

# Analysis of State Bond Commission Agenda Items

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10:30 AM

## **OFFICE OF FISCAL ANALYSIS**

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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. We have reviewed the items and provided additional information, comments or questions where it would be helpful.

## I. Summary

### FY 13 General Obligation Bonds<sup>1</sup>

Allocations	FY 13 \$	FY 12 \$
June Agenda	168,042,522	40,434,400
Prior Allocations	<u>1,333,370,119</u>	<u>1,354,417,384</u>
<b>Year to Date Total</b>	<b>1,501,412,641</b>	<b>1,394,851,784</b>

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

### FY 13 Transportation Fund Bonds

Allocations	FY 13 \$	FY 12 \$
June Agenda	1,500,000	4,800,000
Prior Allocations	<u>686,090,500</u>	<u>675,725,843</u>
<b>Year to Date Total</b>	<b>687,590,500</b>	<b>680,525,843</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: Information Technology Capital Investment Program (\$8,850,000 in new General Obligation bonds)

This funding will be used to develop and implement information technology enhancements for the State Department of Education (SDE), the Department of Motor Vehicles (DMV) and the Department of Corrections (DOC). The table below shows the breakdown of the allocation by agency and what will be purchased.

### Information Technology Capital Investment Program Purchases by Agency

Description	SDE \$	DMV \$	DOC \$
Consultant Services	1,750,000	400,000	600,000
Hardware	150,000	125,000	4,350,000
Software	200,000	75,000	1,200,000
<b>Total</b>	<b>2,100,000</b>	<b>600,000</b>	<b>6,150,000</b>

SDE - The funds will be used for the Early Childhood Information System for child case management, and the Quality Rating and Improvement System to track early care and education programs, pursuant to PA 11-181.

DMV - The funds will be used to develop a new system to provide real-time verification of insurance information for all vehicles registered with Connecticut license plates.

DOC - The funds will be used to create electronic health records for the agency's healthcare system for inmates, and also to link the agency's electronic healthcare system to those of other state agencies and external organizations involved in the care of inmate patients. DOC provides healthcare for approximately 17,000 inmate patients.

#### Questions:

1. What kind of information is stored in the Early Childhood Information System and Quality Rating and Improvement System?
2. How quickly will DMV be able to verify insurance information using the new system?

**Item #2** Department of Construction Services: Statewide Asbestos Abatement Program (\$2,500,000 in new General Obligation bonds)

The funds will be used on an as-needed basis for the state's on-going program to remove or encapsulate asbestos in state-owned buildings. The agency selects a vendor from the list of pre-approved contractors to do the abatement when it encounters asbestos in a building repair or renovation project. The State Bond Commission has allocated \$139.5 million for the Statewide Asbestos Abatement Program since 1986.

**Item #3** Department of Economic and Community Development: Grants-in-aid for entertainment-related projects (\$5,000,000 in new General Obligation bonds)

The funds will be used for the following three projects:

A. New Haven: Shubert Theater (\$2,000,000) - This funding will provide a grant-in-aid to Connecticut Association for the Performing Arts for alterations renovations and additions to the Shubert Theater in New Haven. The improvements include renovations to the entry façade and plaza, mechanical upgrades and masonry repairs, renovations and improvements to the lobby, theater, backstage, and offices, an additional performance space, and other related renovations.

The Shubert Theater, operated by the Connecticut Association for the Performing Arts, is a 1,600 seat theater known for presenting premieres and pre-Broadway shows. The State Bond Commission previously allocated \$1.75 million between 1996 and 1998 for various renovations and repairs to the Shubert Theater.

B. Bridgeport: Hall Neighborhood House (\$1,500,000) - This funding will provide a grant-in-aid to Hall Neighborhood House in Bridgeport, for construction of an addition for its performing arts program that serves 325 children.

Hall Neighborhood House of Bridgeport provides social and educational programs benefiting youth, families, and senior citizens in the community, including day-care, preschool, social services, youth and senior citizen programs, affordable housing, job training, performing arts and recreation.

C. Norwalk: Globe Theater (\$1,500,000) - This funding will provide a grant-in-aid to the Wall Street Theater Company, Inc. for the acquisition and renovation of the Globe Theater in the Wall Street redevelopment area of Norwalk. Current plans include the restoration of the theater into a general-use/multipurpose venue to accommodate live entertainment, conferences, assemblies and public performances.

In addition to this funding, the Wall Street Theater Company are seeking to secure a \$2 million federal loan and \$4 million in federal and state tax credits that include historic renovation credits.



The Globe Theater in Norwalk

**Item #4** Department of Economic and Community Development: Emergency Mortgage Assistance Program – EMAP (\$15,000,000 in new General Obligation bonds)

This funding will provide supplemental funding for the Emergency Mortgage Assistance Program.

The Emergency Mortgage Assistance Program (EMAP) provides temporary monthly mortgage payment assistance for up to five years to eligible Connecticut homeowners who are facing foreclosure due to a financial hardship. An EMAP loan is secured by a fixed-rate, subordinate mortgage on the homeowner’s residence. Repayment of an EMAP loan is required and starts when the homeowner’s financial condition sufficiently improves.

From the program’s implementation in 2008 through October 31, 2012, closed loans through EMAP total \$41.6 million.<sup>1</sup> The Connecticut Housing Finance Authority (CHFA) sets aside 10% of expended EMAP funds on an annual basis to support some of the costs of the program.

CHFA is currently working on a broad marketing and outreach campaign designed to increase awareness of the program and reach the maximum number of eligible households.

**Item #5** Capital Region Development Authority: Housing development projects (\$1,474,800 in new General Obligation bonds)

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<sup>1</sup> Per CHFA correspondence with the Office of Fiscal Analysis in November 2012.

- A. 5 Constitution Plaza - 5CP LLC (\$2,050,000) - This funding will support a construction loan for the conversion of the former hotel at 5 Constitution Plaza into 193 units of housing with 32 affordable units. The project will contain approximately 54 studio, 125 one bedroom and 14 two bedroom units. The construction bridge loan will be provided at an interest rate of 3.5% for a maximum of 36 months.
- B. 179 Allyn Street - Dakota Partners (\$6,500,000) - This funding will support a \$3.25 million loan and \$3.25 million equity investment for the conversion of 179 Allyn Street into 63 one bedroom market rate units of housing.
- The \$3.25 million loan will be provided at an interest rate of 0.5% for twenty years with principal and interest deferred.
  - The \$3.25 million equity investment will have a preferential position. CRDA will be provided with an Internal Rate of Return of 2% on the equity investment and may transfer the equity position and must be repaid upon sale or refinancing of the project.
- C. 201 Ann Uccello Street - Universal Enterprise LLC (\$3,800,000) - This funding will support a construction loan for the conversion of 201 Ann Uccello Street into approximately 22 one bedroom market rate units of housing.

The loan amount shall be up to \$3.8 million and must be reduced or 24 months with bank permanent financing to an amount no greater than \$750,000 which will be a permanent subordinate loan at an interest rate of 0.5% for twenty years. The assistance is contingent upon the recipient securing permanent financing.

- D. 283-91 Asylum Street - DSJ45 LLC (\$575,000) - This funding will support a construction loan for the conversion of 283-91 Asylum Street into approximately 16 market rate units of housing. The project will contain approximately five studio, seven one bedroom and four two bedroom apartments.

The initial \$575,000 loan will be made at a 3.5% interest rate for the construction phase. Within six months of obtaining a certificate of occupancy, the initial loan (\$575,000) must be reduced to an amount not greater than \$518,000 by obtaining bank financing, which will be a permanent subordinate loan at a 1.5% interest rate of for twenty years.

