

Dear colleagues and interested stakeholders,

As legislators and stakeholders representing communities that have been impacted by the devastating epidemic of crumbling foundations, please allow this correspondence to serve as your update as to where we are in the process following our last legislative session.

Over the last few weeks, the Incorporators (5 members appointed by their respective caucuses and the Governor's office) of the soon-to-be-licensed captive insurance company, Connecticut Foundation Solutions Indemnity Company, LLC (CFSIC), met to discuss next steps and created a framework for the months ahead. They drafted and have since approved a Request for Proposal (RFP) to contract with an entity to handle the roles and responsibilities of the Superintendent position. The Superintendent would act, on a contractual basis, as the COO of the CFSIC, and would answer to the soon-to-be-selected Board of Directors, all of whom will need to be vetted and approved by the CT Insurance Department (this is standard practice for any new insurance company). Following the receipt of proposals and subsequent presentations from selected finalists, the Incorporators will be announcing their decision on April 2, 2018.

The Incorporators also sat down with the members of the Organizing Committee (4 members appointed by their respective caucuses) to discuss how to fulfill outreach and recommendations as it relates to filling the seats on CFSIC's Board of Directors. Per the legislation, we are seeking: *1 Real Estate Agent or Broker; 2 impacted homeowners; 1 registered investment advisor; 1 representative from the insurance industry (shall not have a relationship with any bank or insurance company that has a financial interest in crumbling matters); and 1 representative from the banking industry (shall not have a relationship with any bank or insurance company that has a financial interest in crumbling matters)*. The Incorporators and Organizing Committee will be finalizing a document in the next couple of weeks that will outline qualifications, as required by the CT Insurance Department (again, standard practice), to be distributed to various professional and other organizations. In the meantime, if you know anyone interested, please have them email us at [CFSICLLC@gmail.com](mailto:CFSICLLC@gmail.com). We will keep their information on file and once a document is distributed we will be sure to include them on the distribution list.

The Incorporators also sent correspondence to the Governor's office and the Office of Policy & Management (OPM) requesting that the 20 million dollars be approved and authorized at the next bond commission meeting in an effort to provide actual dollars for the Crumbling Foundations Assistance Fund, as outlined in the recently-passed legislation. As you may have seen on the bond agenda released yesterday, \$350,000 (Item 8) has been included. While this is not the entirety of the money approved within our budget, it is the minimum required at this time to ensure we have the necessary capital to be licensed by the CT Insurance Department (again, standard practice), as well as to fund the Superintendent position previously noted.

In addition to the above-referenced monies, a request was made to update the language of a bond agenda item from Feb 1, 2017 that provided five million dollars for a grant-in-aid program administered by the Capital Region Council of Governments for a foundation testing program. The program was originally limited to homes within a 20 mile radius of the J.J. Mottes concrete company, but this unintentionally cut out a section or the entirety of a few impacted

communities. You will see that on this month's agenda (Item 45), the language has been updated and will allow the Commissioner of the Department of Housing to approve waiver requests for testing outside the 20 mile radius.

And finally, the new, legislatively approved Department of Housing's Homeowners Advocate, Pam Toohey, is meeting with mayors, first selectmen, etc. of communities impacted by crumbling foundations. Ms. Toohey will continue to tour properties afflicted by this epidemic as she makes her way around the region. As recently as yesterday, Ms. Toohey was in South Windsor touring properties and hearing the concerns from homeowners eagerly awaiting the CFSIC's next steps. If at any time you or your constituents have any questions or concerns related to crumbling foundations, Ms. Toohey can be reached at 860-270-8090 or by email at [pamela.toohey@ct.gov](mailto:pamela.toohey@ct.gov). Her contact and other information can be found on the Department of Housing's website (look to the right for the Crumbling Foundations tab).

If there is anything I may have missed and/or not touched on at length, please let me know and I'll be happy to provide additional information.

Best,  
Jeff