



DEC 20 2017

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December 19, 2017

Honorable Marcia Leclerc
Mayor – Town of East Hartford
Chair – CRCOG Policy Board
241 Main Street – 4th Floor
Hartford, CT 06106-5310

Re: Funding of Update of Comprehensive Economic Development Strategy

Dear Mayor Leclerc:

Thank you for your letter of November 21st in response to mine of November 13th to Chip Beckett and for the opportunity to speak to the CRCOG Policy Board on December 13th. I've enclosed a check in the amount of \$25,000 as part of the \$125,000 match required by the U.S. Economic Development Administration (the "EDA") grant of \$125,000 to support the development of an updated Comprehensive Economic Development Strategy (the "CEDS") for the Capital Region and the 39 municipalities that are members of the Capitol Region Council of Governments ("CRCOG"). I also take this opportunity to reiterate a few key points from my November 13th letter in light of your recent conversation with Andy Bessette, the Chair of the Alliance Board. -

Our support of the CEDS request is based on two key factors. The first is that the EDA has directed that a CEDS evolve into a genuine regional economic development strategy rather than being used primarily as the basis for requests for federal funding support of individual municipal projects. The second is that Camoin Associates, the firm that conducted a comprehensive review of the Alliance, has recommended that the Alliance take a leadership role in working with CRCOG to develop the updated CEDS.

As you know, John Shemo of the Alliance participated with CRCOG Executive Director Lyle Wray and several other regional leaders in selecting the consulting firm to work with CRCOG, the Alliance, and other parties to develop the updated CEDS. Assuming that you secure the required matching funds, we understand that the total of \$250,000 will be used primarily to pay the fees of the selected consulting firm as well as other expenses related to the updating of the CEDS. As previously requested, we would appreciate a detailed summary of the anticipated usages of the \$250,000.

With respect to the Alliance's role in the development of the updated CEDS, our expectation is that the new Chief Executive Officer of the Alliance (the "CEO") will be on board by March 1st and will be the primary contact for the Alliance on this initiative. Prior to that date, Nancy Wheeler will serve as interim President and CEO of the Alliance, and John will continue to serve as the primary representative for the Alliance. We request that two of our other Alliance colleagues, Becky Nolan and Julio Concepcion, be included on any steering or similar committees. Most importantly, the Alliance Board looks forward to regular briefings by the consulting firm to ensure that the Alliance, CRCOG, and the Hartford Foundation for Public Giving (the "Foundation") are all aligned with the final version of the CEDS before it is submitted to the State's Department of Economic and Community Development and its Office of Policy and Management for their review and comment.

I also note that our collaboration on the CEDS will provide a meaningful opportunity for Andy and the CEO to review with you, Lyle, and the CRCOG Policy Board the municipal funding of the Alliance beginning on July 1, 2018. As you know, the Alliance requests that each town fund the Alliance's economic development efforts at \$0.20 per capita, an amount that has remained static for over 20 years since 1993, and that not all municipalities honor that request. As a result, the private sector investors in the Alliance fund well over 95% of the Region's economic development efforts.

Camoin has recommended that the Alliance, under the direction of the CEO, determine what changes in its funding structure and approach will produce a more predictable and sustainable funding stream for regional economic development. One of those potential changes must include a determination whether the Alliance should invoice CRCOG, rather than the individual municipalities, for an agreed upon per capita assessment to help strengthen our collective ability to execute a robust regional economic development strategy.

We thank you again for the opportunity to create a stronger economic development partnership among the Alliance, CRCOG, and the Foundation. Please contact Nancy at 860-728-2275 or me at 860-728-2277 with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to be "Nancy Wheeler", written in a cursive style.

cc: Hedy Ayers
Linda Mitrook
Becky Nolan
JoAnn Price
Nancy Wheeler
Chip Beckett
Andy Bessette
Rob Camoin
Julio Concepcion
Jim Damicis
Tim Malone
John Shemo
Jay Williams
Lyle Wray