### ***Background***

The Capital Region Development Authority (CRDA) provides grants or loans to encourage residential housing development in downtown Hartford. Specifically, CRDA seeks projects that are 80% market rate and 20% affordable and has designated a portion of its funding for small projects (less than 20 units). CRDA requires its funds to be leveraged by private lending and/or equity contributions and the amount of assistance and its nature are determined on a case by case basis.

**Item #6** Department of Energy and Environmental Protection: Repairs and improvements at state parks (\$1,500,000 in General Obligation bonds)

The funds will provide: (1) \$500,000 for repairs at shoreline state parks related to damage to Storm Sandy, in addition to the \$579,846 allocated at the January 2013 State Bond Commission meeting and (2) \$1,000,000 for various repairs at state parks that are unrelated to the storm.

**STORM SANDY DAMAGE REPAIRS TO STATE PARKS**

State Park	Municipality	Description	Estimated Cost \$	
			Original	Revised
Sherwood Island	Westport	Damage to Sherwood Island Point	35,860	35,860
		Replace washed-out materials at 911 Memorial	11,275	11,275
		Move piles of sand displaced from W. Beach	15,820	15,820
		Move piles of sand displaced from E. Beach	33,900	33,900
		Replace sewer lift station pumps	-	18,556
		<b>Total Sherwood</b>	<b>96,855</b>	<b>115,411</b>
Silver Sands	Milford	Training wall repairs	59,570	37,795
		Replace damaged pavement Silver Sands Parkway	19,250	19,250
		Replace 200 ft. wooden post & rail fence	15,200	15,200
		Replace damaged boardwalk, railings, ramps	175,000	460,000
		Replace storage trailer skirt and electric panel	3,450	3,450
		Debris clean up and disposal	9,450	9,450
		Nettleton Creek debris removal & disposal	-	79,838
		<b>Total Silver Sands</b>	<b>281,920</b>	<b>624,983</b>
Hammonasset	Madison	Remove and dispose of 5000 cubic yds. of debris	33,725	33,725
		Replace interpretive platform	17,635	21,162
		<b>Total Hammonasset</b>	<b>51,360</b>	<b>54,887</b>
Rocky Neck	East Lyme	Repairs to Ellie Mitchell Pavilion Roof	9,597	22,020
		Repairs to Rocky Neck Boardwalk	47,263	54,352
		Debris clean up and disposal	-	4,950
		Bride Brook and estuary debris removal & disposal	-	38,161
		<b>Total Rocky Neck</b>	<b>56,860</b>	<b>119,483</b>
Harkness Memorial	Waterford	Enders Roof and Chimney Repairs	18,456	22,500
		Mansion & Support Complex Roof Repairs	51,270	55,208



State Park	Municipality	Description	Estimated Cost \$	
			Original	Revised
		Visitor Center Roof Repair	-	24,942
		Goshen Cove debris removal & disposal		47,055
		<b>Total Harkness Memorial</b>	<b>69,726</b>	<b>149,705</b>
Ft. Trumbull	New London	Fishing Pier Repairs	23,125	24,468
Squantz Pond	New Fairfield	Replace meter and disconnect panel	-	5,512
Bluff Point	Groton	Repair Washed out Gravel Parking Area	-	8,500
		<b>Total Request</b>	<b>579,846</b>	<b>1,102,949</b>

**Item #7** Department of Children and Families: Repairs and Improvements at departmental facilities (\$670,000 in new General Obligation bonds)

The funds will be used to finance renovations and improvements at the Albert J. Solnit Psychiatric Center – South Campus (Solnit South) and the Connecticut Juvenile Training School (CJTS) as detailed below:

**Solnit South (\$520,000)**

- Replace a portion of the heating line - DCF recently replaced a 100 foot portion of heating line pipe due to breakage. While installing the new pipe, it was discovered that, in addition to the pipe being replaced, more than 500 feet of pipe was in need of replacement or would also fail.
- Replace a portion of the roof - The low-sloped roof is more than 15 years-old. This portion of the roof that needs replacement has been leaking for years. The department continues to repair it but the repairs are not holding. Water has damaged ceiling tiles and areas outside of children’s bedrooms. Water infiltration into the roof insulation may also be causing mold and mildew growth which cannot be seen.
- New pool filtration system - The existing filtration system is original from 1974. It has outlived its life expectancy. The children use the pool daily, not only for exercise but for rehabilitation.
- Reseal sky lights -The original seals from 1993 have dried and cracked. Skylights have been repaired many times. They need to be replaced to prevent water damage.
- Recess sprinkler heads - DCF requests funding to recess the sprinkler heads at Solnit South for safety reasons. The sprinkler heads pose a safety hazard for children who could trip and fall over the above-ground sprinkler heads. Also, the above-ground sprinkler heads have been broken off by residents.

Solnit South is the only state-administered psychiatric hospital for Connecticut children under the age of eighteen. It provides complex care to children and adolescents with severe mental illness and related behavioral and emotional problems who cannot be safely assessed or treated in a less restrictive setting. Alternative DCF placement options are evaluated and deemed unfit before a child is placed at Solnit South. As of 4/30/13, the average monthly census at Solnit South in FY 13 was 60 individuals.

**CJTS (\$150,000 requested)**

- Replace air handler Variable Frequency Drives (VFDs) - Air handlers control the speed of fan motors. Three of the 16 handlers' VFDs at CJTS have failed and DCF anticipates the loss of the remaining VFDs in the near future.

CJTS is a secure facility for boys committed as juvenile delinquents to DCF and placed on parole status. Its mission is to prepare boys for successful community reentry through education, treatment and rehabilitative services. Residents receive a full range of clinical services based upon their individualized risk, need, strengths and mental health assessments. As of 5/31/13, the average monthly census at CJTS in FY 13 was 102 individuals.

**Item #8** Department of Economic and Community Development: Reallocation of funds for an affordable housing project in New Haven (\$2,350,000 in previously allocated General Obligation bonds)

This request will correct the project description regarding funding for a loan to Rockview I Associates included on the January 25, 2013 agenda. The January 25th description included an erroneous number of affordable units to be developed. The actual number of affordable housing units to be developed is 77.

***Background***

Funding for the loan, which was approved by the State Bond Commission at the January 2013 meeting, will finance the development of new housing on the site of the former Rockview public housing complex in New Haven. This project consists of construction of 77 new units of affordable housing for families at or below 80% of area mean income. At least 20 units will be income restricted for 15 years. The deferred loan will be provided at a rate of 3% for forty years.

Construction is anticipated to occur between January and November 2013 with housing units ready for delivery by December 2013. Full occupancy of the units is anticipated by June 2014.

**Item #9** Department of Administrative Services: Purchase of Morgan Street Garage in Hartford (\$30,171,000 in new General Obligation bonds)

The funds will be used as follows: (1) \$23.47 million to purchase the 2,290-space Morgan Street Garage from the City of Hartford (including closing costs), (2) \$3.20 million paid over four years to the city for a 99-year lease on the land where the garage is located, and (3) \$3.50 million for renovations to the garage, including: (a) moisture protection, (b) storefronts and garage façade improvements, (c) new exterior doors, (d) HVAC upgrades, (e) electrical and lighting improvements, and sidewalk repairs.

