




SouthEastern Connecticut Enterprise Region
Southeastern Connecticut Council of Governments

SCCOG
Southeastern Connecticut
Council of Governments



Executive Summary

**Comprehensive Economic Development Strategy
for
Southeastern Connecticut
2004**



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EXECUTIVE SUMMARY

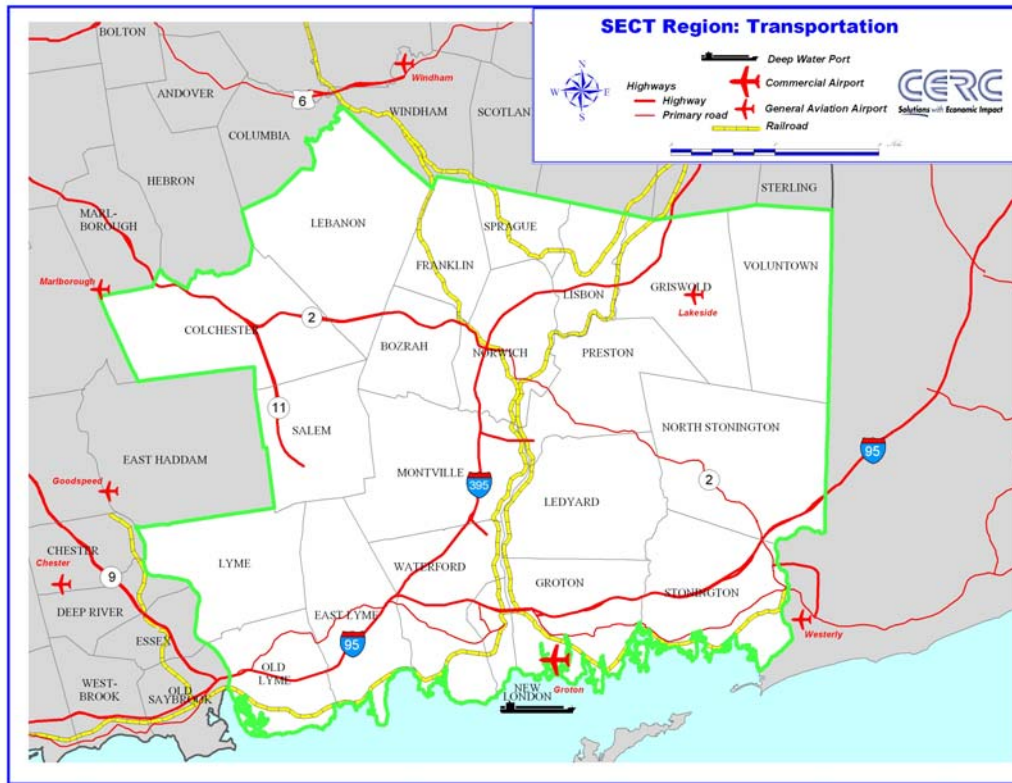
The southeastern Connecticut Region (SECT) has undergone a radical restructuring of its economy over the past decade. SECT is home to both the Naval Submarine Base New London in Groton, the Atlantic homeport for attack nuclear submarines, and Electric Boat, which designs, manufactures, and repairs submarines for the U.S. Navy. In 1990, these two facilities, along with many contractors and subcontractors, provided about 37,000 high paying jobs for residents of the region. By the year 2000, 17,000 defense-industry positions had been eliminated. While this could have been an economic disaster, what could not have been forecast in the early 1990s was the explosive growth in what has become the region's new economic strength, the tourism and entertainment industry cluster. This growth was driven primarily by the development and eventual expansion of two major casinos — Foxwoods and Mohegan Sun. By 2004, with over 20,000 jobs at the two casinos, the region has become almost as dependent upon these two entities as it was in the 1990s on the Submarine Base and Electric Boat.

Responding to the looming defense downsizing in the 1990s, a strategic action plan for the region's future was developed, leading to the establishment of the Southeastern Connecticut Enterprise Region (seCTer) with the mission of strengthening and diversifying the region's economy. After a decade spent on implementation, seCTer, along with the Southeastern Connecticut Council of Governments (SCCOG), decided to update the strategic plan in 2003, and embarked upon a strategic planning process with the goal of creating a regional Comprehensive Economic Development Strategy (CEDS) for the U.S. Economic Development Administration. The intent of this process is to create a common understanding of regional economic development and to bring all of the region's stakeholders together around a common set of priorities and a common vision for the future. This report is the culmination of that process.

Definition of the Region

The southeastern Connecticut region includes all of the municipalities within New London County, and encompasses 21 towns. Based on the 2000 Decennial Census, the county spans 666 square miles and is home to 259,088 residents, equating to a population density ratio of 389.1 persons per square mile, compared to the state ratio of 702.9.

***Figure 1. Map of SECT Municipalities**



Economic Trends

- ***After a long period of slow growth, SECT's population has grown more rapidly over the past few years.*** In each decade since 1970, the population growth in the U.S. has been from 3 to 11 percent higher than SECT's. Estimates of population growth since the 2000 Census suggest that the populations of both SECT and Connecticut have been growing more rapidly. In fact, the estimated growth for the towns in SECT between 2000 and 2003 (5,200) already exceeds the growth observed in that region throughout the 1990s (4,130).
- ***The region has experienced relatively rapid job growth over the past decade.*** As a result of defense downsizing, coupled with a real estate/banking collapse and cyclical shock, employment in New London County decreased during the early 1990s, although not as sharply as the state. Since 1992, compared to employment growth in Connecticut, New London County's growth has been quite brisk due to the advent of the casinos. Job growth has been particularly strong since the end of the last recession.
- ***Economic disparities are growing within the region.*** On almost every measure, there are significant differences between the economic performance of the suburban and rural communities in SECT and its urban centers. In the suburban and rural communities, job growth and incomes are higher, poverty rates and unemployment rates are much lower, and population is growing. In contrast, the population in poverty remains concentrated in Norwich and New London, both of which have double-digit poverty rates, basically

unchanged over a 10-year period. These urban communities also have higher unemployment rates, have seen population declines, and have had limited job growth.

