

Local Government of the Future Subcommittee Advisory Commission on Intergovernmental Relations

Tuesday, May 23, 2023

Note: This document is ACIR staff notes written during this subcommittee meeting. It is a public document and has been provided to meeting participants for their review and revised in accordance with any comments received but is not approved minutes of the meeting.

The agenda is available at:

<https://egov.ct.gov/PMC/Agenda/Download/17149>

The meeting recording is available at:

https://portal.ct.gov/-/media/ACIR/Meetings/2023/2023-05-23_ACIR_LGF_Audio.m4a

ACIR Members present: John Filchak, Karl Kilduff, Jim O’Leary, Francis Pickering, Brendan Sharkey

Other participants: Meghan Portfolio, Rick Porth, Margaret Wirtenberg

ACIR/OPM staff: Rebecca Dahl, Christine Goupil, Justine Phillips-Gallucci, Bruce Wittchen

1. Call to order

Commission vice chair Filchak called the meeting to order at 10:35.

2. Review of [draft 4/25/2023 LGF](#) & [draft 4/28/2023 IIJA notes](#), [draft 5/5/2023 ACIR minutes](#)

There were no comments or questions about the notes.

3. Local Government of the Future (LGF) Initiative

- Framework for discussion of alternatives for satisfying IIJA local match

Commission vice chair Filchak said the administration does not appear to be interested in providing the 20% local match required of municipalities seeking federal grants but noted that the ACIR was asked to compile information about grants not pursued due to the match requirement. We are interested in how many do not apply for the federal [Safe Streets for All](#) grant program.

Margaret Wirtenberg asked if this is a case of the rich getting richer and Commission vice chair Filchak mentioned that the states of CO and MA are providing assistance with local matches. CT probably is leaving money on the table. Commission member Pickering said the state seems to consider this to be a local issue and added that the Safe Streets process was designed to make it more accessible for towns. He also mentioned that the state also does not access all available flood mitigation funding.

Commission vice chair Filchak agreed that the state has not been leveraging funding, even before COVID, and asked Rick Porth for his perspective. Rick said the [CT Conference of Municipalities](#) (CCM) is assisting and noted that CCM is contracting with grant writers. Commission vice chair Filchak described a regional application for a \$200,000 planning project. That was the smallest amount that could be applied for and the required \$40,000 local match was a challenge for participating towns, but \$200,000 is not enough for such a project.

Commission vice chair Filchak said the ACIR should try to work on a solution with the administration and legislature. Commission member Pickering said municipalities rely on property taxes and it is not

equitable to have to rely on that source for a local match. There was further discussion of the 4/28 meeting with DRS Commissioner Boughton (see [draft 4/28/2023 IIJA notes](#)) and of his request for the ACIR and others to document grants that municipalities are not applying for due to the local match requirement. Commission vice chair Filchak mentioned that Comm. Boughton had also mentioned the potential for a state infrastructure bank.

Commission member Pickering listed state funding programs that could be designed differently to enable them to leverage federal funding programs and Commission vice chair Filchak noted that the state has hired grant consultants for itself; it lacks capacity of its own. There was further discussion of collecting examples of non-applications, with the assistance of CCM, the [Council of Small Towns \(COST\)](#), and [Councils of Governments \(COGs\)](#).

Commission member Pickering pointed out the potential benefit of aligning the timing of state funding programs with the timing of federal programs. He added that it will be difficult to identify grants that towns do not apply for. Commission chair Sharkey recommended collecting available information and convening a forum. Commission member Pickering recommended matchmaking between state programs and federal programs. Commission vice chair Filchak mentioned that the recommended approach of regionalizing applications for federal grants is not succeeding.

Commission chair Sharkey recommended using the LGF subcommittee meeting scheduled in June as the time for a forum for broader discussion of this topic. Commission vice chair Filchak mentioned his recent discussion with Sen. Blumenthal's office and Commission chair Sharkey said the forum should include people from the federal, state, and local level and recommended it be a hybrid meeting at the LOB.

Commission member O'Leary said the ACIR will not be able to develop data regarding grant funding left on the table if it does not aggressively pursue that information. Commission vice chair Filchak asked Commission member O'Leary if his town of Goshen would have to pass on a \$2 million grant even for a needed project, due to the local match, and Commission member O'Leary said they would. Commission chair Sharkey said there definitely is a role for the ACIR.

- Update on Property Tax Restructuring (see [Property Tax Restructuring Report](#))
 - Property Tax Informational Forum
 - Op-Ed by ACIR members
 - Other updates and next steps

Commission chair Sharkey said he has been busy with other things and has not put an op-ed together yet and suggested it be reframed as a post-mortem to follow the legislative session. Commission vice chair Filchak mentioned [SB 999, An Act Increasing The Uniform Assessment Rate For Property Tax](#), which has been amended to instead require a property tax study. He recommended the ACIR focus on a proposal for 2024 and Commission chair agreed, saying the ACIR got to this late in 2022 and should be earlier in 2023.

Commission member O'Leary recommended the ACIR refer back to the [11/2022 draft of the ACIR's report on property tax reform](#) for points that can be used and added that the group should push for a phased in approach. Commission chair Sharkey said the recommendations should be fine-tuned and made more specific and Commission member O'Leary said the ACIR should state where needed money will come from. Otherwise, it will be a non-starter.

Rick Porth said one outcome of this session will hopefully be additional funding for education. If there is significant progress it will be a big step for the ACIR's recommendations. There was a discussion of the ACIR's role in increased state support of education as a form of property tax relief. Commission member Pickering pointed out that the ACIR's recommendation frequently cross the boundaries between the responsibility areas of different legislative committees. He recommended

the ACIR consider preparing separate breakouts of recommendations that can be targeted to each committee.