The garage will be used as parking for the Connecticut River Plaza building, located at 450 Columbus Boulevard, which the state is purchasing. That building only has 850 parking spaces but the state expects to locate 2,000 employees in it. In addition, the Morgan Street Garage provides parking for Capital Community College. The college currently uses 500 spaces during the day and 750 in the evening. DAS plans to allow an average of 850 spaces for students after the garage is purchased, which should be sufficient for Capital's projected enrollment in the foreseeable future.

The garage will continue to be used by Capital Community College and will be needed for state employee parking when 450 Columbus Boulevard is ready for use in the first quarter of 2016. Until that time, the garage will be managed through the Capital Regional Development Authority (CRDA), who has a contract with LAZ Parking. Once 450 Columbus is occupied by state employees, the garage will be run through the DAS Facilities Department and a third party management company.

The garage also includes 14,000 sq. ft. of office space, which will be used as state office space. This is expected to reduce the state's cost to lease office space by about \$365,000 per year. In addition, the state will generate income from the garage by providing special event parking on nights and weekends.

**Item #10** Department of Administrative Services: Alterations and improvements at state-owned buildings (\$1,960,000 in new General Obligation bonds)

Pre-design study for exterior façade at 24+38 Wolcott Hill Road, Wethersfield \$60,000 - The building, which houses DOC and DOL, was built in 1956. The façade-replacement project is necessary because: (1) the façade leaks during wind-driven rainstorms and snowstorms; (2) the window gaskets have failed and allow wind infiltration; and (3) the building exterior needs re-pointing and waterproofing. The total cost of the project is expected to be \$8.5 million and the pre-design study is expected to take five to six months.

Repair Exterior Canopies and Walkways at 200 Follybrook Blvd, Wethersfield \$155,000 - The building, which houses DOL, was built in 1960. The project is necessary because the concrete canopies: (1) are leaking and require new membrane roofs and a new drainage system, (2) the concrete walkways need to be repaired and (3) the guard rails need to be repaired, repainted and resurfaced. The project includes repairs to: the Main Entrance Canopy (\$35,000), the North/South Canopy (\$35,000), and the Cafeteria Canopy (\$85,000). The project is expected to take three to six months.

Install Sidewalks - Uncas on the Thames, Norwich \$95,000 - The campus provides facilities for DDS, DMHAS, DRS and DDS. This is Phase II of a project to install sidewalks between buildings throughout the campus. The campus is served by buses and sidewalks are necessary for pedestrian safety. The project will take approximately two months to complete.

Replace Flooring at 395 West Main Street, Waterbury \$150,000 - The building, which is occupied by DCF, has worn floor areas and missing floor tiles that pose a safety hazard to pedestrians. The project includes the replacement of flooring, ceramic floor tile, carpet and vinyl floor tile replacement. The project will take approximately two months to complete.

**Item #11** Department of Administrative Services: Roof replacement at 410 and 450 Capitol Avenue in Hartford (\$2,143,760 in new General Obligation bonds)

The funds will be used for roof replacement at 410 and 450 Capitol Avenue, which house OPM, DPH and DMHAS. The current flat roofs are about 35 years old. They are being replaced because they are leaking and beyond their 20-year life expectancy. The new roofs will use a synthetic rubber membrane that has a 20 to 30-year life expectancy. The project will also include: (1) installation of secondary roof drainage scuppers and leaders; (2) repair of spalling window lintels and sills, (3) masonry re-pointing, (4) replacement of terrace waterproofing, (5) partial reconstruction of the terrace parapet due to leaking and (6) installation of new roof guard rails, new caged ladder.

Portions of the 450 Capitol Avenue building date from 1895 and 1912. The 410 Capitol Avenue building dates from 1971. The project is expected to begin in August 2013 and take four months to complete.

**Item #12** Military Department: Parking lot expansion at Camp Niantic in East Lyme (\$300,000 in new General Obligation bonds)

The funds will be used to match Federal funds for the following projects at Camp Niantic: (1) construction of 100-300 additional parking spaces and (2) electrical upgrades to the administrative building. Each project will receive \$150,000 from the Federal government. Currently there are 1,000 parking spaces at the camp. The electrical upgrades are required to meet code requirements and will consist of new exit doors, entrance ramps, interior lighting, energy efficient heating and cooling, wall coverings, new fixtures and vents, upgrades to lead paint remediation to the exterior and new siding on the exterior of the building.

**Item #13** Department of Economic and Community Development: Predevelopment Cost Revolving Loan Program (\$1,418,535 in new General Obligation bonds)

This funding will support loans for selected housing projects provided through the state's Predevelopment Cost Revolving Loan Program.

Under the Predevelopment Cost Revolving Loan Program, the state provides interest-free and deferred loans for predevelopment costs connected to the construction, rehabilitation, or renovation of low- and moderate-income housing. Eligible predevelopment costs include architectural design, feasibility and environmental studies, and real estate option payments.

In total, 254 units of affordable housing will be developed with this funding. The table below provides details on each project.

### Predevelopment Loan Program Projects

Project	Location	Type of Development	Units	Amount \$
Sarum Village	Salisbury	New Units	6	85,175
Warner Gardens	Waterbury	Demolition/Replacement	122	250,000
Church Hill Woods	Ledyard	New Affordable Elderly Rental Units	62	250,000
38 Columbus Street	Seymour	New Affordable Elderly Rental Units	26	250,000
Accessing Home	Danielson	New Supportive Housing Units For Chronically Homeless Individuals and Families	10	138,000
Crestview Ridge	Oxford	New Affordable Elderly Rental Units	8	195,360
Affordable Elderly Housing	Essex	New Affordable Elderly Rental Units	20	250,000
<b>Total</b>			<b>254</b>	<b>1,418,535</b>

Question: What criteria did the agency use to select these projects and the award amounts?

**Item #14** Department of Economic and Community Development: Flexible Housing Program (\$11,828,000 in new General Obligation bonds)

This funding will support affordable housing programs and neighborhood revitalization programs throughout the state. The projects represent partnerships between state and local government as well as nonprofit groups. The funding may also leverage private and federal funds to rehabilitate blighted housing, construct new units, and make improvements to existing properties. The table below provides details on each project:

### Affordable Housing & Neighborhood Revitalization Project Recipients

Recipient	Location	Project	Amount \$
Access Agency, Inc.	Willimantic & Danielson	Revolving loan fund for rehabilitation of small rental developments.	1,500,000
City of Hartford	Hartford	Homeowner Rehabilitation program in high risk neighborhoods. Homeowners with	1,500,000

Recipient	Location	Project	Amount \$
		incomes of up to 100% of the area median income are eligible.	
City of New Haven	New Haven	Neighborhood Renewal program for workforce housing development subsidies, energy efficiency rehabilitation and down payment assistance.	1,500,000
Connecticut Housing Coalition	Statewide	Coordinate potential developers, public housing authority residents, and technical consultants to jumpstart new housing or redevelopment plans.	213,000
Connecticut Housing Investment Fund	Waterbury & East Hartford	Establish two urban revitalization programs in each city. The programs will offer low- or interest-free loans that encourage private developers to purchase, rehabilitate, and maintain at-risk properties.	1,600,000
Corporation for Supportive Housing	Statewide	Gap financing for eight projects yielding 80-90 supportive housing units.	1,300,000
East Hartford Housing Authority	East Hartford	Program to purchase, rehabilitate and redevelop 1-4 family blighted units for the Section 8 program.	2,000,000
Housing Development Fund	Greater Bridgeport area	Landlord Entrepreneur and Affordability Program (LEAP) which provides assistance to purchase and rehabilitate owner-occupied small multi-family properties.	1,000,000
Mutual Housing Association of South Central Connecticut	Waterbury	Revitalization of Gaffney Place near downtown Waterbury.	1,000,000
Women's Institute for Education and Development	Northwest CT	Low interest loan fund to construct accessory apartments in the northwest corner to provide additional affordable housing.	215,000
<b>Total</b>			<b>11,828,000</b>