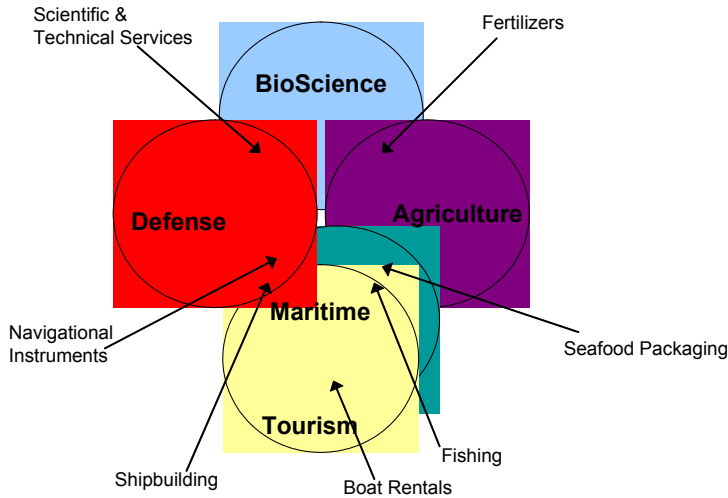
- ***The population of the region has become more ethnically diverse.*** Overall, the population in the region is not very diverse. Only one town, New London, is more diverse than either the U.S. or Connecticut. There has, however, been a significant change in the overall racial and ethnic composition of the population. The Hispanic population of the SECT region grew by 57 percent during the 1990s. In addition, since the 2000 Census was taken, there has been a large migration of minorities into the region, most notably growth in the Asian population. Data from regional school districts provide evidence of an influx of minorities and non-English speaking students in many school districts since 2000.
- ***The region is increasingly supplementing its labor pool by importing workers from outside the region.*** Labor force growth in New London County has lagged employment growth, leading to an influx of commuters from outside the region to fill jobs. For example, more than 9,000 Rhode Island residents and 2,000 residents from Hartford County commuted to jobs in the region in 2000.
- ***The region has seen an unusual shift in its economic structure over the past decade.*** SECT was one of the most defense-dependent regions in the U.S. with about 25 percent of its economic base tied to defense in 1992. While defense remains a critical industry in the region, the establishment of the Foxwoods and Mohegan Sun casinos, starting in 1992, has led to well over 20,000 new jobs. Few counties in the U.S. have seen this level of structural change during a 10-year period.
- ***SECT remains extremely dependent on a handful of large employers.*** While SECT's economy is now more diverse than it was in the 1980s, the region remains highly dependent on a handful of very large employers. The largest five employers accounted for 36 percent of total county employment in 2002.
- ***Remaining manufacturing employment in the region is vulnerable to further declines.*** From a peak of 28,000 jobs in 1990, employment in manufacturing had declined by about 11,000 by 2002. In addition to the global shifts in manufacturing, the SECT region also must contend with a highly concentrated manufacturing base facing various pressures. The degree of specialization remaining in defense will be problematic for the region with the prospect of defense restructuring at the federal level.
- ***The shift in economic structure has resulted in a wide swing of jobs from high-paying to low-paying industries.*** As a result of a job shift from higher paying to lower-paying industries over the past decade, there have been some unsettling changes in the region. The 11,000 manufacturing jobs that were lost had an annual average wage of \$67,000, while the average annual wages in the new service sector jobs are about \$33,000.

Industry Clusters

The SECT region has identified six industry groups or clusters that are important to the regional economy. It is important to note that an economy is a complex system and seldom do industry clusters exist as discrete silos in the regional economy. Thus, when examining the

SECT industry clusters, it is not surprising to find that some industries are included in more than one cluster. *Figure 2* conceptually presents some of the areas of crossover.

Figure 2: Industries within a Region Serve Multiple Clusters



1. **Bioscience Cluster:**

While there is considerable statewide interest in developing the bioscience cluster, much of that activity remains centered in the New Haven region. However, a significant part of the state's cluster is located in SECT, primarily in one large firm — Pfizer. Thus, while bioscience is

not really an industry cluster in the region at all, but a concentration of employment in one firm, the region remains an important part of the state's bioscience cluster efforts.

2. **Defense Cluster:** The Navy Submarine Base (SUBASE) and Electric Boat's nuclear submarine manufacturing facilities are the most significant parts of the defense cluster in the region. Electric Boat still employs an estimated 8,800 people (down from over 20,000 in the 1980s) and the Navy has 10,000 servicemen and women, civilian employees, and contractors. While the dependence of the region on this defense-related activity has diminished significantly over the last decade, Electric Boat and the Navy remain of critical importance to the local economy. In addition to the Navy and Electric Boat operations, there are other defense-related businesses in the region. To help protect the interests of the local area in response to further danger of closing/realigning the Groton SUBASE and to protect the largest part of the maritime economy in the county, the SUBASE Realignment Coalition has been formed. This group has been meeting with key people to develop a strategy to maintain the Navy's presence in the region after the late 2005 decisions are made by the Base Realignment and Closure (BRAC) Commission.
3. **Maritime Cluster:** The maritime cluster in SECT overlaps with many of the other clusters. We have defined this cluster to include all of the economic activities that are tied to the region's location on Long Island Sound. It is the region's historic ties to the sea that have been the foundation of its economic base for hundreds of years. The maritime cluster includes the activities of the U.S. Navy Submarine Base at Groton, maritime education and research at the UCONN Marine Sciences and Technology Center at Avery Point, the U.S. Coast Guard Academy and installations, Mystic Aquarium and Institute for Exploration, and Mystic Seaport: The Museum of America and the Sea. Cruise ship support activities include docking of the American Cruise Lines, Clipper Cruise Lines, and Holland America

Lines. Also included in the maritime cluster are Electric Boat, and sail and maritime instrument manufacturers. Some of the other maritime-related activities include the region's marinas, fishing boats, and ferries.

4. **Tourism Cluster:** The two most significant components of the tourism cluster in SECT are the maritime-related tourism activities and the two major casinos (Foxwoods and Mohegan Sun) that have been established and expanded in the region over the past decade. Together, the maritime-related tourism activities and casino activities have combined to make tourism the dominant cluster in SECT. By very conservative estimates, the tourism cluster, led by the casinos, has total sales of more than \$3.7 billion and employment of more than 28,000.
5. **Creative Cluster:** Not only are arts and cultural activities a core asset of the region, but the individual artists, nonprofit cultural institutions, and commercial enterprises that are tied to creativity are also an important economic cluster in the region, providing both jobs and income for residents throughout SECT. The full potential of this economic activity has yet to be fully realized, but there is growing recognition that the region's "creative cluster" can be an economic engine in itself.
6. **Agriculture Cluster:** Many of the communities within SECT are still largely rural and continue to have economic activities related to agriculture. While the scale of agricultural production is small, this cluster is important to the region's economic diversity as well as to maintaining its open space. The components of the agricultural cluster that are relatively strong in SECT are: dairy farming, poultry, mushrooms, and wineries. The agricultural sector is facing increasing pressures due primarily to growth pressures and high land costs. The challenge for the region is to identify agricultural uses whose value can justify the land costs. Within Connecticut, the two major areas that meet this criterion are wineries and horticultural uses.

