

**Testimony for the  
CT Fiscal Stability and Economic Growth Commission  
January 23, 2018**

**Remarks by Marcia Leclerc, Mayor of East Hartford and Chair of the CRCOG Policy Board.**

Co-chairperson Patricelli, Co-chairperson Smith, members of the commission, thank you for the opportunity to provide testimony on the important issues of fiscal stability and economic growth in Connecticut. My name is Marcia Leclerc and I serve as Mayor of East Hartford and the Chair of the Policy Board of the Capitol Region Council of Governments. In my remarks I am speaking today on behalf of the Capitol Region Council of Governments (CRCOG). I am joined here today by my fellow board members, Jon Colman and Dave Kilbon, as well as the agency's Executive Director, Lyle Wray. Mr. Coleman and Mr. Kilbon will be offering their personal experience based on long experience at municipal and regional levels in the state.

CRCOG is a voluntary Council of Governments formed to initiate and implement regional programs of benefit to the towns and the region. The Board is made up of chief elected officials and their designees of our 38 Metro Hartford municipalities with an overall population of 1 million. We are the largest of Connecticut's nine councils of governments and have been working collaboratively for more than 50 years.

We come here today to discuss how CRCOG, and the state's other COGs, can help address the structural problems this commission identified at its meetings so far. Your commission noted that the structure of our 169 towns produces fragmented and expensive services, which ultimately increases the tax burden.

CRCOG has long been a leader in coordinating regional services to increase efficiency. The first point in our adopted mission is:

- Helping members improve governmental efficiency and save tax dollars through shared services and other direct service initiatives.

Several other mission highlights include:

- Promoting efficient transportation systems, responsible land use and preservation of land and natural resources and effective economic development;
- Strengthening the capital city of Hartford as the core of a strong region, and as our economic, social and cultural center; and
- Strengthening our regional community by helping coordinate regional agencies and programs; and

CRCOG cuts across many areas of services:

Andover / Avon / Berlin / Bloomfield / Bolton / Canton / Columbia / Coventry / East Granby / East Hartford / East Windsor / Ellington / Enfield / Farmington / Glastonbury / Granby / Hartford / Hebron / Manchester / Mansfield / Marlborough / New Britain / Newington / Plainville / Rocky Hill / Simsbury / Somers / South Windsor / Southington / Stafford / Suffield / Tolland / Vernon / West Hartford / Wethersfield / Willington / Windsor / Windsor Locks

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- **Land use planning:** Includes coordination between towns on land-use decisions, and a regional brown fields clean-up and assessment program
- **Public Safety and Homeland Security coordination.** CRCOG's Public Safety and Homeland Security Department coordinates and assists the efforts of 41 DEHMS Region 3 towns to improve the region's safety and security. This includes equipment purchases, training coordination and the responsibility for administration of the statewide CAPTAIN mobile data communication system.
- **Regional Economic Development.** Lyle Wray will speak to later in this presentation.
- **Capitol Region Purchasing Council:** Serving more than 100 local government agencies as member through a cooperative bidding program that saved \$1.7 million in FY2017 through the CRCOG Electricity Consortium, Indefinite Quantity Construction Program, and our e-Procurement software
- **Region IT Consortium.** This group has successfully supported the establishment of a commonsense, affordable fiber network for municipalities to connect to the Nutmeg Network, and a municipal services server for town back office services. As one example, CRCOG offers 46 towns online building permitting services and has added online HR, internet phone and is working on electronic document management.
- **Crumbling Foundations.** CRCOG put together an advisory group to advocate for solutions to the crumbling concrete foundations in the state and administers a grant program for foundation testing.

CRCOG continues to look for ways to expand its service offerings. A recent survey of our showed interest in:

- School and town back office consolidation
- Assessing property taxes at a regional level as is done in the Northeast COG
- Enterprise Resource Planning software to replace older finance systems.

Some of our members were also interested in regional public safety dispatch centers and regional prisoner holding cells. We will continue to explore these shared services with our members and pursue those that will offer the greatest benefit.

To conclude my initial remarks, CRCOG has aggressively pursued regional cooperation and efficiencies and it prepared to ramp up these efforts more dramatically in the coming years. While not a full answer to fragmentation, higher quality services at lower cost is one piece of the puzzle that we are working on diligently.