**Question:** What criteria did the agency use to select these projects and the award amounts?

**Item #15** Department of Transportation: Studies for dredging disposal site selection in Eastern Long Island Sound (\$750,000 in new General Obligation bonds)

The funds will be used to finance the Oceanographic part of the ongoing Supplemental Environmental Impact Study (SEIS) of the Eastern Long Island Sound (ELIS). In 2011 DOT received \$1.8 million from the State Bond Commission to evaluate the feasibility and impact of establishing an open water site for dredged sediment. DOT has contracted with the University of Connecticut Oceanographic Studies to select new disposal sites for dredged material from the ports and harbors in the ELIS region. Currently sediment is placed at the New London and Cornfield Shoals disposal sites, but these sites will expire on December 16, 2016. Some of the businesses and organizations that currently use these disposal sites are the Thames Shipyard, General Dynamics, Dow Chemical, the US Coast Guard, US Navy, and the State Pier.

**Item #16** Department of Transportation: Demolition of buildings associated with the new Barnum rail station in Bridgeport (\$1,500,000 in new Special Tax Obligation bonds)

These funds will be used for demolition and cleanup at a portion of the former site of the Remington Arms plant located on Barnum Avenue in Bridgeport. The City of Bridgeport took ownership of the 7.2 acres parcel in 2011 through strict foreclosure proceedings. The December 16, 2011 State Bond Commission allocated \$1.0 million for this project.

Bridgeport put the demolition project out to bid in May 2013, and it is expected to be completed by January 2014. The next stage will be environmental clean-up, which will be paid for through private funds and will take about one year to complete. Construction of the new station Barnum Station will take place after the environmental clean-up.

The city plans to develop the P.T. Barnum Metro-north Train Station on the site, which will be the centerpiece of the proposed mix-use, transit-oriented East Bridgeport Development Corridor. The city received funding for a feasibility study of a new commuter rail station on the site through a \$3.5 million federal grant received by Connecticut and New York to explore projects that integrate housing, economic development, transportation, and environmental planning.



The site that will be developed into the Barnum Rail Station in Bridgeport

**Item #17** Board of Regents for Higher Education: Development of manufacturing technology programs at three community colleges (\$7,325,000 in General Obligation bonds)

The funding will be used for Phase II of a project to create the following advanced manufacturing centers: (1) \$1.5 million for renovations for the new welding program at Housatonic Community College; (2) \$825,000 for new manufacturing equipment at Naugatuck Valley Community College and (3) \$5.0 million for the construction of a 10,000 square foot addition for the manufacturing center at Quinebaug Valley Community College. These funds are in addition to the \$8.9 million allocation for Phase I that was made by the State Bond Commission at its March 2012. See below for detail on both phases of the project.

### ***Background***

The Board of Regents chose the Housatonic, Naugatuck Valley and Quinebaug Valley Community College campuses to house Manufacturing Centers based on a request for proposal (RFP) process. One of the RFP selection criteria was the ability to expand while financially absorbing the operating costs either through college funds or private partnerships.

Housatonic CC (HCC): Phase I will renovate 3,000 sq. ft. of existing space into classrooms, computer and technology labs to support the Computer Numerical Control (CNC) Program. The projected cost of equipment is \$1.4 million. The space is expected accommodate 50 students.

Phase II will renovate existing storage space to develop the Welding Center. The center will have eight welding stations along with support equipment. It is expected to accommodate 104 additional students.

Naugatuck Valley CC (NVCC): Phase I will renovate existing classroom and engineering lab space to accommodate a new CNC Program. The projected cost of the equipment is \$1.4 million. The program is expected to enroll 50 students.

In Phase II, NVCC's Advanced Manufacturing Technology Center will be located in Technology Hall, which houses the existing Engineering Technology Program. The bond funds will be used to renovate existing space and make electrical and technology upgrades to accommodate new and existing equipment. Phase II is expected to accommodate an additional 90 students.

Quinebaug Valley CC (QVCC): In Phase I, QVCC will use its current partnership with Ellis Technical High School to offer the CNC Program at QVCC during the day and Ellis Tech at night. The projected cost of equipment is \$1.4 million. The program is expected to accommodate 50 students.

Phase II will renovate and expand QVCC's current manufacturing laboratory to develop three distinct areas for classrooms, computer labs and technology labs.



QVCC's program will focus on: (1) CNC Machining & Programming, (2) Quality Inspection & Metrology, and (3) Mechatronics<sup>2</sup>. The bond funds will also be used to purchase new equipment. The expanded center will serve between 200 and 300 students.

**Item #18** Office of Policy and Management: Traffic calming project in New Haven (\$424,000 in new General Obligation bonds)

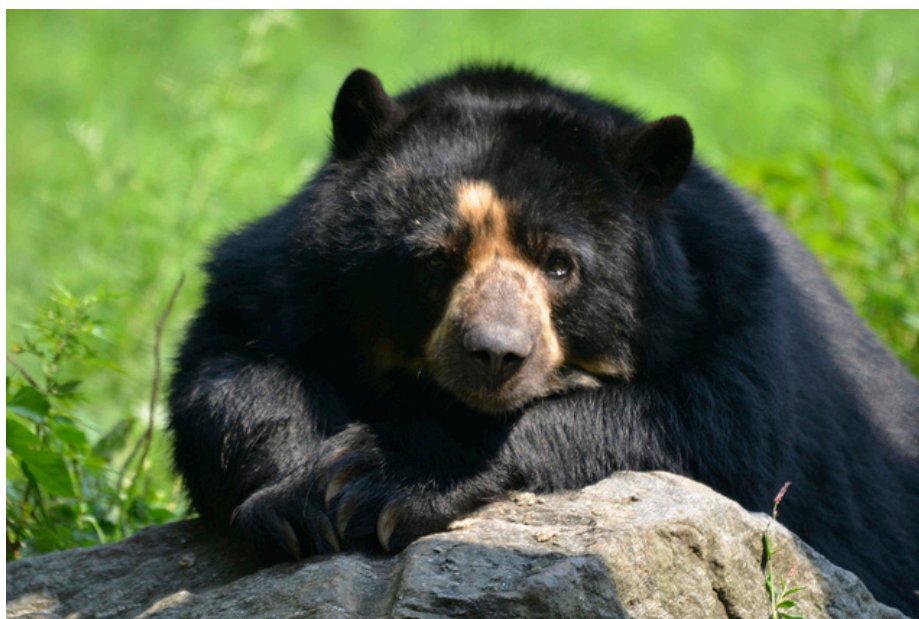
The funds will be used to finance street calming measures to improve pedestrian safety on Whalley Avenue in New Haven. The measures may include speed bumps, narrowing of the roadways, sidewalk widening and crosswalks, ADA compliant curb ramps, pavement markings and sidewalk and roadway surface treatments.

Question: Will the City of New Haven provide any funding for the project?

**Items #19, #26 & #41** Department of Economic and Community Development: Development of an Andean Bear exhibit at Beardsley Zoo in Bridgeport (a total of \$2,500,000 in new General Obligation bonds)

This funding will provide a grant-in-aid to City of Bridgeport for the construction of an Andean bear exhibit at the Beardsley Zoo. The habitat will be an outdoor exhibit with climbing structures and a pool and is slated to be ready in 2015. The zoo intends to bring in a male and female bear with the hopes of the pair having cubs.