The Future of the Regional Economy: Potential Scenarios

Scenario analysis is a commonly used method of visualizing and planning for future directions given certain conditions or developments. This type of analysis basically involves addressing one or more "what if" questions. An analysis of a variety of different future scenarios in the region found:

- **Closing of the Submarine Base:** The economic impacts associated with the closing of the Submarine Base would be quite severe and long lasting. Our analysis suggests that if both the base and the Electric Boat were to close, local impacts in New London would include the direct and indirect loss of \$2.4 billion in industry sales, the direct loss of more than 15,000 jobs, as many as another 8,000 due to the ripple effect, and a 15 percent drop in the gross regional product.
- **Growth Scenarios:** Using economic and demographic growth and shifts over the past decade as a base, trends were extrapolated into the future to develop some estimates of what one might expect to see by the close of this decade. If job growth returns to its 30-year trend over

the rest of this decade, one might expect to see net new jobs in the 7,500-10,000 range. If a new casino, or similar venue of equal size and draw, were to develop in the region, job growth could be as high as 20,000. Absent any interventions or policy shifts, the shift of jobs and population from urban to suburban towns will continue apace.

- ***New Casino Development:*** The possibility of a new casino or casinos being developed in the area seems to be increasing daily based on recent stories in the media. The potential impact of a new casino will be a function of its size and location relative to the two existing casinos. A new casino in the region, comparable in size to Foxwoods or Mohegan, would have pronounced and immediate effects. Chief among these would be a sharp increase in traffic on the arterials that would feed a third site. The competition for workers would become increasingly intense, possibly leading to a migration of new workers and families and a concomitant increase in demand for public services.
- ***Traffic Volume:*** As traffic continues to grow, and absent any increase in capacity, it is reasonable to expect congestion frequency and severity will increase steadily. And, as the traffic situation steadily worsens, it creates a host of environmental and quality of life issues. Over time, as traffic problems mount, it could create a disincentive for new investment and growth in the area.
- ***Major Tourism/Mixed Use Development:*** The site of the former Norwich Hospital is being considered for a variety of development options; chief among these is a major new tourism/mixed use venue. This proposal calls for investment approaching \$1 billion spread out in three phases over a 12-year period. Should this become the development project selected for the Preston-Norwich site, expected impacts could include: average daily traffic volume on I-395 exceeds planned capacity by 2008-2009 and the situation on I-95, already operating above planned capacity, deteriorates further; demand for housing increases, exacerbating the affordability issue; significant tightening of the regional labor market, resulting in increased levels of in-bound commutation; and the growth of an estimated 20,000 new jobs, most of which will be in the tourism/services sectors.

Regional Assets

Marine-related Resources

Marine-related resources have defined the SECT economy for centuries and remain one of the region's most critical assets upon which to build. From the fishing fleet in Stonington, to Mystic Seaport, to the Navy in Groton there is a wide range of activities that depend on proximity to the sea. There are many marine-related assets including: marine transportation, marine infrastructure, defense facilities, marine-related educational institutions (the *Coast Guard Academy* and *UConn Avery Point in Groton*), and research and development facilities (the *National Undersea Research Center*, the *Institute for Exploration at the Mystic Aquarium*, the *Ocean Technology Foundation*, and the *Coast Guard Research and Development Center*).

Academic Institutions

The SECT region has an extremely strong set of institutions of higher education that have a profound influence on the economic, cultural, and intellectual character of the region. The students, faculty, staff, alumni, and visitors associated with these colleges and universities contribute millions of dollars a year to the regional economy. These institutions are major employers and purchase goods and services from businesses throughout the region. They also provide residents and local employers, with an extremely diverse set of degree and non-degree programs. In addition, the colleges and universities attract young people as well as highly skilled faculty who come to teach and then make southeastern Connecticut their home. Higher educational institutions include: *Connecticut College, the University of Connecticut at Avery Point, Mitchell College, Rensselaer Polytechnic Institute at Hartford (RPI) — Groton Site, the United States Coast Guard Academy, the University of New Haven/Southeastern Graduate Center in New London, Three Rivers Community-Technical College, and The Lyme Academy of Fine Arts.*

Arts and Cultural Assets

For its size, SECT has an extraordinary number of arts and cultural institutions that provide residents with a wide array of opportunities for cultural enrichment, as well as providing an important “product” to market in the region’s tourism cluster. These assets are a critical component of the region’s quality of life and are the foundation of the creative cluster discussed earlier.

Locational Advantages within the Northeast Corridor

Southeastern Connecticut is located between the New York and Boston metropolitan areas — two of the largest markets in the nation. It is traversed by I-95, the most important highway on the east coast. Further, it is on the Long Island Sound, providing access to both marine transport and recreational boating. While not a low-cost region, it offers a somewhat lower cost of living than competing areas of the northeast with a similar package of assets and amenities. In addition, the region has a number of large development sites with access to major transportation networks. Southeast Connecticut, therefore, offers distinct locational advantages for firms looking for sites within the Northeast Corridor.

Regional Organizations

In southeastern Connecticut, there is a viable civic infrastructure, evidenced by the presence and capabilities of a number of organizations including: *Southeastern Connecticut Enterprise Region (seCTer), the Southeastern Connecticut Council of Governments (SCCOG), Eastern Connecticut Workforce Investment Board (EWIB), United Way of Southeastern Connecticut, The Rhode Island/Connecticut Collaborative, Chamber of Commerce of Eastern Connecticut, Greater Mystic Area Chamber of Commerce, Greater Norwich Area Chamber of Commerce, Mystic Coast and Country Travel Industry Association, and the Connecticut East*

Tourism District. In addition, there are a number of local economic development boards and organizations, and many of the utilities participate directly in economic development activities.

