Department of Economic and Community Development (DECD)

At-a-Glance

Daniel O’Keefe, Commissioner
Paul O. Robertson, Deputy Commissioner
Matthew Pugliese, Deputy Commissioner
Established – 1995
Statutory Authority – CT Gen. Statutes Chapters 127 b and 184b, Public Act 22-1
Central Office – 450 Columbus Boulevard, Suite 5, Hartford, CT 06103
Number of Employees – 137
Recurring Operating Expenses – $33,266,985.75
Organizational Structure – Office of the Commissioner, Office of Finance and Administration, Office of Business Development, Office of Small Business Affairs, Office of Statewide Marketing and Tourism, Office of Community Development, Office of Brownfield Remediation and Development, Office of the Arts, State Historic Preservation Office, Office of Financial Review and Compliance, Office of Manufacturing, Office of Federal Funding, Office of Workforce Strategy (for administrative purposes only), Office of Miliary Affairs (for administrative purposes only), and Social Equity Council (for administrative purposes only)

Mission

DECD develops and implements strategies to increase the state’s economic competitiveness.

Statutory Responsibility

Under the provisions of Conn. Gen. Statutes Chapters 127b and 184b DECD administers programs and policies to promote business, community development, brownfield redevelopment, arts, culture and tourism and is the state agency responsible for promoting economic growth.

On June 22, 2021, Governor Ned Lamont signed legislation that legalizes and regulates the adult-use of cannabis in Connecticut. The legislation made comprehensive changes to create a novel and substantial regulatory and economic development apparatus within government to operationalize the equitable and responsible legalization of adult-use cannabis. The law specifies numerous equity programs that are overseen by the Social Equity Council (SEC).

Public Service

DECD is dedicated to fostering economic growth within the state and offers a variety of services and initiatives to support businesses, nonprofits and communities. The Office of Business Development (OBD) offers both technical and financial support to Connecticut companies aiming to expand both domestically and globally. OBD collaborates with AdvanceCT to attract foreign direct investment to the state. Additionally, DECD’s Office of

Film, Television, and Digital Media acts as a comprehensive resource for screen industries, providing production services, workforce development, and tax incentives.
DECD also provides planning, engineering, architectural and construction management services to oversee state-sponsored real estate development, including urban and downtown revitalization, industrial site development and brownfield redevelopment. DECD provides municipalities, non-profits and community development corporations with financial and technical assistance for community development activities. In addition, DECD assists clients with permitting and regulatory compliance with state or federal programs to allow for an expedited development process and manages the state Dry Cleaning Remediation Fund.

The mission of the SEC is to promote and encourage full participation in the cannabis industry by people and communities disproportionately harmed by the "War on Drugs," and to support broad-based economic development in those communities.

DECD works to position the state as a prime location to live, work, and play. The department's marketing efforts, which target both in-state and out-of-state audiences, are focused on increasing the number of state residents, increasing the number of high propensity businesses and changing perceptions about Connecticut in order to grow Connecticut's economy. The department is currently in the process of a state rebranding initiative including a new Connecticut state logo and State brand identity campaign in alignment to achieve these goals. In addition, the department is actively working on attracting and retaining young talent, entrepreneurs and professionals by promoting the opportunities to live, work and play in Connecticut. DECD showcases these efforts on www.CTforMe.com and accompanying social media channels.

DECD works to make tourism a leading economic contributor and to position the state as a prime destination for leisure and business travelers. DECD collaborates with the Connecticut business community and tourism business across the state to present a unified positive image of the state and inspire greater visitation to every corner. Through its Office of Tourism (COT), DECD offers a broad range of services, including marketing, research, hospitality services, direct sales, industry education and business marketing assistance. COT operates the state's official tourism website www.CTvisit.com and popular social media channels.