The exhibit is the final phase of the development of the South American Adventure section of the zoo. Andean bears are found in northern and western South America.



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<sup>2</sup> Mechatronics a multidisciplinary field of engineering that combines mechanical engineering, electronic engineering, computer engineering, software engineering, control engineering, and systems design engineering in order to design and manufacture useful products.

**Item #20** Office of Policy and Management: Nonprofit Collaboration Incentive Program (\$84,493 in new General Obligation bonds)

The funds will provide a grant-in-aid to the Action to Bridgeport Community Development, Inc. (ABCD) and Optimus Health Care, Inc. for the development of a web-based information technology system to allow the organizations to share data and coordinate case management services.

ABCD is a Bridgeport nonprofit that operates a variety of programs for low-income individuals and families. This includes early childhood and after school programs, foreclosure assistance, weatherization and winter heating assistance, employment services, and other programs.

Optimus Health Care is a nonprofit healthcare provider in Bridgeport, Stamford and Stratford that provides primary health services, with a focus on providing services to the medically underserved.

The Nonprofit Collaboration Incentive Grant Program was established by PA 09-2, SSS to cover infrastructure costs arising when two or more nonprofit organizations consolidate programs and services. Bond funds may be used to: 1) buy or improve facilities or equipment; 2) refinance facility loans; 3) fund energy, transportation or technology projects; 4) fund associated administrative costs or 5) other authorized activities.

Questions:

1. How was this project selected to receive a grant?
2. How many other projects have been selected to receive grants under this program so far?

**Item #21** Department of Energy and Environmental Protection: Grant-in-aid to Wallingford for extension of municipal water services (\$500,000 in new General Obligation bonds)

The funds will be used to provide a grant-in-aid to the Town of Wallingford finance an extension of municipal water service to five homes on South Broad Street. High levels of trichloroethylene (TCE) were discovered in the wells in 2011. Filtration systems were installed, and the wells are considered a source of potable water, however residents requested a source of public water supply.

Total spending for South Broad St by the state so far comes to \$14,826 for filters installed by Potable Water Program thus ensuring clean water to residents.

**Item #22** Department of Social Services: Grants-in-aid to social service providers (\$1,680,000 in General Obligation bonds)

This funding will support two projects:

Catholic Charities Child Development Center in Hartford (\$250,000) - The funds will be used to renovate a vacant building into a therapeutic preschool facility. Therapeutic nurseries provide an environment that allows treatment for preschool children who display severe emotional, developmental and behavioral problems.

The Catholic Charities is a nonprofit agency serving people of all faiths in Hartford, Litchfield, and New Haven Counties since 1920. Catholic Charities provides state-licensed early childhood and school readiness programs at a number of different locations, including Hartford, New Haven, Meriden and Waterbury.<sup>3</sup>

Child Care Learning Center in Stamford (\$1,430,000) - The funds will be used to expand the "K" wing of the Maple/Lockwood Avenue campus. The center will renovate the ground floor of its 5,720 sq. ft. campus to accommodate four new classrooms and a reception space. The new classrooms will allow the center to accommodate 60 new slots and consolidate an existing classroom. The additional slots will help alleviate the preschool wait list.

The Child Care Learning Center is the largest provider of subsidized child care in Fairfield County. The center offers School Readiness, Child Care Development, and Federal Head Start and Early Head Start Programs.

Questions:

1. Will any funding from donors or other sources be used for either project?
2. Will any additional staff need to be hired at either at either school?
3. What is the timeframe for the projects?
4. How many children are enrolled at each location?

**Item #23** Board of Regents for Higher Education: Relocation of the main information technology room at Asnuntuck Community College (\$136,678 in General Obligation bonds)

The funds will be used to convert an existing space into a new equipment room by installing a new wall, wire mesh partitions, new static control flooring, new lighting and power distribution for agency's cooling unit.

Total headcount enrollment at Asnuntuck Community College is approximately 1,700. Total enrollment in the information technology program is approximately 30 students. Students other than those in the program also utilize information technology equipment and services.

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<sup>3</sup> (<http://www.ccaoh.org/>)

**Item #24** Department of Energy and Environmental Protection: Grant-in-aid to Meriden for the Meriden Mall (Hub) project (\$3,850,000 in new General Obligation bonds)

The funds will finance soil remediation at the “HUB” brownfield site, which is located in the center of downtown Meriden. This work is necessary before the site can be reconfigured for flood control, green space and economic development purposes. The city plans to develop the Meriden Intermodal Transit Center in this area and is currently seeking a developer for a transit-oriented development project on a 15 acre parcel that is adjacent to the HUB site.

The city’s current redevelopment plan for the HUB is a 150,000 sq. ft. of office and retail space that will be immediately adjacent to the intermodal transportation center. The center will allow for transit-oriented development opportunities on the HUB site and throughout the downtown area. The intermodal center will not only serve Meriden’s existing Amtrak service and the proposed New Haven to Springfield commuter rail line but will also offer linkages to local bus, taxi and corporate van services.



Meriden’s Downtown Redevelopment Plan

The table below shows prior State Bond Commission allocations for Meriden for demolition of the HUB and flood control.

**State Bond Commission Allocations for the Meriden HUB and Flood Control**

SBC Date	Allocation \$	Description
10/29/04	2,000,000	Grant-in-aid to City of Meriden for demolition of former Meriden Mall (HUB building) for revitalization of central business district

SBC Date	Allocation \$	Description
12/10/10	2,000,000	Grant to Meriden for design and construction of flood control improvements along Harbor Brook
9/23/11	1,100,000	Harbor Brook Flood Control Project - Meriden - Columbus Avenue Bridge auxiliary culvert
12/16/11	3,500,000	Grant-in-aid to the City of Meriden to assist with the ongoing redevelopment of the site of the former Meriden Mall (a.k.a. the "Hub" building)
<b>Total</b>	<b>8,600,000</b>	

**Item #25** Department of Economic and Community Development: Grant-in-aid to the Maritime Aquarium in Norwalk for a new HVAC chiller (\$400,000 in new General Obligation bonds)

This funding will provide a grant-in-aid to Norwalk for replacement of the HVAC chiller at the Maritime Aquarium. The aquarium's original air conditioners have required on-going repairs at a cost of tens of thousands of dollars annually. The equipment is necessary to maintaining a suitable environment for the aquarium's animals and visitors.

Question: Does the Aquarium have access to other funding sources (operational funds, federal funding or private contributions) to help finance the cost of the repairs?

**Item #27** State Library: Grants-in-aid to two public libraries (\$68,516 in new General Obligation bonds)

The funds will be used for the following two projects:

- Meriden Public Library (\$50,000) - The project includes installation of new carpeting, replacement cylinders in the elevator and repair of the Catlin Street fence. The total project cost is \$150,000.
- Otis Library, Norwich (\$18,516) - The library will be remodeled to increase the efficiency of services provided to patrons. The total project cost is \$55,550.

**Item #28** Department of Energy and Environmental Protection: Costs associated with hazardous waste disposal sites (\$3,850,000 in new General Obligation bonds)

Tylerville Section of Haddam (\$470,000) - The funds will provide a grant-in-aid to Haddam for lateral hookups and well abandonments associated with extension of water mains to the Tylerville area. Currently, DEEP maintains granular activated carbon (GAC) filter systems at 18 residential properties where drinking water is contaminated with volatile organic compounds including TCE and 1,4-Dioxane above respective drinking water action levels, and routinely monitors drinking water supplies at these and other nearby properties. In addition, five residential properties also receive bottled water supplied by DEEP because GAC filters are ineffective at removing 1,4-dioxane

from drinking water. State Potable Water Program funding to monitor and maintain the filter systems and provide bottled water will no longer be available after June 30, 2013 necessitating a shift to the State Superfund.