Modern, Multi-modal Transportation System

The southeastern Connecticut region is fortunate to have a wealth of multi-modal transportation options typically found only in much larger metropolitan areas. Transportation options include state and interstate highways; passenger and freight rail; passenger and vehicle ferry; marine freight; and air. This infrastructure provides multiple modes for both people and goods movement, and helps reinforce the region's connections to the major metropolitan markets in the northeast — New York, Long Island, and Boston.

- ***Interstate Highways:*** Interstate 95 forms the backbone of the regional highway network. It serves the entire Northeast Corridor and is the most heavily traveled highway in the nation. Other limited access highways in the region include I-395, which runs between Waterford and the Mass Turnpike in Worcester, Massachusetts; Route 2, which is a limited access highway from Norwich to Hartford, and a local road from Norwich to Stonington; and Route 11, a divided highway that begins at Route 2 in Colchester and dead ends in Salem at Route 82. Plans to complete Route 11 to Waterford at the interchange of I-95 and I-395 have been on the books for decades.
- ***Passenger Rail and Ferries:*** The region also enjoys access from passenger rail and ferries. Amtrak service stops at New London, Mystic, and nearby Westerly, Rhode Island. Shoreline East, a Connecticut-sponsored commuter service that extends eastward beyond the Metro-North terminus at New Haven, provides limited commuter rail service. Ferry service is provided between New London and Orient Point on Long Island, Fisher's Island, and Block Island.
- ***Rail Freight and Ports:*** The region has two rail freight lines — the New England Central Railroad on the west side of the Thames River, and the Providence and Worcester Railroad on the east side. The New England Center line provides rail access to the Central New England Railroad Pier adjacent to the Admiral Harold E. Shear State Pier at the Port of New London. Marine freight facilities are centered on the State Pier and adjacent Central New England Railroad Pier in New London, collectively referred to as the Port of New London.
- ***Air Access:*** The final link in the multi-modal chain is the Groton-New London Airport. The airport serves both scheduled air carrier/air taxi and general aviation purposes. In addition, T.F. Green Airport in Rhode Island, with much more extensive commercial passenger and cargo service, is 40-50 miles away, and Bradley International airport, located just north of Hartford, is also an hour's drive from most towns in southeastern Connecticut.

Utilities

The availability and cost of utilities, including water, sewer, natural gas, and electricity, can be a significant factor in many business location decisions. Southeastern Connecticut has multiple providers — private, public, and quasi-public — for these basic utilities. The area is somewhat unique in that it has four municipal utility companies that provide electric service, one

of which is also making a foray into the broadband Internet access business.

- **Water and Sewer:** municipal utility companies generally provide Water and sewer service in the region. The Southeast Connecticut Water Authority (SCWA) serves areas requiring water service outside of the municipal service areas. With the completion of the Thames Basin Regional Water Interconnection Project, excess water capacity in Groton will be available to service areas west of the Thames during peak demand. This project was funded in large part by the Mohegan tribe to address water demand at the casino complex, and is the most notable example of regional cooperation.
- **Electricity and Gas:** Throughout much of the region, electrical and natural gas service are provided by Northeast Utilities, specifically its Connecticut-based divisions, Connecticut Light & Power (CL&P) and Yankee Energy Group (or Yankee Gas). Norwich Public Utilities also provides natural gas service. Further, there are four municipal electricity providers that buy their power cooperatively through the Connecticut Municipal Electric Energy Cooperative (CMEEC). The region is also a significant source of electricity for the northeast. The Millstone Power Station, located in Waterford and owned by Dominion Resources, Inc., operates two commercial nuclear reactors and is the largest generating plant in Connecticut, providing one-third of the state's power.
- **Communications:** Although Connecticut has deregulated local phone service; SBC is still the dominant provider. SBC also offers high-speed Internet (including DSL) and wireless communications to the region. Comcast is the region's cable TV provider, and also provides high-speed Internet access to cable customers. Recently, Groton Utilities decided to enter the cable and broadband business, and is offering the service to its customers.

Quality of Life

Some of the elements that define a region's quality of life include its arts and cultural environment, its natural environment and associated recreational amenities, and the sense of "place." An analysis of the assets in SECT finds that while many regions extol their quality of life as one of their greatest assets, in SECT the combination of arts and cultural assets (discussed above), marine assets (discussed above), natural and recreational assets, and historic quality, combine to provide an unusually deep set of amenities leading to a very high quality of life.

Sources of Technology and Innovation

With the location of Pfizer, a major research facility in the biotech industry, as well as the marine- and defense-related research and development activities that are located in SECT, the region has a relatively rich potential in the area of technology and innovation. One measure of this capacity is in patent activity, a commonly used measure of innovation. Between 1994 and 2003, the number of patents issued annually in SECT has more than doubled, from 124 to 252.

Economic Development Challenges

While SECT has enormous economic assets upon which to build, it also faces a number of barriers to development that need to be addressed if the region is to reach its full potential and achieve the vision that it set for itself as part of the CEDS process. These challenges include:

- ***Serious shortages of housing:*** In 2002, SCCOG issued a report *Housing a Region in Transition: An Analysis of Housing Needs in Southeastern Connecticut, 2000-2005*. It resulted in the creation of the Blue Ribbon Housing Initiatives Panel. In March 2004, this report was updated. The report concluded that the region will fall far short of meeting the balance between owner-occupied housing and rental units forecast as needed by 2005 if current construction trends continue, leading to a significant shortage of rental units.
- ***Limited physical infrastructure at development sites:*** While the region has a significant amount of appropriately zoned commercial and industrial land available for development, much of this land lacks the necessary infrastructure to support development: roadway access, water, and sewer. The strategic provision of such infrastructure should be a major focus of future public investments.
- ***Periodic traffic gridlock in parts of the region:*** The southeastern Connecticut region suffers from two traffic problems caused by factors wholly outside local control — the growth in volumes along the I-95 corridor and traffic generated by the enormous popularity of the two casinos. The traffic problem on I-95 has several negative implications for economic development. First, it increases the costs of goods movement into and out of the region. Second, local commuters and residents also use I-95 — congestion increases commute and travel times and negatively impacts the quality of life. But, perhaps most importantly, I-95 is the primary route by which tourists access the region. As travel along this corridor grows increasingly frustrating, many of these tourists will start to consider other options for their leisure time.
- ***Ailing urban centers with older infrastructure:*** The region's two oldest urban centers, Norwich and New London, are beset by a number of urban ills including a concentration of population living near or below the poverty line; a declining tax base; abandoned industrial sites, many with environmental contamination; an aging building stock, much of it requiring significant inputs of capital to be made productive; and aging and strained infrastructure. These problems are more than just local issues. Their causes and impacts are region-wide.
- ***Growing diversity without the social infrastructure to address accompanying needs:*** The region has seen a significant increase in the number of immigrants and non-English speaking residents due to the lure of jobs at the two casinos. This rather rapid demographic shift has meant that the region has not had the time to develop the type of services that would be needed to serve this changing population. Public schools in the region have suddenly seen a rapid rise in the need for ESL services in their schools. Healthcare institutions do not have the translators needed to understand the needs of patients. And, many of the region's human service agencies lack counselors who can speak Chinese or Spanish. In short, the region must adjust many of its basic services to better accommodate the needs of these new residents.

