

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)
FOR SOUTHEASTERN CONNECTICUT
CY2006 UPDATE REPORT

**GOAL ONE: PROMOTE MORE EFFECTIVE AND EFFICIENT INFRASTRUCTURE
THAT ENHANCES COLLABORATION ROUND ECONOMIC
DEVELOPMENT AND UNITES THE REGION BEHIND A COMMON
VISION**

The Economic Development Administration (EDA) approved the Comprehensive Economic Development Strategy (CEDS) for Southeastern Connecticut in February 2005. The CEDS Strategy Committee was formed and held an initial meeting on March 21, 2005, and appointed the members of the CEDS Implementation Committee (CIC). Plans to convene monthly CIC meetings and undertake the Project Ranking task were deferred shortly thereafter when the Department of Defense recommended the full closure of the U.S. Naval Submarine Base New London, Groton, CT. The regional community (SUBASE Realignment Coalition) and the State of Connecticut mobilized its resources to successfully reverse this decision to the Base Realignment and Closure (BRAC) Commission through the Spring, Summer and Fall of 2005. (See GOAL TWO for additional information regarding action taken to reverse this decision.)

The CIC began to regularly hold monthly meetings in October 2005. In accordance with the EDA approved CEDS, requests for supplementary information (CEDS Project Review Form) were sent to the municipalities with pending projects (CEDS Priority Regional Development and Infrastructure Projects). Project scoring was performed per the CEDS Project Measures Scoring Matrix and the regional and municipal project rankings were approved by the CIC in November 2005. The "Project Ranking Report" was reviewed and approved by the CIC in December 2005 and by the CEDS Strategy Committee (CSC) in January 2006. The Southeastern Connecticut Council of Governments (SCCOG) endorsed this report in February 2006, and it was subsequently forwarded to EDA.

The CIC commenced the review and update of the CEDS Goals, Strategies and Action Steps at regular monthly meetings in February 2006. This review was completed in May 2006, and approved in June 2006. This report provides the results of this analysis and update.

It should be noted that as a result of the BRAC effort to reverse the Submarine Base Closure event, Governor M. Jodi Rell created the Governor Rell Commission for the Economic Diversification of Southeastern Connecticut (the Commission). The fifty appointees to the Commission (and additional volunteers to its Subcommittees) include members of the CIC, CSC, SCCOG, and SouthEastern Connecticut Enterprise Region (seCTer). The CEDS is the baseline document being utilized by the Commission, its Executive Committee and the following four Subcommittees:

- Defense and Homeland Security
- Infrastructure and Utilities
- Workforce and Affordable Housing
- Marketing and Advocacy

With membership and organization that mirrors the Goals, Strategies, and Action Steps of the CEDS, the activities of the Commission will impact CEDS projects throughout calendar year 2006. The Commission issued an Interim Report in March 2006 and a Final Report is scheduled for December 2006. Complete information regarding the activity of the Commission and its Subcommittees (e.g., Reports, Monthly Meeting Notes, etc.) is available at www.ct.gov/governorrell/cwp.

GOAL TWO: ENSURE THE CONTINUED STRENGTH OF EXISTING ECONOMIC CLUSTERS WHILE SEEKING TO DIVERSIFY THE ECONOMY THROUGH THE DEVELOPMENT OF NEW EMPLOYMENT OPPORTUNITIES

The decision by the BRAC Commission to reverse the Department of Defense recommendation to close the U.S. Naval Submarine Base New London was the most significant accomplishment undertaken by the southeastern Connecticut region pursuant to this Goal. Economic analysis that supported the creation of the approved CEDS warned of the annual loss of \$3.1 Billion and more than 30,000 jobs if the Submarine Base and The Electric Boat Company (EBCO) closed. The SUBASE Realignment Coalition and the Governor's Strike Force compiled the Military Value and Economic Impact data that was presented as rebuttal at Public Hearings, private meetings, and supplemental testimony/documents. The follow-on activity by Governor Rell's Commission for the Economic Diversification of Southeastern Connecticut (as discussed in GOAL ONE) is intended to further support the Strategies and Action Steps of GOAL TWO, and subsequent CEDS Update Reports will further amplify the results of the Commission's work. It is further noted that the Commission's Interim Report endorsed by Governor Rell recommended "active support of the executive and legislative branches in both the review and advocacy of the highest priority CEDS projects"

Of the other HIGH priority Action Steps in Strategies of GOAL TWO, the following additional information applies:

Support the Growth of the Maritime Cluster: Members of the CIC have participated in the State of Connecticut Maritime Cluster initiative, and have recommended the formation of a maritime related "Defense/Homeland Security" Industry Cluster. The latter was included in the Commission's Interim Report and endorsed by Governor Rell.