See Appendix A for a description of the Tylerville Superfund Site.

Question: Is DEEP currently pursuing enforcement action against the parties that are responsible for the pollution?

Durham Meadows Superfund Site in Durham (\$312,000) - The funds will finance the state's share of continued well water monitoring and maintenance of treatment systems at the Durham Meadows Federal Superfund site. There are 40 properties in the impacted area and 30 of them were equipped with a GAC filtration system due to the levels of contamination exceeding the CT Drinking Water Action Levels. In addition, DEEP also provides bottled water to nine homes with 1,4-dioxane in well water exceed CT Drinking Water Action Level because 1,4-dioxane cannot be effectively treated by a filtration system. The contaminants which cannot be treated with filters in measure drives the need for an alternative water supply.

See Appendix B for a description of the Durham Meadows Superfund Site.

Question: Is DEEP currently pursuing any enforcement action against the source of the pollution?

**Item #29** Department of Education: Grants-in-aid for charter schools (\$5,332,530 in new General Obligation bonds)

The funds will provide grant-in-aid to the following charter schools:

Common Ground - New Haven (\$590,000) - The funds will be used to finance improvements and to expand the school's enrollment capacity. The renovations include: (1) electronic media improvements to three classrooms to allow the use of digital technology and allow audio media creation; (2) improvements to four bathrooms; (3) indoor air quality and heating system improvements; (4) school-wide sprinkler system installation and new horn-strobe units; (5) additional emergency lighting installation for ADA compliance; and (6) installation of secure laptop storage and suspended ceiling electrical outlets in ten classrooms to support classroom use of the school's existing laptop fleet.

New Beginnings Family Academy - Bridgeport (\$712,698) - The funds will be used to construct four classrooms and two bathrooms to expand the school's enrollment capacity.

Achievement First Bridgeport Academy Middle School (\$1,537,592) - The funds will be used to repay a portion of a \$2.7 million loan that financed renovation of the middle school.

Achievement First Bridgeport Academy Elementary School (\$785,842) - The funds will be used to repay the principal balance of a loan that financed the purchase and renovation of the elementary school.

Odyssey Community School (\$350,000) - The funds will be used to repay the principal balance of a loan that financed a portion of the construction costs of six classrooms.

Interdistrict School for Arts and Communication (ISAAC) - New London (\$1,356,398) - The funds will be used to repay the principal balance of a loan that financed the construction of three classrooms and auditorium/gymnasium.

### ***Background***

Charter schools are authorized by the State Board of Education. They are intended to provide small-scale educational programs and are managed by a governing board that is comprised of teachers, parents or guardians of the students enrolled in the school and may include community members. Charter schools offer a range of educational programs, small class size, and enhanced teacher-parent communication.

**Item #30** Department of Economic and Community Development: Grants-in-aid for entertainment-related projects (\$625,000 in new General Obligation bonds)

Town of Southington for Gura Building (\$500,000) - The funds will provide a grant-in-aid for the Town of Southington for renovations and improvements to the Gura Building, a town hall annex. The building is intended to be used as a community arts center.

The total cost of the project is estimated to be \$1.71 million. The Southington Community Cultural Arts organization must fund 80% of the proposed renovation costs by approximately July 2014. This proposed allocation will supplement that requirement.

If the organization meets this funding requirement, and sets aside \$199,000 for building operating costs, the town will lease the building to the organization for \$1 per year for a maximum of 20 years.

Question: How much has the Southington Community Cultural Arts organization raised to date for the project?

Westport Playhouse (\$125,000) - These funds will provide a grant-in-aid to the Westport Playhouse for the construction of a redesigned entrance on Post Road. The new entrance will increase visibility and improve traffic and pedestrian safety.



**Item #31** Department of Economic and Community Development: Façade improvements to the Bloomfield Early Learning Center (\$20,000 in previously allocated General Obligation bonds)

The reallocation will support façade improvements to the Bloomfield Early Learning Center. The funds were originally allocated on March 2006 for a grant-in-aid to Bloomfield for a façade and streetscape improvement program.

Question: Has the underlying project of façade and streetscape improvements been completed?

**Item #32** Department of Veteran's Affairs: Expansion of the Veteran's Cemetery in Middletown (\$202,000 in new General Obligation bonds)

The funds will be used: (1) to construct a columbarium at the Veteran's cemetery in Middletown, (2) for road and drainage repairs and (3) for renovations to the administrative building and the chapel. A columbarium is a building with vaults to store cremation remains.

The 24-acre cemetery holds approximately 15,000 burial plots. It became operational in 1985 and there are currently 9,217 veterans buried on site. The columbarium is needed to adapt to the ongoing needs and requests of Veterans.

Questions:

1. Will the department receive any federal funds for this project?
2. What is the estimated timeline for the project?

**Item #33** Department of Economic and Community Development: Grant-in-aid to the Eugene O'Neill Theater Center in Waterford for expansion (\$3,000,000 in new General Obligation bonds)

These funds will provide a grant-in-aid to Eugene O'Neill Theater Center in Waterford for Phase I of a two-phase project that will expand the existing facilities by building a National Music Theater Institute (NMTI).

The NMTI will offer undergraduate, semester-away programs for musical theater training, attracting students from colleges in the U.S. and abroad. The current plan is to finish Phase I and enroll the first class of NMTI students in the fall of 2014.

Phase I will include the construction of seven new dormitory cottages that will provide living quarters for up to 65 artists, construction of a separate laundry building, construction of a new rehearsal hall/building, and conversion of an existing structure into rehearsal facilities (Production Cottage).



Phase I's anticipated cost is \$7.8 million, which includes money already spent on architectural plans. The theater anticipates raising a total of approximately \$4,820,000 in private donations and pledges for Phase I. A total of about \$3,095,000 (\$1,838,911 in pledges) was already in place as of March 2013. The Center is expecting to secure about \$2.5 million in bridge loan financing from Chelsea Groton Bank to cover the private pledges over the next 3 to 5 years.

Phase II will include a new proscenium stage theater, a dining hall and kitchen, reconfiguration of existing dining space into offices, and significant endowment growth. The cost of Phase II has not been finalized but is anticipated to range around \$8 million to \$9 million.

Question: Does the theater anticipate requesting additional state funding for Phase II?

**Item #34** Department of Economic and Community Development: Competitive Housing Assistance for Multifamily Properties (CHAMP) program (\$3,280,808 in new General Obligation bonds)

These funds will provide financing to the Competitive Housing Assistance for Multifamily Properties (CHAMP) initiative through the Housing Trust Fund. It will support the construction of 47 housing units at the Goodwin in West Hartford. The building will be three stories and consists of 32 units of mixed income housing and 15 units of affordable housing.

### ***Background***

The Housing Trust Fund Program provides financing (loans and/or grants) annually on a competitive basis to eligible developers for the development and/or preservation of safe, quality housing for low- and moderate-income families and persons at affordable prices. Eligible uses are: acquisition, rehabilitation, new construction, demolition, homeownership, multi-family rental housing, adaptive re-use of historic structures, special needs housing, redevelopment of vacant properties, infrastructure improvements, and housing for individuals or families with incomes up to 120% of Area Median Income.

Funds may be provided in the form of grants, loans or a combination thereof. In addition, funds awarded under this initiative may be combined with financial assistance from the Connecticut Housing Finance Authority, including 4.0% low-income housing tax credits and taxable and/or tax exempt bond financing.