- ***A fragmented civic infrastructure:*** Like many other regions of New England, SECT supports an array of organizations that are focused on strengthening the regional economy, supporting local employers, and ensuring the economic well being of residents. This “civic infrastructure” is not as strong as it could be and is constrained by a number of factors: the region has two separate tourism agencies; the individual cities and towns have built their own economic development capacity; initial efforts to cooperate with Rhode Island have not been fully realized; and there are a number of chambers of commerce in the region that operate independently.
- ***Fiscal challenges facing the municipalities in the region:*** Most of the cities and towns in SECT are facing increasing fiscal pressures. Much of this pressure is due to the over-reliance of the state on property taxes. The recent report of the Blue Ribbon Commission on Property Tax Burdens and Smart Growth Incentives concludes that this over-reliance on property taxes has led municipalities in Connecticut to limit residential developments that would result in an increase in public school students, has resulted in competition between neighboring cities and towns for commercial and industrial development, has led to land use policies that are designed to maximize local property tax revenues, has led to disinvestments in the cities and more urbanized areas, and, finally, has contributed to sprawl.

Strategic Plan

This CEDS builds upon the current state-of-the-art thinking in economic development around the nation. Some of the key conceptual elements that form the framework of this strategy are:

- ***The growing importance of regions as economic units.*** Communities are increasingly linked together in regional economic units. The economic well being of residents of a particular community is ultimately linked to the ability of the private sector in the entire region to thrive and compete successfully in a global arena.
- ***Integrating both the supply side and the demand side of the labor market.*** Most economic development plans tend to focus exclusively on labor demand — promoting employment growth in the private sector. There is often insufficient attention to labor supply — developing and supporting residents who can be productive contributors to the region’s economy. Developing the supply of workers means ensuring that residents of the region have basic occupational skills and are able to access jobs.
- ***Recognizing market realities and focusing on real competitive advantages.*** It is critical that communities in the region do not try to be something they are not. The region has some very strong areas of competitive advantage that could be further strengthened. The plan must build upon these advantages rather than focus on factors in which the region will never truly achieve competitive advantage in the global economy.
- ***Promoting investments in quality of life and amenity development.*** There is growing recognition in the economic development field that quality of life factors are of increasing importance. As labor becomes more mobile, skilled workers are attracted to those communities that offer them a higher quality of life. In addition, innovators and entrepreneurs seek to live and create businesses in communities with cultural and

environmental amenities.

- ***Addressing economic disparities.*** Economic disparities between the urban and suburban parts of the region are economic issues that affect the economic well being and quality of life of all residents living in the region. Moreover, it is not possible to sustain a strong regional economy with a large concentration of poor residents living in the region's urban centers.
- ***Adhering to Smart Growth.*** Much has been written about the problems associated with urban sprawl throughout the U.S. and the need to develop investment strategies that promote development in areas already served by infrastructure and to conserve open space on the urban fringe. While this economic development strategy does not cover all of the critical policies and investments needed to implement a Smart Growth agenda in the region, the strategies and action steps are designed to conform to the general principles of Smart Growth.
- ***Rejecting the idea of a quick fix.*** Economic development is a long-term process. The economic challenges faced by the southeastern Connecticut region cannot be tied to one factor, and its continued recovery will not come from any one or two high-profile projects. It is important to remember that the focus is on economic *development*, not solely economic *growth*, and development implies more fundamental changes that take time.

Guiding Principles

In addition to the conceptual framework supporting the development of this plan, the following operational principles guide the approach:

- ***Building upon previous work.*** The CEDS builds upon some of the pre-existing work and strategic thinking that has been undertaken in the region.
- ***Balancing municipal and regional priorities.*** The CEDS is a regional strategy that focuses on initiatives and projects that are of regional significance. Each municipality within the region may still have other significant priority programs and projects that focus on enhancing its own community's economic vitality.
- ***Multi-organizational responsibility.*** While seCTer and SCCOG are the sponsors of the CEDS, the strategies and action steps involve numerous institutions throughout the region. Different organizations will be assigned responsibilities within the CEDS. A formal process has been developed to reach consensus on responsibilities and to ensure accountability.
- ***The engagement and sustained commitment from a broad set of leaders.*** The transition from planning to implementation requires leadership, commitment, coordinated action, and risk taking.
- ***An inclusive process that reflects the diversity of the region.*** Much innovation emerges from the bottom-up and from the synergies created through building trust and dialogue amongst groups that often do not sit at the same table. A real commitment to bringing to the table a broad set of actors representing the various interests and diversity in the region is important.

Mission Statement and Summary of Goals

In southeastern Connecticut, a comprehensive economic development strategy must *fundamentally* seek to improve the economic lives of existing residents, to improve the region's

quality of life so that existing residents will remain after they have achieved some level of economic health, and to provide the impetus to draw new residents to the region. Thus, the vision or mission statement guiding this strategic plan is the following:

Promote balanced, diversified, and sustainable regional economic growth that produces shared prosperity, encourages continuous individual achievement, and conserves our existing natural resources.

With this as a vision, the strategic planning effort has focused on the following goals that could have longer-term and deeper impacts on the quality of life for all citizens of the region:

Goal One: Promote a more effective and efficient civic infrastructure that enhances collaboration around economic development and unites the region behind a common vision. **Goal Two:** Ensure the continued strength of existing economic clusters while seeking to diversify the economy through the development of new employment opportunities.

Goal Three: Build the physical infrastructure needed to support the region's economic transformation.

