

## NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

**RE:** **APPROPRIATING ORDINANCE** #4 authorizing issuance of general obligation tax anticipation notes and/or general obligation grant anticipation notes fiscal year 2027

**Submitted by:** Mayor Justin Elicker

**REPORT:** 1681-22

**ADVICE:** Approval

### **BACKGROUND:**

The proposed **\$733 million budget** represents an increase of \$31 million, or 4.4 percent, from the previous year's budget. The proposed budget will continue to provide New Haven residents with necessary city services and programs in the face of federal uncertainty, including grant cuts that will require the City to transition several previously federally funded initiatives to the City budget.

The proposed budget for Fiscal Year 2026-27 maintains the current level of city services across departments and covers rising fixed costs, but that refrains from significant new financial commitments. The proposed budget includes limited, strategic investments towards City priorities, including education, parks and climate, seniors, and vulnerable residents.

This Ordinance in particular codifies the total allocation and terms for general obligation tax anticipation notes and/or general obligation grant anticipation notes such that:

- (a) Not exceeding **\$80,000** General Obligation Tax Anticipation Notes or General Obligation Grant Anticipation Notes, or any combination thereof (collectively, the "Notes"), may be issued in one or more series in anticipation of the receipt of tax collections or state grant payments, as applicable, in an amount required to pay current expenses and obligations of the City pursuant to Section 7-405a of the General Statutes of Connecticut, Revision of 1958, as amended (the "Connecticut General Statutes"), and the proceeds thereof are hereby appropriated for said purpose.
- (b) The Notes of each series shall mature and be payable not later than the end of the fiscal year during which such tax collections or state grants, as applicable, are payable, be executed in the name and on behalf of the City by the manual or facsimile signatures of the Mayor, City Treasurer and Controller, bear the City seal or a facsimile thereof, bear the Corporation Counsel's endorsement as to form and correctness, be certified by a bank or trust company designated by the Controller which bank or trust company may also be designated as the paying agent, registrar, and transfer agent, and be approved as to their legality by Robinson & Cole LLP as bond counsel. The Notes shall bear such rate or rates of interest (including taxable rates) as shall be determined by the Bond Sale Committee. The Notes shall be general obligations of the City and each of the Notes shall recite that every requirement of law relating to its issue has been duly complied with, that such Note is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The aggregate principal amount of Notes to be issued, the maturity dates, redemption provisions, if any, the date, time of issue and sale, and other terms, details, and particulars of such Notes shall be determined by the Bond Sale Committee in accordance with the requirements of the Connecticut General Statutes. The issuance of taxable Notes bearing interest includable in gross income for federal income tax purposes is in the public interest.
- (c) Said Notes shall be sold by the Mayor with the approval of the Bond Sale Committee in a competitive offering or by negotiation. If sold in a competitive offering, the Notes shall be sold at not less than par and accrued interest based on the lowest net or true interest cost to the City. A notice of sale or a summary thereof describing the Notes and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds.

(d) The City hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the “Regulations”), to reimburse expenditures paid 60 days prior to and any time after the date of passage of this ordinance in the maximum amount and for the financing described herein with the proceeds of notes or other obligations authorized to be issued by the City which shall be issued to reimburse such expenditures not later than eighteen months after the date of the expenditure or such later date as the Regulations may authorize. The City hereby certifies that its intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Controller or his designee is authorized to pay expenses in accordance herewith pending the issuance of the Notes.

(e) The Mayor, the Controller and the Treasurer, or any two of them, are hereby authorized on behalf of the City to enter into agreements or otherwise covenant for the benefit of note holders to provide notices to the Municipal Securities Rulemaking Board (the “MSRB”) of certain events not in excess of ten (10) business days after the occurrence of the event as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of notes authorized by this ordinance. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified, and approved.

(f) The Mayor, the Controller, and the Treasurer, or any two of them, are hereby authorized on behalf of the City to enter into any other agreements, instruments, documents, and certificates necessary or desirable with respect to the consummation of the transactions contemplated by this ordinance.

#### **PLANNING CONSIDERATIONS**

The budget proposal for Fiscal Year 2026-2027 is in alignment with [Vision 2034](#), **New Haven’s Comprehensive Plan**, from the standpoint of:

- Enhancing public safety services to effectively meet community needs;
- Supporting Board of Education goals to reduce high school dropout rates, engage the community in students’ learning, and academically and financially prepare students to succeed;
- Improving the condition of parks and open space and ensure that they are safe and accessible to all;
- Supporting agencies, communities, and neighborhoods working together to become more resilient to climate change impacts;
- Expanding services for New Haven's older residents;
- Expanding temporary and supportive housing and programs that eliminate and prevent homelessness.

As a general point, in its review of the annual budget, the Commission has historically made note of issues relating to the Comprehensive Plan and the operation of the City Plan Department and does not take a line-by-line review of the budget overall. The City Plan Department notes that the proposed FY 2026-2027 budget aims to maintain the current level of city services across departments given the current uncertainty in federal funding opportunities.

#### **ADVICE**

Recommend approval.

**ADOPTED:** May 20, 2026  
Ernest Pagan  
Chair

**ATTEST:** \_\_\_\_\_  
Laura Brown  
Executive Director, City Plan Department