

OLR BILL ANALYSIS

SB 22 (LCO 522)

***AN ACT CONCERNING THE CAPITAL REGION DEVELOPMENT
AUTHORITY***

SUMMARY:

This bill redesignates the quasi-public Capital City Economic Development Authority (CCEDA) as the Capital Region Development Authority (CRDA), preserving many of CCEDA's powers, duties, and functions, including issuing bonds. CCEDA currently oversees several completed and ongoing development projects in a statutorily designated area in Hartford (i.e., Capital City Economic Development District). Its duties include advising state agencies on development projects proposed in the district.

In re designating CCEDA as CRDA, the bill:

1. replaces CCEDA's seven-member board with a 13-member board that includes municipal representatives;
2. designates Hartford and its seven contiguous towns as the capital region,
3. requires CRDA to advise state agencies about projects in the region and to monitor, evaluate, and report on them;
4. assigns duties to CRDA that differ from those assigned to CCEDA, including managing facilities and promoting tourism;
5. shifts specified administrative duties from the Office of Policy and Management (OPM) secretary to the Department of Economic and Community Development (DECD) commissioner;

- 6. eliminates an obsolete reporting requirement; and
- 7. makes many technical and conforming changes.

Lastly, the bill extends by four years, from June 30, 2013 to June 30, 2017, the deadline for the State Bond Commission to issue up to \$115 million in state general obligation bonds for DECD to fund specified projects in the Capital City Economic Development District (§ 22). The projects are the civic center and coliseum complex reconstruction, river infrastructure development, housing rehabilitation and new construction, demolition and redevelopment, and parking.

EFFECTIVE DATE: July 1, 2012

§ 9—BOARD

The bill establishes a 13-member board to oversee CRDA consisting of eight voting members and five nonvoting ex officio members. The former serve four-year terms except the initial members, who serve staggered terms. Table 1 lists the voting members, their appointing authority, and their initial terms.

Table 1: CRDA Voting Board Members

<i>Appointing Authority</i>	<i>Number of Appointments</i>	<i>Initial Terms</i>
Governor	Four	Four years
Hartford Mayor	Two: 1. One Hartford Resident 2. One City of Hartford Employee	Three years
House Speaker and House Minority Leader	One	Two years
Senate President Pro Tempore and Senate Minority Leader	One	Two years

The appointing authorities must make their initial appointments by July 1, 2012.

The nonvoting ex officio members are the Hartford and East Hartford mayors, OPM secretary, and Department of Transportation and DECD commissioners.

Under current law, a seven-member board jointly appointed by the governor and legislative leaders oversees CCEDA. The bill ends their terms on July 1, 2012.

§ 10—PURPOSE

The bill specifies CRDA's duties, which are broader than CCEDA's. Under current law, CCEDA must:

1. stimulate new investment in Connecticut and diversify its economy;
2. attract both large and local conventions, tradeshow, and exhibitions;
3. strengthen Hartford's role as a regional employment and government center;
4. encourage residential development in downtown Hartford; and
5. construct, operate, maintain, and market the convention center to further the region's economic development.

The bill requires CRDA to also stimulate new investment in Connecticut, but redefines many of the duties current law assigns to CCEDA.

1. CRDA must attract large conventions, trade shows, exhibitions, conferences, consumer shows, and events, but must do so through a coordinated sales and marketing effort with the capital region's major sports, convention, and exhibition venues.

2. CRDA must encourage residential development, presumably throughout its expanded geographic jurisdiction (see below), not just in downtown Hartford, as current law requires CCEDA to do.
3. CRDA must maintain and market the convention center, but not operate it, as current law requires CCEDA to do.
4. CRDA must stimulate family-oriented tourism, art, culture, history, education, and entertainment by cooperating and coordinating with Hartford and regional organizations. Current law requires CCEDA to achieve these goals by the way it operates, maintains, and markets the convention center.
5. CRDA must manage facilities as the law or a memorandum of agreement requires.