**Item #35** Department of Economic and Community Development: Downtown Crossing development project in New Haven (\$2,126,234 in previously allocated General Obligation bonds)

The reallocated funds will support the Downtown Crossing development project in New Haven. The original allocation was made in October 2002 to New Haven to assist in the costs associated with acquisition, design and construction of a parking garage between Church and Orange Streets.

The Downtown Crossing/Route 34 East project will reclaim 10 acres of land, currently occupied by expressway stubs and ramps, and make it available for development, including residential, retail, and health care and research facilities. The project is intended to develop a livable, walkable community with housing and shopping linked to nearby transit. Phase I of the project began this past spring. The total cost of the project is approximately \$24 million. The State Bond Commission has allocated \$8.85 million for the project since December 2010.

Question: Has the original parking garage project been completed?

**Items #36 & #41** Department of Economic and Community Development: Grant-in-aid to the Bushnell Center for Performing Arts in Hartford for alterations, renovations and improvements (\$2,000,000 in new General Obligation bonds)

This funding will provide a grant-in-aid to the Bushnell Theater in Hartford for various renovations, including: mechanical, plumbing and electrical improvements, energy efficiency improvements, code required improvements, interior and exterior restorations and related renovations. The total estimated cost of the improvements is \$6 million.

The State Bond Commission has allocated \$13.3 million to the Bushnell Center for various capital improvements and expansion projects since 1990.

**Item #37** Department of Children and Families: Security improvements at the Connecticut Juvenile Training School (\$40,000 in previously allocated General Obligation bonds)

The funds will be used finance security improvements at CJTS as detailed below:

- Front entrance way - Install new doors with security glass, cameras and an electric lock on the visitors-side for controlled access after-hours.
- Film windows that are not within the fenced-in area - A workplace violence situation involving a staff person who was going to be separated from state service occurred directly after the Sandy Hook incident. The film on the windows will prevent sight into areas that are not fenced-in.

**Item #38** Department of Economic and Community Development: Manufacturing Assistance Act (\$6,545,475 in new General Obligation bonds)

- A. Cycling Sports Group (\$3,000,000) - The funding will support a loan to Cycling Sports Group for: (1) relocating operations from Bethel to a 50,000 sq. ft. space in Wilton's I-park, and (2) establishing a new headquarters in this space for Cannondale Sports Unlimited.

The loan will be provided at an interest rate of 2% for ten years with principal deferred for two years. The company may be eligible for loan principal forgiveness of \$2,000,000 if it creates 75 jobs. The company intends to create 75 jobs and retain 143 jobs.

Cannondale Sports Unlimited is a segment of Dorel Industries with three divisions, one of which is Cycling Sports Group. Over the past year, Cycling Sports Group's current space in Bethel evolved into the main site of Dorel Industries' Recreational & Leisure Division (recently renamed Cannondale Sports Unlimited). As a result, the company has outgrown their current location in Bethel and will move to a larger facility in Wilton, where the Cannondale brand was originally established.

- B. Z-Medica, LLC (\$1,745,475) - The funding will support a loan to Z-Medica, LLC in Wallingford to finance the purchase of machinery and equipment required for expansion of the business.

The loan will be provided at 2% for ten years with principal deferred for five years. The company may be eligible for loan principal forgiveness of \$870,000 if it creates 25 jobs and retains 46 jobs, with an average salary of \$52,875, within five years.

Z-Medica was founded in 2002 and develops quick blood clotting technology which is currently used by healthcare professionals and the U.S. Military.

- C. Various Small Projects, Programs and Administrative Costs (\$1,800,000) - The funds will allow DECD to provide smaller loans and grants to manufacturers and businesses across the state to retain in-state operations, grow operations or locate operations in Connecticut. The release of these funds will be controlled through the allotment process pending determination of grant and loan recipients. These funds will also support administrative costs related to the Manufacturing Assistance Act program.

Questions:

1. Will this funding be available to business that may otherwise not qualify for the Small Business Express program or any other assistance program?
2. What is the estimated cost in administering the Manufacturing Assistance Act program?

**Item #39** Office of Policy and Management: Local Capital Improvement Program - LoCIP (\$10,000,000 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.

#### Questions:

1. How long does it take to process a reimbursement request?
2. What is the average number of reimbursements a municipality receives in a year?
3. PA 13-184, the budget act, expanded the purposes for which LoCIP funds can be used. Will this allocation be available to towns for those additional uses?

**Item #40** Department of Energy and Environmental Protection: Drinking Water Revolving Fund (\$74,000,000 in new Clean Water Fund Revenue bonds)

The funds will be used to provide low-interest loans through the Drinking Water State Revolving Fund (DWSRF) for projects that have been identified by the Department of Public Health (DPH). There are approximately 1,050 public water systems in the state that are eligible for loans for drinking water infrastructure improvements.

#### ***Background***

In each fiscal year, DPH approves project loans to recipients on the project priority list to the extent of available funds. Each recipient may apply for and receive a project loan and subsidies in an amount up to 100% of the eligible project cost. In some cases, based on readiness to proceed, a project may be bypassed on the Project Priority List. In these situations, DPH Drinking Water Section continues to provide support for a potential recipient so that eligible projects can proceed as soon as possible.

The primary sources of funding for the DWSRF financing program are: (1) revenue bonds and State contributions, which are managed by the State Treasurer's Office, and (2) yearly federal capitalization grants through the Safe Drinking Water Act administered by the U.S. Environmental Protection Agency (EPA). The State also received a grant from the American Recovery and Reinvestment Act of 2009 (ARRA).

**Item #41** Office of Policy and Management: Urban Action Program (\$25,964,500 in new General Obligation bonds; \$900,000 in previously allocated GO bonds)

I. Office of Policy and Management

- A. Newtown (\$750,000) – The funds will be used to hire consultants to design a new elementary school. This is the initial phase of a plan to demolish the Sandy Hook Elementary School and build a replacement facility.

II. Department of Energy and Environmental Protection

- A. East Hartford (\$250,000) – The funds will be used to finance an updated flood plain analysis of the Willow Brook watercourse that flows west to the Connecticut River and has drainage issues in central portions of East Hartford. The updated study would reduce the size of the flood plain, which is a challenge to the corridor's redevelopment. In addition to encompassing a low-lying and wide flood plain, Willow Brook has undersized culverts and runs next to highly developed areas with pavement that contributes to runoff and local flooding.

The last detailed study of Willow Brook was done in 1977 and since then the brook's watershed has evolved into the present day commercial corridor. The study would also entail developing a flooding hazard mitigation plan to provide greater safety to properties along Silver Lane.

- B. Voluntown (\$50,000) – The allocation will be used to replace two basketball courts (see photo below), which are on protected open space due to previous federal and state funding. The courts are in a deteriorated state and are unsafe to play on. Construction should not take any longer than two years. The town would be responsible for any cost over and above the grant amount.



III. Department of Economic and Community Development

- A. New Britain Museum of Art (\$4,000,000) – These funds will support a grant-in-aid to the New Britain Museum of American Art for the construction of a 12,000 sq. ft. addition and related site improvements. The addition will provide space to accommodate large, recently acquired collections.

The total estimated cost of the project is \$12 million. The Museum intends to finance the remaining \$8 million through private contributions.

- B. West Hartford (\$4,000,000) - This funding will support a grant-in-aid to the University of Saint Joseph in Hartford to assist with construction of a 20,000 square foot building for the Center for Integrative Education, which will enhance services to students with special needs offered through its Gengras Center.

