the New Haven garage to the City of New Haven.

Question: Has the City of New Haven/DECD chosen a final development plan for this site?

**Item #26** Department of Veteran's Affairs: Emergency and minor capital improvements to departmental facilities (\$250,000 in new General Obligation bonds)

This allocation will be used to create a Minor Capital Repair Fund to support safety and security projects and small infrastructure repair projects at the Department of Veteran's Affairs' seventy-five-year-old Rocky Hill facility. The fund will allow DVA to immediately initiate: (1) corrective safety and security projects and (2) small infrastructure repair projects such as roof leaks, burst steam pipes and water main breaks. In addition, the agency is actively pursuing federal grant opportunities to upgrade campus facility/buildings and infrastructure which requires seeded monies for scope of work, project design and cost estimates within very restricted timelines.

---

<sup>2</sup> Paul Bass, "470 James Choice: Tech vs. Food; Local Vs. NYC," *New Haven Independent*, June 19, 2015.

**Item #27** Department of Energy and Environmental Protection: State's share of remediation costs at the Durham Meadows superfund site (\$3,000,000 in new General Obligation bonds)

These funds will provide the state's 10% share of a remedial action plan (RAP) for water main installations and soil remediation at the Durham Meadows Federal Superfund Site. The Durham Meadows Superfund Site includes an area of groundwater contamination emanating from both the former Merriam Manufacturing Company site (MMC) at 275 and 281 Main Street and the currently operating Durham Manufacturing Company site (DMC) at 201 Main Street. Groundwater has been found polluted with chlorinated solvents, mainly trichloroethylene (TCE) and its breakdown products; and 1,4-dioxane, a stabilizer to solvents. The total cost to remediate the site is \$30 million.

*Background:* For state Superfund sites, DEEP uses this program to investigate hazardous waste and substance disposal sites that pose an unacceptable risk to human health and the environment in situations where a responsible party is not available to perform the needed work in a timely manner. DEEP evaluates such sites using a variety of criteria to calculate a Superfund priority score for remediation funding. DEEP also uses funding from this program to provide municipal grants-in-aid to install water lines in areas affected by contamination from a state Superfund site. See Appendix B for DEEP's current list of projects that are eligible under the State Superfund Program.

For federal Superfund sites, this program provides the state's share of remedial action costs where the Environmental Protection Agency (EPA) is funding and performing the remedial action (due to the absence of a viable responsible party). The state's share typically ranges from 10% to 50% of the costs, and is a statutory obligation in order to have EPA pay the remainder of the cost.

**Item #28** Department of Transportation: State's share of costs for a parking garage near the rail station in Meriden (\$700,000 in new Special Tax Obligation bonds)

These funds will be used to finance the state's share of the construction cost for a parking garage in Meriden. This structure is part of a mixed-use residential and retail complex on Colony Street that is part of the city's plan to provide affordable housing and redevelop the downtown. The other parties providing funding for the project are the Westmount Development Group and the Meriden Housing Authority. The parking garage consists of 275 parking spaces with an estimated total cost of \$8.3 million.

**Item #29** Department of Housing: Housing Trust Fund (\$5,000,000 in new General Obligation bonds)

This funding will be used to finance a loan to Stamford Metro Green III, LLC, or another eligible applicant, to assist with construction of 131 affordable rental housing units at 695 Atlantic Street. The loan will be provided at 1% for thirty years with principal and interest deferred.

The complex will include studio, one-bedroom and two-bedroom units. Additionally, the project will include equipping the complex with mechanical systems, streetscape, lighting, sidewalks, plantings, a courtyard, an irrigation system and a parking garage.

**Item #30** Department of Economic and Community Development: Manufacturing Assistance Act (\$3,000,000 in previously allocated General Obligation bonds)

This funding will support the projects described below.

- A. MC Credit Partners, LP (\$1,000,000) - This funding will provide a loan to assist with relocation from New York City to Stamford. The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for loan forgiveness of \$250,000 if it creates the 21 jobs and retains them for two years. Additional loan forgiveness of \$250,000 will apply if the company creates five additional jobs and retains them for two years.

*Background:* MC Credit Partners, LP is a direct lending fund providing debt capital to middle market companies across various industries.

Question: When does MC Credit Partners intend to relocate to Stamford? Will the company maintain an office in New York City?

- B. Vermillion, Inc. (\$2,000,000) - This funding will support a loan to assist with relocation from Austin, Texas to Trumbull. The company intends to create 40 new jobs. The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for loan forgiveness of \$2 million if it creates the 40 jobs and retains them for two years. The company will be eligible for an additional \$1 million loan upon FDA approval of its new product and a further \$1 million loan when it achieves annual revenue targets.