Goal Four: Promote career ladder opportunities that can move low-wage workers into careers providing a family wage.

Goal Five: Enhance the regional quality of life, balancing vibrant urban centers, rural areas with open space, and sound suburban communities.

Implementing the Plan

The following guidelines are intended to help the CEDS Implementation Committee (CIC) implement the region's economic plan.

- ***Maintaining momentum is critical.*** The plan needs to move forward on several fronts. Even though economic development is a long-term effort, short-term progress is very important to maintaining community support. We propose to update the CEDS through quarterly meetings so the Committee knows about the short-term and long-term progress related to the CEDS.
- ***Starting with several projects or programs that are relatively simple to implement.*** For example, certain programs will be singled out for immediate attention so that we can demonstrate some tangible results within the first six months. This list will be completed no later than September 2004. This gives the implementation effort a degree of credibility that is often needed at the beginning of an economic development initiative.
- ***Engaging all stakeholders early in the implementation process is important.*** This CEDS is comprehensive and needs to engage all of the relevant stakeholders in the southeastern Connecticut region if it is to be successful. The collaboration needs to occur with the cities and towns, other regional organizations, the business community, as well as the state of Connecticut. While seCTer and SCCOG should be the lead agencies responsible for plan implementation, buy-in from all stakeholders needs to be attained, some of whom are:
 - CSC - CEDS Strategy Committee
 - CIC - CEDS Implementation Committee
 - SCCOG - Southeastern CT Council OF Governments
 - seCTer - SouthEastern CT Enterprise Region
 - EWIB - Eastern Ct Workforce Investment Board
 - CTEAST - Tourism District of Eastern CT
 - MC&C - Mystic Coast & Country Travel & Industry Assoc.
 - CSBDC - CT Small Business Development Center
 - CCECT - Chamber of Commerce of Eastern CT
 - MCC - Greater Mystic Area Chamber of Commerce
 - NCC - Greater Norwich Area Chamber of Commerce
 - NCDC - Norwich Community Development Corporation
 - NLDC - New London Development Corporation
 - BRHIP - Blue Ribbon Housing Initiatives Panel
 - MNST - Main Street
 - U/W - United Way of Southeastern CT
 - SEAT - SouthEast Area Transit District
 - GAC - RT 11 Greenway Authority Commission

- TRCC - Three Rivers Community College
- GTNC - City of Groton
- GTNT - Town of Groton
- WTFD - Town of Waterford
- NLON - City of New London
- NRW - City of Norwich

Monitoring and Evaluating the CEDS

The monitoring and evaluation process will have two major elements:

1. ***Quarterly reports generated by seCTer staff and submitted to the CEDS Implementation Committee.*** seCTer staff will write a brief report on progress to date in reaching the performance milestones in the implementation matrix. The Implementation Committee will identify any significant barriers and constraints to implementation based upon this report and will help to facilitate a process for moving the action steps forward.
2. ***Annual Regional Implementation Team Meetings.*** seCTer will coordinate and lead annual meetings of the CEDS Strategy Committee with all key stakeholders that focus specifically on progress in implementing key elements of the CEDS. These meetings will also be an opportunity to troubleshoot coordination issues as well as to mobilize around any new economic development opportunity that arises in the region.

Managing the CEDS — Oversight

The CEDS Strategy Committee, which has overseen the development of the CEDS, will oversee the implementation of the CEDS and will host an annual meeting of all key stakeholders in the region. The CEDS Implementation Committee will be comprised of members of the CEDS Strategy Committee along with SCCOG and seCTer staff. The CIC will meet quarterly to monitor progress in implementation and report to the CEDS Strategy Committee. At the first meeting of the CIC, it will review the initial prioritization of Goals/Strategies/Action Steps and Projects that may be eligible for funding.

Methodology of Data Collection

The CEDS Implementation Committee will use several methods to ensure the implementation of the CEDS and to measure progress. Each of the five Goals has a number of Strategies and associated Action Steps. For each Action Step, the CIC will assign the following:

1. ***RESPONSIBILITY:*** The Lead Organization/Stakeholder that accepts ownership for implementing the Action Step.
2. ***PRIORITY:*** Assigned as follows:
 - HIGH = Critical to the Economic Strategy of SECT
 - MED = Essential to the Economic Strategy of SECT or Critical to the Economic Strategy of a Municipality

- LOW = Important to the Economic Strategy of SECT or a Municipality
3. TIME FRAME:
- 1-3 = Start within 1 year/finish within 3 years
 - 3-6 = Start within 3 years/finish within 6 years
 - 5-10 = Start within 5 years/finish within 10 years
 - ONG = Ongoing
4. *PERFORMANCE MEASURE*: The numerical month and year in which a specific Action Step Milestone is scheduled to be accomplished and the identification of the Milestone. In addition, status/progress will also be indicated with a numerical rating system.

Rating Projects Eligible for EDA and/or Other Funds

The CEDS has assembled a list of projects from municipalities in the region. Each may be a candidate for EDA or other funding. The identification of projects, as well as the rating of projects, will be a shared responsibility of the CEDS Strategy Committee, the CIC, and SCCOG and will require the consensus of all three entities. A matrix to evaluate projects that includes three major categories has been developed. A Project Review Form must be completed by the appropriate municipality/sponsor for each project to be discussed and scored by the Strategy Committee, the CIC, and SCCOG. Clear linkage must be specified between the recommended Project and one or more Action Steps of the CEDS.

Conclusion

In the early 1990s, the southeastern Connecticut region was faced with a major economic crisis — the loss of a significant number of defense-related jobs. The region came together at that time and developed a new regional vision, designed a set of strategies for realizing that vision, and spent a decade on a successful implementation process. The region now faces a new set of challenges. This CEDS process has allowed the region to again come together to reach consensus on a vision, to achieve a new understanding of its key assets as well and critical challenges, and to work together to develop a new set of strategic responses.

Coming up with the vision and strategies is only the first step in the process. What distinguishes the most successful regions is the ability to take the bold actions needed to implement strategies. Successful implementation will require forward thinking leadership at the local and regional levels, a collaborative mindset, a well defined process for moving forward, and the flexibility to adjust strategies as conditions evolve. The region has already shown a commitment to this approach through its CEDS planning process. The CEDS can be viewed as a living document designed to further guide this effort.

Goal One: Promote a more effective and efficient civic infrastructure that enhances collaboration around economic development and unites the region behind a common vision.