The bill requires CRDA to stimulate the capital region's economic development, which under the bill encompasses Bloomfield, East Hartford, Newington, South Windsor, West Hartford, Wethersfield, and Windsor (i.e. capital region). It also requires CRDA to help these municipalities, upon request of their legislative bodies, to stimulate the region's economy and increase tourism by developing and redeveloping property.

The bill makes technical changes conforming current law to these changes.

CAPITAL CITY PROJECT

The bill broadens the scope of the capital city project, which under current law consists of:

1. a convention center project (completed),
2. a downtown higher education center (completed),
3. the renovation and rejuvenation of the civic center and coliseum complex (completed),

4. the development of riverfront infrastructure and improvements (ongoing),
5. the construction or rehabilitation of up to 1,000 downtown housing units and the demolition or redevelopment of vacant buildings (ongoing), and
6. the addition of downtown parking (ongoing).

Under current law, all of these projects except those demolishing or redeveloping vacant buildings must be located in the Capital City Economic Development District, which roughly encompasses the area between the Connecticut River from the Bulkeley Bridge south to, but not including Dillon Stadium and Colt Park, and west to the State Capitol and the railroad right-of-way intersection.

The bill increases the number of downtown housing units from 1,000 to 2,000 and designates any development and redevelopment project as a capital city project. The bill also broadens the capital city project's geographic scope by including projects in East Hartford that develop or improve riverfront infrastructure and demolish or redevelop vacant buildings.

§ 15—PROJECT REVIEWS

Scope

The bill broadens CCEDA's current authority to advise state agencies about projects requesting their funds and transfers it to CRDA. Current law limits this authority to capital city projects located in the Capital City Economic Development District or the rest of Hartford. The bill extends the authority to any project in the seven-town capitol region.

Comment Procedure

The bill keeps the current procedure for requesting CCEDA's recommendations. In following that procedure, a state or local agency or other entity requesting state funds must submit a copy of its application, along with supporting documents, to OPM and CRDA, which has up to 90 days to provide written recommendations to the

funding agency. The recommendations may include contractual performance standards and project timelines.

The agency cannot spend funds until it receives these recommendations or after 90 days from when the application date, whichever is sooner. It does not have to implement the recommendations, but must explain to CRDA in writing why a spending decision is inconsistent with them. CCEDA's authority to perform this function expires on July 1, 2013. The bill requires CRDA to perform it until July 1, 2017.

Coordination

The bill also transfers CCEDA's current authority to coordinate all state and municipal planning and financial resources for capital city projects and broadens it to all projects in the capital region.

§ 13—PROJECT MONITORING AND EVALUATION

The bill transfers CCEDA's monitoring and reporting duties to CRDA, but also expands them to include all projects in the capital region. Consequently, CRDA must monitor all capital city projects and any other projects in the region.

It must also review and evaluate both types of projects, which under current law and the bill requires devising ways to determine how many jobs each project created or expects to create, the cost per job, the value of private investment, the number of new businesses stimulated and the jobs they create, and the effect on tourism. Under the bill CRDA must also devise ways to measure increases the downtown Hartford's housing supply.

§ 14—REPORTING

The bill similarly transfers CCEDA reporting duties to CRDA, but expands them to include projects in the capital region. Consequently, CRDA must report annually within 90 days after the fiscal year begins (September 28), to the governor; Finance, Revenue and Bonding Committee; and state auditors on its finances, procurements, and employment. Among other things, the report must describe each

project, its location, and the amount it spent on construction.

CRDA must also report annually on the status of the Adriaen's Landing project, as CCEDA must under current law.

§ 10—ADMINISTRATIVE SUPPORT AND SERVICES

Current law requires the OPM secretary to provide a range of administrative and support services to CCEDA through a memorandum of understanding (MOU) between the secretary and the authority. The bill transfers this authorization to CRDA and reassigns the duty to provide these services to the DECD commissioner.

Under current law, a MOU may specify the administrative and support services that OPM will provide to CCEDA and how CCEDA will reimburse OPM for the cost. The MOU may also address contracts and accounts and specify how the management of the convention center and stadium facility (i.e., Rentschler Field) will be coordinated. The bill expands the range of facilities to include other sports, exhibition, and coliseum facilities.

DRAFT