There was further discussion of potential benefits of some of the expected legislated action, but Commission vice chair Filchak cautioned that it is premature to described legislation as property tax reform before seeing if it has that effect. He pointed out that the general government side of municipal budgets has fallen behind and asked if state funding focused on education will stabilize local government and reduce the mill rate. There was further discussion of state support and Margaret Wirtenberg asked about the potential for a statewide property tax and others said that is beyond the ACIR.

- MA Division of Local Services: “[Evolving Government Services](#)” email forwarded May 19

Commission vice chair Filchak described the State of MA’s [Division of Local Services](#) (DLS), highlighting the variety of services and level of expertise they provide to municipal governments. It would be great if CT could replicate that because their studies and other services are exceptional. Bruce Wittchen said he is on the DLS distribution list and forwarded that email because of its focus on municipal challenges the ACIR has been looking at in CT. He mentioned that the State of WA has something similar with its [Municipal Research and Services Center](#) (MRSC), but that is organized differently and is nongovernmental. He noted that he had learned of both as a result of Commission member Filchak mentioning them at meetings in the past.

Commission member Pickering mentioned [MA reports on the average single family tax by town](#) and Commission vice chair Filchak provided an overview of other studies and training available there. He also noted that MA has a robust version of CCM, the Massachusetts Municipal Association. He added that OPM could fill the void left by the closure of UConn’s [Institute of Public Service](#). Commission member O’Leary said the ACIR has always lacked research capacity and suggested inviting someone from MA attend one of these meetings to described how their program was formed and how it affects government there.

There was a discussion of how to increase the ACIR’s visibility and connect better with the legislature, but Commission member O’Leary pointed out that the ACIR has always had difficulty bringing in legislators, even when they have been members of the ACIR. He recommended inviting leaders of relevant committees to an ACIR meeting but emphasized that the ACIR should be prepared.

Commission member Filchak mentioned the State of MA’s efforts regarding smart growth, pointing out that the state supplied model zoning code and also buildout software that each town could use. That is a level of service missing here. Commission chair Sharkey said a discussion of the full ACIR is needed and recommended a hybrid meeting with legislators at the LOB.

- Recap of LGF Objectives
- ACIR member survey

Commission chair Sharkey noted the connection between these two topics and asked if the ACIR should recalibrate the LGF initiative with a brainstorming session. Commission member Filchak described the hopefully brief survey, which is intended to gauge members’ understanding of the ACIR and its goals. It should go out soon.

- LGF Subcommittee input for the ACIR’s *2023 Annual Report + 2023-24 Work Plan*

Bruce Wittchen said this is a reminder that this report will be prepared soon and provided an overview of expectations and invited members to send any suggestions. John Filchak later suggested producing a story map and Bruce said he would consult with other OPM staff.

4. Future topics/initiatives, if any

- [Governance Study Committee Report](#) – Town of Chester (2/9/2023)

Commission chair Sharkey described the interest in inviting someone from Chester to speak about this report and also inviting Tom Condon to talk with the ACIR about his recent article in the CT Mirror: [Does CT need 169 municipalities? Some say merging makes sense](#). He has been in contact with Tom Condon and Christine Goupil will contact someone from Chester

- Engage with RESC and COG directors/chairs re LGF initiative

Commission vice chair Filchak said a date has not been set for the meeting of RESC and COG directors/chairs but it will probably be towards August.

5. Next meetings

Commission chair Sharkey said June’s meeting of the full ACIR will be a week later than normal and that the 6/27 subcommittee meeting time will be used for the IIJA forum. He also said we will reach out to MA Division of Local Services to request a presentation on their work at a future meeting. Christine Goupil offered to meet with Commission chair Sharkey and vice chair Filchak to plan out project management and scheduling of tasks for the various initiatives being discussed, as well as to look back at past reports to be updated. She and Commission chair Sharkey agreed that should follow the session.

Commission chair Sharkey pointed out the need for data at the 6/27 forum and there was a discussion of collecting information from CCM and COGs regarding grants not applied for due to the local match requirement. Rick Porth emphasized that it will not be possible to determine exact an dollar amount, but CCM should be able to provide examples. Commission vice chair Filchak noted Rep. Courtney’s office distributes a weekly list of funding opportunities, but towns and COGs do not have the capacity to dig into that.

Commission member Pickering noted that if towns were a nonprofit, they could use the proceeds of fund raising for further fund raising but they cannot use funding from grants for grant writing. Commission chair Sharkey said that is an important topic for the 6/27 forum and recommended compiling a list. Commission member O’Leary asked if it would be helpful to compare a list of grants applied for in the past year to a list of grants that were available and Commission chair Sharkey questioned if it would be instructive due to the many reason towns or COGs might not apply for a particular grant.

Rick Porth said the ACIR cannot develop an exhaustive list of grants not applied for because of the local match and should instead compile a collection of compelling examples. That should be the focus of the 6/27 meeting. He added that the muscles to do infrastructure projects have atrophied around the country. Commission chair Sharkey reminded everyone of the meeting dates and that the 6/27 subcommittee meeting time will be used for the IIJA forum.

6/9/2023	ACIR (<i>The meeting has been moved from 6/2 to 6/9 so it will follow the session</i>)
6/27/2023	LGF Subcommittee

6. Adjourn

The meeting adjourned at 11:47

Notes prepared by Bruce Wittchen, OPM