STRATEGIES AND ACTION STEPS	RESPONSIBILITY	PRIORITY	TIME FRAME	PERFORMANCE MEASURE
A. Establish a CEDS Implementation Committee				
1. Convene key organizations with region-wide focus	CSC	HIGH	1-3	9/04 MTTG 3
2. Hold a one-day Regional Economic Development Forum	seCTer/SCCOG	HIGH	1-3	9/04 FORUM 3
3. Meet regularly to coordinate implementation of CEDS and to evaluate its progress	CSC/CIC	HIGH	ONG	9/04 MTTG 3
4. Coordinate and assist in the implementation of region-wide initiatives	CIC	HIGH	ONG	9/04 MTTG 3
5. Minimize redundancy in support organizations by promoting collaboration and partnerships	CIC	HIGH	3-6	TBD TBD TBD
B. Research and Design Regional Fiscal Equity Initiative				
1. Increase awareness of residents and municipal leaders about the benefits of regional action	seCTer/SCCOG	MED	1-3	12/04 SEMINAR 3
2. Identify and implement service sharing projects	SCCOG	HIGH	1-3	12/04 THAMES BASIN PROJ. 4
3. Develop pilot tax sharing project (Refer to Goal Three, Strategy C)	seCTer/SCCOG	HIGH	3-6	TBD TBD TBD
C. Design and Implement a Regional Image Campaign				
1. Undertake a charette focused on regional “themes” to promote through an image campaign	CIC	LOW	3-6	3/05 CHARETTE TBD
2. Develop a common theme across regional marketing and promotional material	CSC	LOW	3-6	9/05 CAMPAIGN KICKOFF TBD
D. Build a More Diverse Leadership Base				
1. Create a community leadership program that includes a mentoring component	CIC/CCECT	MED	1-3	1/05 MOD PROGRAM 3
2. Encourage participation of community-based groups and organizations representing the minority community in regional civic activities	U/W	HIGH	1-3	9/04 MTTG 3

Goal Two: Ensure the continued strength of existing economic clusters while seeking to diversify the economy through the development of new employment opportunities

STRATEGY AND ACTION STEPS	RESPONSIBILITY	PRIORITY	TIME FRAME	PERFORMANCE MEASURE
A. Promote Small Business Development and New Entrepreneurship				
1. Establish a One-Stop Business Resource Center	CSBDC	MED	3-6	TBD TBD 3
2. Establish SECT Small Business Network	CCECT	MED	3-6	TBD TBD TBD
3. Develop initiative to support immigrant and ethnic entrepreneurship (part of larger Regional Newcomer Initiative)	seCTer/CSBDC	MED	3-6	12/04 NEEDS ASSESSMENT TBD
4. Target entrepreneurs in regional marketing campaigns	seCTer/CSBDC	MED	ONG	12/04 PROGRESS RPT 3
5. Develop a Business Calling Program	CCECT	MED	3-6	TBD TBD TBD
6. Promote youth entrepreneurship	EWIB	MED	3-6	TBD TBD TBD
B. Support the Growth of the Maritime Cluster				
1. Develop regional maritime infrastructure initiative	seCTer	HIGH	ONG	6/04 COALITION MTTG 3
2. Promote R&D and commercial applications related to maritime security	seCTer	HIGH	ONG	6/04 COALITION MTTG 3
3. Enhance linkages between the educational system and maritime activities	TBD	TBD	TBD	TBD TBD TBD
C. Ensure the Continued Strength of the Region's Defense-related Facilities and Companies				
1. Support the activities of the Subase Realignment Coalition	seCTer	HIGH	1-3	6/04 COALITION MTTG 3
D. Promote the Region's Arts and Cultural Strengths as a Regional Economic Engine				
1. Establish a regional creative cluster council	seCTer/CTEAST	MED	3-6	TBD TBD TBD
2. Improve regional marketing of cultural programs and events	CTEAST	MED	3-6	TBD TBD TBD
3. Develop artist live-work space in downtowns and old mill buildings	TBD	TBD	TBD	TBD TBD TBD

E. Further Support the Region’s Tourism Industry and Ensure that its Development Provides Maximum Economic Benefits for Residents and Businesses in the Region						
1. Update region-wide tourism development and marketing plan and build consensus on implementation priorities	CTEAST/MC&C	HIGH	1-3	9/04 MTTG		3
2. Promote agricultural tourism	CTEAST/MC&C	MED	3-6	TBD TBD		TBD
3. Develop one or more new events that promote regional “community building” and/or attraction of non-local visitors	CTEAST/MC&C	MED	3-6	TBD TBD		TBD
4. Establish cooperative initiatives with adjacent regions	CTEAST/MC&C	HIGH	1-3	9/04 MTTG		3
5. Capitalize a regional tourism development fund	TBD	TBD	TBD	TBD TBD		TBD
F. Support Economic Opportunities in Agriculture to Create Jobs and to Preserve the Region’s Natural Landscape						
1. Form a regional subgroup within the state’s agricultural industry cluster initiative to work on issues to support the retention and strengthening of the regional agricultural base	TBD	TBD	TBD	TBD TBD		TBD
G. Expand the Labor Pool for Regional Employers by Retaining More Older Workers in the Workforce						
	EWIB	MED	1-3	TBD TBD		TBD

Goal Three: Build the infrastructure needed to support the region's economic transformation