Through the State Historic Preservation Office (SHPO), DECD administers a broad range of federal and state programs that identify, register, and protect the buildings, sites, structures, districts, and objects that comprise Connecticut's cultural heritage. SHPO is the regulatory authority for the review of both federally and state funded projects to assist agencies with avoiding or minimizing the effects of their actions on historic resources. DECD currently administers six grant programs for historic preservation, two state tax credit programs for the rehabilitation of historic structures, the federal historic rehabilitation tax credit program, and manages the Connecticut Freedom Trail and Washington-Rochambeau Trail programs. In addition, DECD owns and operates four state-owned museums: Henry Whitfield State Museum, Old New-Gate Prison and Copper Mine, Prudence Crandall Museum and the Eric Sloane Museum.
Economic and community vitality is a cornerstone of DECD's work and is evident throughout the grant programs and services administered by DECD's Office of the Arts (COA), CT's State Arts Agency partner to and partially funded by the National Endowment

for the Arts. DECD values the arts as a core asset of vibrant communities and views the arts as essential in attracting and retaining talent by offering a diverse palette of quality-of-life experiences. Connecticut communities are stronger and more resilient when artists and creative thinkers help to envision solutions to the types of challenges that face our state right now. To accomplish these goals, DECD invests in Connecticut artists, arts organizations and municipalities through the work of the Office of the Arts and encourages public participation in the arts and in creative endeavors.

Improvements/Achievements for Fiscal Year 2023-2024

DECD's investments, programs and services, and policy initiatives have made a significant impact on the economy of Connecticut and the quality of life of its citizens. What follows are some highlights from **FY 2023-2024**.

- The Connecticut Small Business Boost Fund launched in FY 2023. Boost gives small business owners access to flexible funding for capital expenditures and working capital and connects them with support services. It's a personal, equitable approach to lending, because business owners are more than just numbers on a spreadsheet. As of June 30, 2024, Boost assisted approximately 473 businesses with over $59,000,000 in funding.

- Four companies signed JobsCT Tax Rebate Allocation Summaries which in turn will result in the creation of 323 new jobs. The tax rebates will be disbursed over a seven-year period.

- The Connecticut Office of Film, Television & Digital Media (OFTDM) focuses on digital media sector growth and production in Connecticut and capitalizes on the state's strength as a major media center for television, animation, digital content and sports-related programming. The OFTDM is a full-service office which serves as liaison between production companies, state agencies, municipalities, production facilities, local crew and vendors.

    - The Office assisted 109 production companies producing various content on stages and locations across the state.

    - $170 million in Digital Media & Film Production tax credits were issued to 33 production company applicants with cumulative qualified Connecticut expenditures of $568 million.

- The Office of Manufacturing (OM) manages 30 programs to support the manufacturing sector. All funding comes from the Manufacturing Innovation Fund, which has invested $125M in workforce development, building supply chain resiliency, helping companies reduce costs and grow, and driving innovation through programs designated to accelerate the adoption of innovation in the manufacturing sector.

    - Most of the funds from the MIF are in the form of grants, where we leverage $4 of private investment for every $1 in grant funding. The OM Make it Here 2030 plan is designed to get full employment in the manufacturing sector by 2030.

- The Office of Manufacturing oversees various state and federal programs. In FY 24, in conjunction with the DECD Federal Funds and Office of Business Development team, OM administers the following federal grant programs:

  - $2.6M Department of Energy State Manufacturing Leadership Program – Connecticut's Smart Manufacturing Assessment and Access to Reduce Technology Emissions (CT SMARTE) grant from the Department of Energy under their State Manufacturing Leadership Program. CT SMARTE will accelerate the deployment and adoption of smart manufacturing and High-Performance Computing (HPC) technologies for small and mid-sized manufacturers in disadvantaged areas through leveraging existing relationships with industry, academic, technology, and community partners to include CONNSTEP, Connecticut Center for Advanced Technology Inc. (CCAT), and Industrial Assessment Center at the University of Connecticut.

  - $625,000 Department of Commerce Economic Development Administration (EDA)'s Regional Technology Innovation Hub Strategy Development Grant Program – The Connecticut Model-Based Enterprise Tech Hub (CT MBE Tech Hub) key technology focus area will be advanced manufacturing within the Connecticut-Rhode Island (CT-RI) region. The goal is to develop a tech hub utilizing Model-Based Definition (MBD) throughout the defense supply chain. In the Strategy Development phase, our project will take the lessons learned from defense supply chain MBD adoption to align regional resources, explore model adaptation, and develop a plan to scale MBD adoption in three key commercial manufacturing sectors: 1) aerospace, 2) medical devices, and 3) clean energy.

  - $1.925M Department of Defense Office of Local Defense Communities Collaboration Diversification Grant – The Scaling Model Based Definition (SMBD) Grant Program is the continuation of the Digital Model Initiative (DMI) pilot project. The DMI worked with a select group of defense manufacturing suppliers to explore the technical and workforce aspects of adopting Model-Based Definition (MBD). The SMBD will leverage the learnings and collateral created during the DMI program to develop additional tools required to scale digital transformation across the state to the full defense supply chain.