*Background:* Vermillion, Inc. is a bio-analytical solutions company focused on gynecologic disease. The company provides development and commercialization of novel high-value diagnostic and bio-analytical solutions that help physicians diagnose, treat and improve gynecologic health outcomes for women.

**Item #31** Office of Policy and Management: Local Capital Improvement (LoCIP) Program (\$5,000,000 in new General Obligation bonds)

LoCIP is an entitlement program for municipalities that provides General Obligation bond funds for eligible projects, as defined in statute. New funds are annually deposited into municipal accounts administered by the Office of Policy and Management (OPM) on March 1st. Towns may choose to: (1) expend the funds on smaller projects or (2) accumulate the funds over a period of time for one large project.

Towns begin the process of accessing their LoCIP funds by submitting a proposal to OPM describing the proposed project and certifying that it is part of the town's capital improvement plan. If OPM grants approval, the town may proceed to carry out the project. Because LoCIP is a reimbursement program, towns must first incur the expense for a project before reimbursement can be requested. Reimbursement may be made in one lump sum for a smaller project or in a series of payments as successive stages of a larger project are completed.

**Item #32** Office of Policy and Management: Urban Action Program (\$1,695,000 in new General Obligation bonds)

I. Department of Environmental Protection

- A. South Windsor: Grant-in-aid to assist with construction of a Veterans Memorial (\$75,000) - These funds will provide a grant-in-aid to assist with construction of a wall behind the Veterans Memorial at the Veterans Memorial Park. The inspiration for the stone wall is the Vietnam and Korea Memorials in Washington, DC. It will consist of 95 feet of polished grey granite measuring 7 feet in the center and tapering to 4 feet on each side. The wall will replace the current evergreen hedge, which separates the memorial area from the recreational area.



**South Windsor Veterans Memorial Park: A granite wall will replace the evergreen hedge.**

Questions:

1. What is the total project cost?
  2. Is private fundraising being contributed towards this project?
- B. New Haven: Grant-in-aid for upgrades to New Haven Green (\$1,000,000) - This allocation will be used to fund a grant-in-aid to the City of New Haven for utility infrastructure upgrades and site improvements at the New Haven Green. The upgrades include underground conduit for data and electrical, and site improvements to the green. The site improvements include upgrades to

the stage and lighting systems used for special events, grading, drainage and irrigation of the green itself in addition to entrances and walkways and trash and recycling receptacles.

*Background:* The New Haven Green is a 16-acre privately-owned park and recreation area located in the downtown district of New Haven, comprised of the central square of the settlement plan of the original Puritan colonists in New Haven. Currently, the Green is bordered by the modern paved roads of College, Chapel, Church, and Elm streets. The green is host to numerous public events, such as the Festival of Arts and Ideas and New Haven Jazz Festival, summer jazz and classical music concerts, as well as typical daily park activities. The New Haven Green Historic District was designated a National Historic Landmark District for the architectural significance of the three 19th-century churches located there.

Questions:

1. What is the total estimated project cost?
2. What other sources of funding will be used?



New Haven Green

II. Department of Economic and Community Development

- A. New Haven: Grant-in-aid to Discovering Amistad, Inc. for the vessel Amistad (\$620,000) – These funds will provide a grant-in-aid to Discovering Amistad Inc. for acquisition, from the court appointed receiver, of the vessel Amistad. In addition, the funding will support renovations and repairs to maintain United States Coast Guard Certification.

*Background:* Amistad America was founded in 1996 to manage the Freedom Schooner Amistad, which is a replica of the original 19<sup>th</sup> century ship. The state has provided state grants to Amistad America through appropriated and non-appropriated accounts since 2004.

An audit of the nonprofit in 2013 showed "material weaknesses" in Amistad America's internal financial controls and found that the group did not comply with certain reporting requirements related to its state grants.<sup>3</sup> The Internal Revenue Service also revoked the organization's nonprofit status in 2013 due to delinquent tax filings. The Office of Policy and Management temporarily froze the state appropriated grants in light of the audit and the subsequent court ordered receivership of the organization.

In FY 15, Amistad America received \$326,788 from the DECD appropriated budget, \$15,000 of which was used to fund an updated audit of the nonprofit.<sup>4</sup> The current biennial budget appropriates \$315,929 in FY 16 and \$324,698 in FY 17.<sup>5</sup>



The Freedom Schooner Amistad

**Item #33** Authorization for the Office of the State Treasurer to issue up to \$800,000,000 in nontaxable General Obligation (GO) bonds

The Office of the State Treasurer requires approval from the State Bond Commission to issue bonds.

---

<sup>3</sup> Matthew Kaufman, "Audits: As Amistad Finances Collapsed, State Money Kept Following," *Hartford Courant*, August 8, 2014.

<sup>4</sup> In FY 14, \$80,000 from the Amistad America grant appropriation was spent on audits.