Further Support the Region's Tourism Industry and Ensure that its Development Provides Maximum Economic Development Benefits for Residents and Businesses in the Region: The two agencies that have accepted ownership of key Action Steps have pooled resources in unified cooperative initiatives including branding a regional identifier ("Mystic Country") and implementing joint marketing plans involving the expenditure of several hundreds of thousand dollars. It is further noted that the Town of Preston has entered into an agreement with a firm (Utopia) to construct a multi-billion dollar entertainment complex at the former Norwich State Hospital site. The fifth "Future Scenario" examined in the approved CEDS addressed this possibility, and the impacts anticipated upon infrastructure, traffic, housing, and workforce will be monitored and included in future CEDS Updates as the project develops and matures.

GOAL THREE: BUILD THE INFRASTRUCTURE NEEDED TO SUPPORT THE REGION'S ECONOMIC TRANSFORMATION

Considerable effort has been expended by the cognizant agencies upon the Strategies and HIGH Priority Action Steps for this Goal with mixed results.

The most notable success has been the design and construction of the Thames River Basin Regional Water Network. The Mohegan Tribe, regional and local water authorities and utilities, as well as several municipalities have jointly undertaken this project that is expected to be completed shortly. As a result, surplus water in the south of the region (in the Town of Groton) will be made available miles to the north (and across/under the Thames River) as far away as the Town of Montville.

Success with HIGH Priority transportation improvements has been slower and more measured as follows:

Final Environmental Impact Statement (EIS) has been issued for roadway capacity improvements in the general area of the Foxwoods Resort complex and former Norwich State Hospital site.

Record of Decision (ROD) for the Route 11 project has been delayed until late 2006 or early 2007, though property acquisition by the Route 11 Greenway Authority Commission has commenced.

New London transportation hub is mired in legal issues and the building (Union Station) is on the market for sale,

Intermodal Tourist Transit Project remains unfunded, and recent substantial commitment of transportation funds by the State of Connecticut has not been significantly directed to southeastern Connecticut.

Finally, financial support for new and affordable housing options has been realized with the creation of a position with the Blue Ribbon Housing Initiative Panel and the support of the SCCOG. Local financial resources and the commitment of additional aid from the State of Connecticut have produced this result that will generate progress on the relevant Action Steps in future CEDS Update Reports.

GOAL FOUR: PROMOTE CAREER OPPORTUNITIES THAT MOVE LOW WAGE WORKERS INTO CAREERS PROVIDING A FAMILY WAGE

The Eastern Connecticut Workforce Investment Board (EWIB) has made steady measurable progress on its Strategies and Action Steps in GOAL FOUR. Its current Workforce Development Plan incorporates the elements of the CEDS including career ladder initiatives in the healthcare/biomedical and construction industries, significant engagement of the Regional Chambers of Commerce, incumbent worker training projects, innovative youth education investments in Nanotechnology, and extensive basic skills training in multiple areas with emphasis upon English as a second language.

Challenges remain. A significant proposal to participate in the Department of Labor Workforce Innovation in Regional Economic Development (WIRED) program was unsuccessful. This multi-jurisdictional project would have significantly expanded the ability of the EWIB to implement CEDS GOAL FOUR. It was anticipated that a second round of proposals would be solicited prior to this Update Report being finalized; however, recent information indicates this will not occur. The EWIB has continued to pursue other potential funding sources to pilot (individually) several of the initiatives proposed in the WIRED grant application including incumbent worker training and “Science, Technology, Engineering, and Mathematics (STEM)” curriculum development. It is further noted that efforts to replace highly-skilled design and manufacturing workers at The Electric Boat Company (EBCO) who are planning on retiring has been impacted by downsizing activity that has shifted emphasis to support for displaced worker projects. The scope of this action could involve between 5,000 and 6,000 salaried and hourly employees by early 2008.

The consolidation of Three Rivers Community College and the expansion of its hospitality curriculum continues. In addition, linkages between the regional higher education and the business/workforce development communities have been reinvigorated with the University of Connecticut Avery Point campus and Consortium of higher Education assuming leadership positions.

**GOAL FIVE: ENHANCE THE REGIONAL QUALITY OF LIFE, BALANCING
VIBRANT URBAN CENTERS, RURAL AREAS, WITH OPEN SPACE
AND SOUND SUBURBAN COMMUNITIES**

Efforts to enhance the downtown areas of the larger cities in the region (specifically New London and Groton) have seen modest success. Both private (for-profit and non-profit) and public projects have been undertaken or proposed to develop waterfront residences, open unique entertainment, dining and retail facilities, and revise and improve traffic circulation patterns and associated parking. There is also an emerging interest among some municipalities in establishing Wireless Fidelity (WiFi) zones. The ability of municipalities to undertake significant downtown revitalization projects is routinely challenged by the fiscal realities associated with growing public education budgets and their impact upon general government to pursue new initiatives.

The encouragement of smart growth and sustainable land use policies remains a high priority for both the region and the municipalities. The Southeastern Council of Governments is currently in the process of updating the region's Plan of Conservation and Development.

Similarly, efforts to enhance recreation opportunities and protect open space continue. As noted in GOAL TWO, the marketing of the region for visitor recreational activities has been significantly enhanced by the undertaking of a joint program by the public sector (Connecticut East Tourism District) and private sector (Mystic Coast and Country).