- The Office of the Clean Economy is responsible for economic development associated with the state's renewable and clean energy goals. The office developed the Governor's Strategic Offshore Wind Roadmap and created the Connecticut Wind Collaborative to support the offshore wind industry.

- The Office of Federal Funds was formalized this past fiscal year. In conjunction with the Office of Manufacturing, the Office submitted, and was awarded, two federal grants: a $500,000 strategy development grant under Department of Commerce, Economic Development Administration (EDA)'s Regional Technology & Innovation Hubs program focusing on Model-Based Definition in the commercial sector, and a $2M grant under the Department of Energy's Manufacturing Leadership program, focusing on improving energy efficiency for Connecticut's small- and medium-sized manufacturers.

- In addition, the Office established a dedicated resource to raise awareness about CHIPS federal funding opportunities and to provide technical assistance to interested applicants across different CHIPS-related opportunities, including developing the Connecticut CHIPS Consortium. The Office also supported other applicants in their pursuit of the following opportunities: EDA's Solar for All, EDA's Recompete Program, NSF Engines/QuantumCT, DOE's GRIP Application, IRA Climate Ready Workforce and DOE MESC Grant.

- The Office of Community Development administers capital and infrastructure projects funded under the Community Investment Fund 2030, Connecticut Communities Challenge, Good to Great, Urban Act (UA) grant program, and Special Act grants.

  - The CT Communities Challenge Program is a competitive grant application process to fund projects that improve livability, vibrancy, convenience and equity of communities throughout the state. It is DECD's goal to allocate up to 50% of the funds to eligible and competitive projects in distressed municipalities.

    - Prior to FY23-24, 27 projects were awarded a total of $99,297,167 in state funding – over 63% of which has been granted to distressed communities. Every dollar invested in the CT Communities Challenge has leveraged $2.12 of non-DECD funds. Twelve Transit-Oriented Development, 17 Mixed-Use Development, and 13 Public Space Improvement projects have been funded. Over 2,000 residential units will be constructed (at least 20% of which will be deeded affordable for 30 years), and 1,886 jobs are expected to be created.

    - The Community Investment Fund 2030 (CIF) fosters economic development in historically underserved communities across the state. CIF will provide a total of up to $875 million over five years to eligible municipalities as well as not-for-profit organizations and community development corporations that operate within them. Grants are available for:

      - Capital improvement programs, such as brownfield remediation, affordable housing, infrastructure, clean energy development, and home or public facility rehabilitation

      - Planning projects to develop capital projects with activities such as community engagement, feasibility studies, needs assessments, environmental reports and architectural services.

      The CIF Board of Directors, comprised of members of the executive and legislative branches, reviews applications and makes recommendations to the Governor and State Bond Commission. CIF will award up to $175 million each fiscal year across two or more application periods per year. CIF launched its first application round in FY 2021-22. CIF awarded grants for Round 3 and Round 4 during FY23-24 totaling $175 million.

- Sixty-seven Urban Act awards totaling $90,973,690 were approved in FY23-24 and added to the active project portfolio. A variety of projects are funded under these grant programs including, but not limited to educational facilities, health facilities, roads, sidewalks, utilities, theaters, and museums that further promote Connecticut's economy and enhance citizens' quality of life.

- The Small Town Economic Assistance Program funds economic development, community conservation, and quality-of-life capital projects for localities that are ineligible to receive Urban Act awards. In FY 2024, 25 STEAP grants were awarded to municipalities totaling $9,342,203 in assistance.

- From FY 2015-2024, the Office of Brownfield Remediation and Development (OBRD) has invested approximately $280 million in approximately 270 brownfield development projects in cities and towns across the state. This investment has impacted over 3,900 acres of brownfield properties in the state. Also, every dollar invested in this ten-year period has been able to leverage approximately $13 of non-DECD funds. OBRD continues to be a dedicated single point of contact for brownfield remediation and development in the state, collaborating effectively with other state agencies, especially the CT Dept. of Energy and Environmental Protection.

- In this past fiscal year, OBRD conducted two competitive funding rounds under the Brownfield Municipal Grant Program (C.G.S. Sec. 32-763) and the Targeted Brownfield Loan Program (C.G.S. Sec. 32-765). OBRD announced approximately $7.2 million and $26.3 million on December 18, 2023 (Round 18) and June 14, 2024 (Round 19), respectively, for grant and loan funding to a total of 33 projects across 24 municipalities in the state. This assessment and cleanup funding will help remediate and redevelop brownfield sites so that they can be put back to productive use. Many of the remediation grant awards are for public-private partnerships that are also leveraging significant private investment in the state.