## **Remarks by David Kilbon, Member of the CRCOG Policy Board.**

Good afternoon. My name is Dave Kilbon and I am the former First Selectman of East Granby. I currently chair the town's Board of Finance and have served on the CRCOG Policy Board since 1996.

For 12 years I was the First Selectman of a town of 5,000 people. Early in my tenure I realized that the services that a town of 5,000 people has to provide are not significantly different than those that must be provided by a city of 100,000 people. Regardless of the size of the community, we still had to do them, just with fewer resources. We had to provide the services but our lack of scale offered major challenges.

It's worth noting that despite East Granby's small size we are hardly unique in Connecticut. About a quarter of the state's towns are smaller than we are and face the same issues with even fewer resources available to them.

Empowered metropolitan regions can offer the scale for more effective action. As Mayor Leclerc noted, CRCOG, and the other COGs, are looking for services that can be shared among their members. In addition to the services she already mentioned, which CRCOG is pursuing, there are larger strategic issues that simply do not make sense at the municipal level but fit perfectly within the regional context. Empowered regions could take on issues such as:

- Better transit. CTfastrak, which CRCOG was instrumental in planning, has already provided 8 million rides. As a direct result, the CRCOG region was ranked ninth in the nation in improved access to jobs via transit.
- Better workforce development. Labor markets are not localized to municipalities. At the same time, workforce needs are not uniform across the state. They are regional in nature. It makes sense to empower regional entities to make decisions about where and how workforce development resources are spent. Manufacturing, financial services and health care and research are vital to this region.

COGs are currently hobbled by a lack of resources. There is no steady funding stream for shared services. COGs do not have the authority to levy taxes nor can they issue bonds. COGs rely on local, state, and federal governments to provide funding for their services. In times of fiscal strain, this can mean that services are disrupted. Unstable funding undermines the trust that tax payers and municipalities have in regionalized services.

The benefits of allowing COGs the authority to perform these services include:

- COGs are not another layer of government; they are instruments of local government.
- The governing board of a COG is made up of the chief elected officials of its member municipalities.
- They are answerable to their local constituents.

- They have a track record of building relationships among communities and building a sense of trust and cooperation.

Strong, empowered metropolitan regions are one critical part of getting this state back on track. COGs offer the regional scale to efficiently provide needed services to their member municipalities while honoring the differences among parts of our state. I urge the Commission to look to the regions as partners in achieving our common goal of ensuring Connecticut's long term economic viability.

### **Remarks by Jon Colman, Member of the CRCOG Policy Board.**

Good afternoon. My name is Jon Colman and I am also a member of CROCG's Policy Board. I am a former Town Council member in Bloomfield and have sat on CRCOG's board since its inception. I also serve as the chair of CRCOG's Transportation Committee.

Over the years I have learned many things from my experiences in local and regional government. As this commission has noted, the state's fiscal stability is of paramount concern. Without fiscal stability there cannot be sustained economic growth. Without economic growth, we cannot remain fiscally stable.

We were asked to cover remarks on transportation today rather than at the January 29 Commission meeting.

CRCOG is responsible for defining the region's long-term vision for transportation, and programming projects that implement the plan. As a federally designated Metropolitan Planning Organization (MPO), we provide local elected officials with a voice in the decision-making process regarding how federal transportation funds are invested.

**What Needs to be Done in Transportation?** We largely know what needs to get done. Final report of the Transportation Strategy Board then chaired by Mr. Bruce Alexander of this commission and the Let's Go CT report have laid out the needs clearly. Most resources need to be dedicated to maintaining a state of good repair while some must be aimed at providing new transit and road capacity.

**Costs and Benefits.** Transportation investments are economic development investments. With the right choices, transportation investment facilitates the economy to move people, goods and services safely and promptly. Delays, vehicle repairs and higher delivery prices are costs we pay for inadequate investment. Investing in rapid transit corridors and surrounding development help attract and retain skilled workforce as is seen around the country from Denver to Portland.