<sup>5</sup> This September, the Governor rescinded \$15,796 from the FY 16 appropriation. As of this date, the net grant appropriation to the Amistad Vessel in FY 16 is to be \$300,133.

**Item #34** Approval of the State Treasurer's Certificate of State Indebtedness

This resolution satisfies statutory requirements for approval of documents related to State Bond Commission meetings.



## Appendix A

### Item #5: Transportation Infrastructure Improvement Program Projects

#### Fix-it-First Road Program Scheduled FY 16 Projects (in millions)

Town	Description	State \$
Orange	Operational Lane from Milford to Ct 114	13,030,000
Southbury	I-84 Imprv between Exits 14-16	7,500,000
Stamford	Int. Impr. @ CT 106	5,500,000
Waterbury/ Watertown	Metal Bin Retaining Wall Rehab @ 4 Locations	7,669,000
Statewide	Guiderail Replacement Program	3,450,000
Statewide	Mast Arm Replacement Program	750,000
TBD	Pavement Preservation Program	12,101,000
Various	Project Design/ Acquisition of right of way/Project Modifications	5,000,000
<b>TOTAL</b>		<b>55,000,000</b>

#### Fix-it-First Bridge Program Scheduled FY 16 Projects (in millions)

Town	Description	State \$
Chester	Rehab Br 06639 o/ Great Brook (List 20)	1,200,000
Darien	Br 00047 Deck replacement over I-95	4,000,000
Greenwich	Rehab Br 00696 o/ Merritt Pkwy	950,000
Hartford	Rehab Br 01686B o/ US 44 & Columbus Blvd	4,400,000
Litchfield	Replace Br 00908 o/ Bantam Rv	4,500,000
Litchfield	Replace Br 02232 o/Unnamed Brook	1,500,000
Middletown	Replace Br 03993 o/ P&W Railroad	3,000,000
Monroe	Br 02220 o/ Pequonnock Reservoir	2,500,000
Monroe	Replace Br 02219 o/ Pequonnock Rv	5,000,000
Naugatuck	Replace Br 00596 o/ Naugatuck Rv & Rt 8	15,100,000
Orange	Replace Br 01882 o/ Silver Brk, w/ 2000' Roadwork	6,000,000
Preston	Replace Br 02931 o/ Dickerman's Brk	1,500,000
Preston	Replace Br 02932 o/ Dickerman's Brk	1,500,000
Rocky Hill	Replace Br 02102 o/ Hog Brk	1,500,000
Southbury	Replacement of Br 06815 carrying Rte 172 o/Brook	760,000
Stratford	Replace Br 02621 o/Pumpkin Brk	3,600,000
Woodstock	Bridge 02738 o/ Gravelly Brk (List 25)	1,500,000
Statewide	Culvert Repair and Replacement Program	5,000,000
Various	Project Design/ Acquisition of right of way/Project Modifications	6,490,000
<b>TOTAL</b>		<b>70,000,000</b>



### Local Capital Transportation Program Scheduled FY 16 Projects (in millions)

Description	State \$
Western CT Council of Governments	12,876,000
Northwest Hills Council of Governments	1,110,000
Naugatuck Valley Council of Governments	9,842,000
Greater Bridgeport Council of Governments	7,326,000
South Central Council of Governments	13,024,000
Capitol Region Council of Governments	20,720,000
Lower CT River Valley Council of Governments	3,034,000
Southeastern CT Council of Governments	5,180,000
Northeastern CT Council of Governments	888,000
<b>TOTAL</b>	<b>74,000,000</b>

## Appendix B

### Item #27: FY 16 and FY 17 State Superfund Project List

Town - Project	Amount (\$)	Description
<b>FY 16 Projects</b>		
Durham Meadows NPL (National Priority List)	4,000,000	NPL Site Remedial Action- 10% State cost share for Durham Meadows Federal Superfund site
Haddam – Higganum Cove	1,500,000	Remedial Design & Remedial Action
Haddam – Tylerville Section	5,000,000	Investigation, Remediation & Extension of Public Water
Stratford – Raymark (Federal NPL)	2,000,000	NPL Site Remedial Action- 10% State cost share for Raymark Federal Superfund site
Future SPL sites (2 @ \$5.0M)	10,000,000	Estimate for investigation & remediation
<b>TOTAL FY 16</b>	<b>22,500,000</b>	
<b>FY 17 Projects</b>		
Stratford – Raymark (Federal )	2,000,000	NPL Site Remedial Action- 10% State cost share for Raymark Federal Superfund site
Canterbury – Yaworski Landfill	2,000,000	Initial landfill maintenance & monitoring following closure
Future State Priority List sites (2 at \$5.0M)	10,000,000	Estimate for investigation & remediation
<b>TOTAL FY 17</b>	<b>14,000,000</b>	