- The SEC was created in 2021, by PA 21-1. SEC is responsible for overseeing the verification of social equity applicants, as defined in law, creating new programs to support both cannabis businesses and businesses in other industries, and managing the more general community investments derived from cannabis tax revenue. SEC works closely with multiple state agencies, including DECD and DCP, to carry out its duties.

- The Council's work over the past year has opened doors of opportunity for the Connecticut Social Equity Cannabis Supply Chain. Cannabis business owners were provided with a free cannabis university education, complete with a graduation ceremony and a degree. In addition, cannabis businesses were given access to much needed capital that will assist business in opening doors. This work of the Council has given much needed hope to marginalized communities and residents, through reinvestments that are already uplifting youth, families, and returning citizens. The highlights of the Council's work include:

  - The SEC awarded $6M in grants through a community reinvestment pilot program. The funding supported programs in the following 6 Disproportionately Impacted Area

Regions: Hartford, Waterbury, Bridgeport, New Haven, Stamford and Norwich/New London. The Council will be hosting 5 more conversations during FY 2025.

- The SEC contracted with three vendors to host community conversations in Hartford, New Haven and Waterbury. The vendors hosted a total of sixteen community conversations throughout the months of October and November. Community members were engaged with an estimated attendance of 958 participants for the events.

- On August 29, 2023, the SEC announced the launch of the Canna-Business Revolving Loan Fund. This funding will help provide licensed social equity business owners with financial assistance and much needed access to capital. To date, nineteen loan applications have been submitted.

- In addition, the SEC offered free entry level and management level cannabis retail workforce training to residents of the DIA, as a way of providing ongoing support, education, and information on career opportunities in Connecticut's thriving cannabis industry. Along with other programs offering to support cannabis owners, the SEC offered cannabis boot camp training for DIA residents with an entrepreneurial spirit and an interest in learning and understanding what it takes to own and operate a Connecticut cannabis business.

- The newly created Office of Statewide Marketing & Tourism (SMT) is responsible for capitalizing on the commissioner's objectives through data-driven marketing that stands out in a highly crowded media landscape by meaningfully connecting with target audiences — current and potential state residents, current and potential businesses, and visitors to the state. Previously comprised of the Connecticut Office of Tourism and the Office of Marketing & Branding, SMT markets the state as a world-class place to live, work, and play. The office's work has a major influence on shaping public perceptions of Connecticut through paid advertising, organic digital media presences, proactive communications, and strategic partnerships.

- SMT is comprised of three divisions, Marketing & Branding, Tourism, and Creative, all of which work together as a three-legged stool to promote Connecticut. In 2023, the office launched a new state brand and unified all marketing under the "Make It Here" campaign. Per direction from the Governor's Office, this brand was adopted by all state agencies. The new state logomark consists of a modern and bold blue letter C with a T sideways inside of it.

- SMT's budget in FY 24 was $4.5 million and was supplemented by over $3 million of federal grants from the Economic Development Administration and over $1 million from the American Rescue Plan. As a result of the office's efforts and additional federal funding, Connecticut experienced a banner year for tourism with nearly 68 million visitors coming to Connecticut, and $18.5 billion in total economic impact. These numbers were sourced by Tourism Economics, a contractor who has provided the office this data for nearly a decade. Additionally, the state's tourism website, CTvisit.com had 9.4 million hits, making it a top-10 most visited state tourism website in the nation.

- Beyond tourism, SMT launched CTMakeItHere.com in spring of 2024. This new website authentically markets the state as an ideal place to live and work through first person storytelling. It includes accounts from different makers, creators, innovators, and entrepreneurs, all of whom play a critical role in the state's identity. Ongoing efforts in FY 25 will further build upon the website by expanding its offerings and the amount of stories to include different professions and additional communities.

- SHPO reviewed or provided guidance on nearly 3,000 projects throughout the state to avoid or reduce development impacts on our state's most important historic resources.

- SHPO launched an online portal for Environmental Review requests to reduce paper and mailing requirements for the applicant, as well as provide an instant acknowledgement that a request has been received. In addition to improving the experience, guidance documents regarding the process have been added to the website for improved transparency. SHPO is confident that the system will improve workflows, response time, and retrieval capabilities.