**Transportation Funding Options.** The cost of the needed tasks is well known as is the short list of funding sources from tolls, gas tax, and full placement of sales tax on new cars in the transportation fund. The recent Transportation Funding Commission laid out details.

**Achievements and Prospects.** The CTfastrak bus rapid transit system, long advocated by CRCOG, will reach 8 million rides by its third anniversary in March. The system has propelled the region to one of the top ten most increased in job access nationally. The Hartford line from Springfield to New Haven is to launch in May with ridership on the corridor expected to jump from 300,000 to 800,000 per year. These were largely federal investments that will benefit the regional and state economy.

**Implement our Transportation Vision.** We need to build for growth and implement our transportation vision. Specifically:

- Finish the Hartford Line. This rail line will provide frequent and convenient service to New Haven and New York City.
- A rail connection to Boston is vitally important to the greater Hartford region. Having high quality rail connections to both New York and Boston will expand the reach of our economy and allow us to tap into new opportunities.
- Expand CTfastrak. This service is already successful at both increasing ridership and at improving access to jobs. We are also seeing increased development activity in the corridor, which contributes to building vibrant cities that can attract talent.

As this commission noted, transportation is the backbone of our economy. Transportation investments are vitally important to our economic growth. We have long had the vision, but we lack the means to pay for it. The state needs to stabilize the revenue stream for transportation projects and build our funding capacity.

Specifically, we need to implement roadway tolls in the state as all surrounding states have done. With modern technology, tolling can be very efficiently deployed with minimal inconvenience to motorists. It provides a very stable source of revenue. Modern electronic tolling can also capture all motor vehicle road users including electric vehicles.

In the short term, gas taxes need to be addressed to provide immediate stabilization to transportation funds while tolling is put in place. Our gas taxes are in line with surrounding states but have failed to keep up with inflation. Gas taxes should be reevaluated once tolls are installed.

### **Remarks by Lyle Wray, Executive Director of CRCOG**

My name is Lyle Wray, Executive Director of CRCOG where I have served for 14 years.

**State revenues.** The state needs to review the state revenue portfolio to minimize volatility. As you know, the state is currently highly dependent on income taxes. Due to the structure of our state and the sources of its vast wealth, that tax is highly volatile and rises and falls with the market. The state should revisit the report from the Connecticut Tax Panel which included a review of the state's tax portfolio to assess the volatility,

return, and burden of each source of revenue. Such a review should be done every three years to five years.

**Economic Development.** CRCOG makes up more than 28% of the state population but has a much greater share of our economy in several areas. We have a large base of advanced manufacturing, financial services, and insurance and health care and research.

Our metropolitan region needs to competitively position ourselves for the future with other regions in the country. If you look at round two for the second Amazon headquarters two things jump out. First these regions all have invested or are investing in high quality rapid transit. Denver opened its first rapid transit line in 1994 and has built an extensive system in their region. They also offer large vibrant urban centers that magnets for millennials. Second, many are making important investments in economic growth. Colorado centered on Denver will soon put in place 20,000 German style apprenticeship slots for high school students.

To position ourselves competitively, we need to take a hard look at our current situation and our opportunities. CRCOG is embarking on an effort to create a new Comprehensive Economic Development Strategy. The CEDS has the potential to form a vital framework for the metropolitan region and many of its key players by outlining priority opportunities to pursue and a selected number of “game changers” to accelerate economic growth in the region. Some examples of game changers from other regions suggests that workforce and talent initiatives as well as transportation and transit and livability initiatives.

We need more than a stack of reports telling us what to do. We need strategic and sustained implementation. There is no one way to develop this sustained capacity for implementation. In some regions it’s the chamber of commerce, in others it is a government agency, in some it is a coalition of private actors. We have structured our CEDS process to put us on that path by doing a capacity analysis. This step of the process will do a comprehensive analysis of the ecosystem of public and private organizations who have a stake in economic growth. It will assess their interests, motivations, resources, and willingness to be part of the solution. We will then look at what the best structure is for organizing these resources and sustained efforts over time.

**Mayor Leclerc.** Thank you for the opportunity to present our views here today and we look forward to your questions.

## **Attachments**

CRCOG services and service map

CTfastrak ridership

CTfastrak jobs map