STRATEGY AND ACTION STEPS	RESPONSIBILITY	PRIORITY	TIME FRAME	PERFORMANCE MEASURE
A. Strengthen the Region's Intermodal Transportation System				
1. Concentrate transit efforts on two groups — tourists and casino workers	SCCOG/SEAT	HIGH	1-3	9/04 RPT 3
<ul style="list-style-type: none"> • Partner with the casinos to improve transit where casino workers are clustered • Explore the possibility of high-image, “fun” transit connections between the casinos and the intermodal terminal in New London, including use of the rail line, ferries, etc. • Use seasonal transit service to link the region's numerous small tourist attractions 	SCCOG/SEAT	HIGH	1-3	9/04 RPT 3
2. Continue to promote New London as the transportation hub of the region	SCCOG/NLON	HIGH	ONG	TBD TBD TBD
<ul style="list-style-type: none"> • Integrate all modes of transportation — Amtrak, local bus, ferry, and Interstate 95 • Partner with Amtrak and a rental car company to provide easy and seamless access to rental cars at the train station and ferry terminal • Consolidate other traveler information at the train station • Focus on coordination and marketing to enhance existing infrastructure • Explore the possibility of expanding Shoreline East service to New London 	SCCOG/NLON	HIGH	ONG	TBD TBD TBD
3. Extend Route 11 to Waterford and the interchange with I-95 and I-395 as the priority roadway (and associated Greenway) project	SCCOG/GAC	HIGH	ONG	9/05 EIS 2
4. Expand roadway capacity to the casinos, especially Foxwoods	SCCOG	HIGH	5-10	TBD EIS 2
B. Provide Sites and Utilities Needed to Support the Region's Economic Development Priorities				
1. Expand availability of appropriate sites with necessary access and utilities	SCCOG	MED	3-6	TBD TBD TBD
2. Provide support for the development of the Regional Water Network	SCCOG	HIGH	1-3	5/04 CONTRACT 4
C. Support the Development of New and Affordable Housing Options in the Region				
1. Adopt a “fair share” approach to equitably distribute regional housing responsibilities	BRHIP	HIGH	1-3	TBD TBD TBD
2. Adapt particular housing strategies for each community	BRHIP/SCCOG	HIGH	3-6	TBD TBD TBD
3. Aggressively pursue a revenue sharing strategy to offset costs associated with housing	BRHIP/SCCOG	HIGH	3-6	TBD TBD TBD
4. Encourage the State Legislature to strengthen the state's affordable housing laws	BRHIP	MED	3-6	TBD TBD TBD
5. Secure funding to sufficiently staff regional housing initiatives	BRHIP	HIGH	1-3	TBD TBD TBD

Goal Four: Promote career opportunities that move low wage workers into careers providing a family wage						
STRATEGY AND ACTION STEPS	RESPONSIBILITY	PRIORITY	TIME FRAME	PERFORMANCE MEASURE		
A. Further Enhance the Positive Relationship between Workforce Development System and Economic Development						
1. Integrate regional and local strategic planning for economic and workforce development	EWIB	HIGH	1-3	1/05 RPT	3	
2. Further engage regional chambers of commerce in the region's workforce development activities	EWIB/CCECT/MCC/NCC	HIGH	1-3	1/05 RPT	3	
3. Involve workforce development organizations in business expansion, retention, and recruitment efforts	EWIB/seCTer	HIGH	1-3	1/05 RPT	3	
B. Establish a Regional Newcomer Initiative	TBD	MED	3-6	TBD	TBD	TBD
C. Develop a Tourism Career Ladder Initiative						
1. Organize a collaborative effort involving key participants	EWIB/CTEAST/MC&C	MED	1-3	TBD	TBD	TBD
2. Expand hospitality management degree program at Three Rivers Community College	TRCC	MED	3-6	TBD	TBD	TBD
D. Develop Healthcare/Biomedical Training Initiative						
1. Develop an industry cluster approach to healthcare training	EWIB	MED	1-3	TBD	TBD	TBD
2. Develop regional healthcare and biomedical career education and exploration program aimed at the region's high schools	EWIB	MED	1-3	TBD	TBD	TBD
E. Maintain and Augment the Capacity to Produce a Highly-skilled Manufacturing Workforce						
1. Develop longer-term strategy to replace retiring highly-skilled workers at EB and other advanced manufacturing firms in the region	EWIB	HIGH	1-3	TBD	TBD	TBD
F. Develop a Regional Career Literacy Initiative Targeted at K-12 Education	TBD	TBD	TBD	TBD	TBD	TBD
G. Engage Regional Economic Development Organizations in Policy Advocacy around Critical Regional Education and Workforce Development Issues						
1. Continue to support the timely consolidation of Three Rivers Community College campuses	TRCC/NCDC/NRWH	HIGH	1-3	TBD	TBD	3
2. Fill gaps in available degree and certificate programs	TBD	TBD	TBD	TBD	TBD	TBD
H. Expand Construction Training Capacity to Maximize Resident Employment in New Development Projects	EWIB	MED	1-3	TBD	TBD	TBD

Goal Five: Enhance the regional quality of life, balancing vibrant urban centers, rural areas with open space, and sound suburban communities						
STRATEGY AND ACTION STEPS	RESPONSIBILITY	PRIORITY	TIME FRAME	PERFORMANCE MEASURE		
A. Enhance the Downtowns of the Larger Cities in the Region						
1. Reconceive downtown New London as a waterfront residential community	NLON/NLDC	MED	1-3	TBD	TBD	TBD
2. Reposition Norwich as a regional center for entertainment, dining, and unique shopping	NRWH/NCDC	MED	1-3	TBD	TBD	TBD
3. Emphasize culture and entertainment in New London and Norwich	NLON/NLDC NRWH/NCDC	MED MED	1-3 1-3	TBD	TBD	TBD
4. Develop a comprehensive circulation and parking strategy for Norwich	NRWH/NCDC	MED	1-3	9/04	RPT	3
5. Partner with the Main Street to explore an ethnic shopping strategy for New London and Norwich.	NLON/NLDC/MNST NRWH/NCDC/MNST	MED MED	1-3 1-3	TBD	TBD	TBD
6. Consider establishing Wireless Fidelity (WiFi) zones in downtown Norwich and New London	NLON/NLDC NRWH/NCDC	LOW LOW	3-6 3-6	TBD	TBD	TBD
B. Promote Regional Sustainable Land Use Policies						
1. Develop smart growth policies that support and complement regional economic development	SCCOG/MUNICIPALITIES	HIGH	1-3	TBD	TBD	TBD
2. Preserve and enhance the historic built environment	SCCOG/MUNICIPALITIES	MED	ONG	TBD	TBD	TBD
3. Protect and preserve the region's rural places	SCCOG/MUNICIPALITIES	MED	ONG	TBD	TBD	TBD
4. Emphasize high design standards for new development	TBD	TBD	TBD	TBD	TBD	TBD
C. Enhance Recreation Opportunities and Protect Open Space						
1. Increase shoreline access and trails wherever possible	SCCOG	MED	ONG	TBD	TBD	TBD
2. Develop tourism strategies that enhance open space and recreational assets for residents and visitors alike	CTEAST/MC&C	HIGH	1-3	9/04	RPT	3
3. Develop initiatives to preserve agricultural lands and other open space	TBD	TBD	TBD	TBD	TBD	TBD