- Twenty-five new projects were accepted into the State Historic Rehabilitation Tax Credit program (C.G.S. Section 10-416c) and $31,700,000 in tax credits were reserved for 17 projects. The estimated total project costs for the 17 projects is over $129,500,000, which leverages the state's investment by an over 4:1 ratio.

- 60 Historic Homes Rehabilitation Tax Credit program vouchers were sold to Connecticut Light and Power DBA as Eversource Energy prior to January 1, 2024, for $1,340,636, leveraging a $4,468,786.67 investment in the state through local trades, materials, housing stock and quality of life. This direct assistance enhances stewardship of historic properties and pride in homeownership. An additional 35 vouchers were awarded by June 30, 2024, for $613,216.50 and were sold to Eversource on July 1, 2024, when the legislation changed to allow Eversource to resume purchasing vouchers from homeowners.

- As a testament to SHPO's strong belief in partnerships, last year SHPO awarded $250,000 in Partners in Preservation grants and $200,000 in Institutional Support for Capacity Building grants.

- Historic Preservation is important to Connecticut's communities. In support of local initiatives, SHPO awarded $163,308 to 14 communities for survey and planning projects, $70,000 to municipalities in the Certified Local Government program, and $1,013,378 for 10 specific restoration, rehabilitation, and stabilization projects.

- To recognize the important places in our state's history, SHPO assisted with the listing of 6 new resources to the State Register of Historic Places. There were 4 new resources listed on the National Register of Historic Places in FY 24. This included one individual property and three new historic districts. One new National Historic Landmark was also listed.

- SHPO launched the state's first geospatial system for cultural resources, known as ConnCRIS, which involved scanning 70 years of paper records and creating nearly 97,000 data points, linked to associated PDF files.

- SHPO added twelve new sites to the Connecticut Freedom Trail, including sites in New Haven, Waterbury, Norwich and Colchester. The Connecticut Freedom Trail documents and designates sites that embody the struggle for freedom and human dignity and celebrates African American communities.

- In FY 24, COA awarded 692 grants totaling $44,715,631. These funds represent funds awarded to the Connecticut Arts Commission (COA), funds received from the National Endowment for the Arts, funds received from the state legislature through Direct Line funding, from the interest on the CT Arts Endowment, from both regular budget and special Carry Forward awards, and funding through the American Rescue Plan to both arts and non-arts organizations.

- COA awarded 81 grants to artists for a total of $243,000 to support projects that respond to the needs of our communities and an additional $5,290 to three Mahaffey Fellows to support professional development activities for mid-career arts administrators.

- Arts education is a key component in COAs strategy to build creativity muscles in our young people. To support arts in education, COA awarded grants totaling $141,000 to support teaching and learning for K-12 students and educators in, about, and through the arts with a focus on social-emotional learning, developing culturally responsive curriculum and practices, and closing the opportunity gap for Connecticut students. In addition, COA launched a new grant program that awarded 22 schools $2,500 awards for arts-based field trips through the Every Child Art Experience award.

- COA supports a range of institutions, artists, and activities using the lenses of Relevance, Equity, Access, Diversity, and Inclusion (READI) to guide programmatic and investment decisions. This year, COA created a paid READI Advisory Council to co-create and evaluate READI initiatives. In addition, four emerging arts nonprofits received $10,000 grants as part of the final year of a three-year program, titled EMPOWER, to strengthen community-focused arts organizations.

- On top of regular responsibilities, COA worked with over 60 recipients of legislatively directed funding from the American Rescue Plan (ARPA) which resulted in 30 completed contracts totaling $20,325,023. Moving into FY 25, COA will manage an additional 72 recipients.

- COA planned and hosted two events during FY 24, the READI Music Conference presented at NXTHVN, New Haven on October 7, 2023, and the Connecticut Arts Awards presented at Infinity Hall on January 24, 2024.

- COA planned and administered the National Poetry Out Loud/Poetry Ourselves program as a partner with the National Endowment for the Arts with funding from the National Endowment for the Arts.

- Weekly spotlights continue through CT Creative futures, a partnership with FOX61 CT, the CT Department of Education, and the Governor's Prevention Partnership. These spotlights highlight career pathways in the creative industry and provide engagement opportunities for parents and students. Metrics are collected to measure the impact of this program on communities.