The new Center for Integrative Education will enhance two existing facilities on the university's West Hartford campus: (1)the Gengras Center, a special education facility that currently serves 120 special needs children from 53 communities throughout Connecticut; and (2) the Institute for Autism and Behavioral Studies, an interdisciplinary center that offers a 15-credit Graduate Certificate Program in Autism Spectrum Disorders and provides continuing educational opportunities for teachers, parents and community service providers.

The total cost of the project is \$10 million for which university has received a \$3 million donation. The addition is anticipated to open in fall 2014.

Question: Has construction begun on this project to date?

- C. Hartford (\$2,000,000) - See Item #36 above.
- D. New Haven (\$2,000,000) - See Item #2 above.
- E. Neighborhood Revitalization Zones (\$1,000,000) - This funding will support a grant-in-aid to finance streetscape improvements in six Neighborhood Revitalization Zones (NRZ).

The objective of the NRZ process is to revitalize neighborhoods through the collaborative involvement of residents, businesses and government to determine the vision and priorities of the individual neighborhoods. The NRZ process provides a mechanism for local stakeholders, along with local municipal officials, to develop a strategic plan to revitalize their neighborhood. Municipalities wishing to participate in the process may establish zones in one or more of their neighborhoods by a resolution of their legislative body.

Question: Which particular Zones will benefit from this funding?

- F. Hamden (\$5,000,000) - This funding will support a grant-in-aid for the town of Hamden to develop a 40,000 square foot business incubator space at the former Newhall Community Center. Projects include property remediation and a major renovation of the building.

The project is expected to be completed in October 2014. The location will serve as an incubator for about 20 new small businesses, which will pay below-market rental rates and share common office amenities through the Hamden Business

Assistance Center. As these companies grow and expand to new locations, the business incubator will provide space to new start-ups.

G. Bridgeport (\$1,400,000) - See Items #19 & #26 above.

#### IV. Department of Social Services

A. East Hartford (reallocation of \$900,000) - The funds will be used to design the new senior center that East Hartford is in the process of acquiring and renovating.

B. Willimantic (\$814,500) - The funds will be used by the Windham Regional Community Council (WRCC) to retire mortgage debt, which will allow the council to use its resources for programming.

WRCC is a nonprofit organization that provides a variety of education, housing and health services to the community.

#### V. Department of Public Health

A. Day Kimball Hospital (\$3,500,000) - The funds will provide a grant-in-aid to finance the installation of emergency generators and replacements and upgrades of cooling towers, chillers and related mechanical systems improvements.

Day Kimball Hospital is an acute care community hospital in Northeast Connecticut with 122 licensed beds (including 18 bassinets) with an average daily census of 50 patients in FY 12.

B. Regional Hospice and Home Care of Western Connecticut (\$1,200,000) - The funds will provide a grant-in-aid to assist with the construction of approximately 3,600 sq. ft. new facility in Danbury to expand the Healing Hearts Center for Grieving Children and Families.

Healing Hearts is a stand-alone center that offers age-appropriate support groups where children can participate in hands-on interactive activities based on the Dougy Center model, which pioneered the field of children's grief support. Additional groups help adults manage their grief and learn new skills to cope with the changes and practical challenges brought about by their loss.

#### Questions:

1. Why is the expanded space necessary?
2. How many individuals or families are anticipated to be served annually in the expanded Healing Hearts space?

#### **Item #42** 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

### Description of the Tylerville Superfund Site

The groundwater at the 250-acre Tylerville Superfund Site is polluted with chlorinated solvents, especially trichloroethylene (TCE); the solvent stabilizer 1,4-Dioxane; and methyl tert-butyl ether (MTBE), a gasoline additive, at concentrations exceeding state drinking water action levels. DEEP became aware of contaminated potable residential wells in Tylerville in the early 1980s. The agency issued orders to abate pollution to several entities at that time but groundwater contamination in area potable wells has persisted despite remedial actions performed on some properties. This prompted DEEP to include the Tylerville site on the State Superfund Priority List.

In February 2005, the State Bond Commission allocated \$600,000 from the State Superfund Program for use at this site. To date, this funding has been used to complete a Phase I Environmental Site Assessment for the area (\$40,000) and to prepare a draft water supply engineering study that evaluates alternatives to provide a long-term source of potable water to this community (\$185,000), including the possible extension of public water from Chester to Tylerville to serve approximately 85 properties that currently have polluted wells or have wells that are at risk of becoming contaminated in the future.

In January 2013, DEEP issued a Request for Proposals to perform a detailed Phase II/Hydrogeologic Investigation for the site to determine whether other pollution sources exist that are contributing to the on-going groundwater contamination problem, as well as to assess contaminant fate and transport in both the overburden and bedrock aquifers. Review of bids received indicated that the cost to perform an appropriate Phase II site investigation would exceed the amount of remaining funding (approximately \$375,000) by at least twice that amount. In May 2013, DEEP retained a consultant to perform this investigation. Additional funding is being requested now to complete later phases of the necessary investigation in Fall 2013 without interruption. If other pollution sources and responsible parties are identified through the investigation, DEEP will pursue appropriate enforcement actions and seek cost recovery.

In addition, DEEP is currently pursuing enforcement actions to compel investigation and remediation of pollution sources at two sites in Tylerville. The Remediation Division is engaged in a legal action against The Sibley Company by way of a complaint through the Attorney General's Office. The Leaking Underground Storage Tank Enforcement Group entered into a Consent Order with Mercury Fuel in June 2012 to investigate and remediate pollution at the gasoline station located at 1598 Saybrook Road. Mercury Fuel is currently monitoring drinking water at approximately 19 nearby commercial and residential properties and is providing GAC filters or bottled water to 5 of these locations where MTBE exceeds drinking water standards in well water.



## Appendix B

### Description of the Durham Meadows 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. Federal work is ongoing on this site (area encompassing both manufacturers and many residential properties) so cost estimates are of an “in process” nature. Additionally the federal Environmental Protection Agency (EPA) has not yet performed remedial work on the DMC site yet.

MMC filed for bankruptcy and EPA performed cleanup at the MMC site. The remediation at MMC was completed in 2012 and the total cost of the remediation was about \$7.4 million (the total cost will be finalized in the summer of 2013). Under the 2010 Superfund-State Contract (SSC) with EPA, DEEP is obligated to provide 10% of the final remedial action cost for the remedial actions undertaken by EPA at the MMC site, which is equivalent to about \$800,000 (DMC site activity will add to this dollar total when work is done there). The 2010 SSC allows DEEP to earn credit toward its Remedial Action cost share by performing (through contractors) monitoring of potable wells, maintaining of filtration systems, and providing bottled water to residents due to 1,4-dioxane exceedances, and ultimately addressing the water supply issue.

To-date, DEEP has earned about \$257,000 of credit toward the cost share with \$180,000 pending approval. The previous work DEEP performed was through Potable Water Program using Spill Funds. After June 30, 2013, Spill Funds will no longer be available to retain contractors for any of the work described above. DEEP requests \$312,000 to retain contractors to continue to perform work over the next two years and to earn cost share credit. If DEEP ultimately does not earn enough credit, the State has to make a final cash payment to EPA to satisfy our cost share obligation under the SSC.

In addition, wells impacted by DMC’s plume are currently monitored by DMC. As selected by the 2005 EPA’s Record of Decision (ROD), EPA is currently working on completing design work for a water main extension from Middletown to the Superfund site area. EPA has yet to incur its costs for the DMC portion and will be moving forward with that component during the next phase.