



City of New Haven

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Signature Copy

Order: LM-2024-0572

File Number: LM-2024-0572

ORDER OF THE NEW HAVEN BOARD OF ALDERS AUTHORIZING THE MAYOR OF
THE CITY OF NEW HAVEN TO ENTER INTO A BRIDGE LOAN AGREEMENT WITH
THE CONNECTICUT GREEN BANK IN ORDER TO FINANCE THE CONSTRUCTION
OF A NETWORKED GEOTHERMAL SYSTEM.

WHEREAS, as part of the Environmental Protection Agency's (EPA) Climate Pollution Reduction Grants Program: Implementation Grants General Competition (CPRG), the City of New Haven proposed to construct a networked geothermal system and to retrofit Union Station, with a ground-source heat pump to serve as the station's primary source of heating and cooling;

WHEREAS, in the competitive nationwide CPRG solicitation, the City's proposal was selected;

WHEREAS, a key criterion of the CPRG competition is that applicants make use of existing funding sources and incentives to complete projects;

WHEREAS, the City's proposal will receive \$9,471,615 in funding from EPA to pay for the portion of the project costs that would not be eligible for reimbursement through incentives available for geothermal projects from Energize CT and the Inflation Reduction Act (IRA);

WHEREAS, the City plans to utilize these incentives, in particular the IRA's domestic content and prevailing wage and apprenticeship provisions, to obtain reimbursement for the remaining costs, which are projected to total \$7,114,410;

WHEREAS, the City is seeking authorization to obtain low-interest bridge financing from the Connecticut Green Bank for its portion of the project costs until it can obtain reimbursement;

WHEREAS, through the Greenhouse Gas Reduction Fund, the Connecticut Green Bank is able to offer bridge loan financing at a 3% interest rate and conventional financing rate of 4.25%;

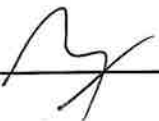
WHEREAS, interest only bridge financing from the Green Bank will allow the City to seek full reimbursement through the Inflation Reduction Act and utility incentives for its share project costs;

WHEREAS, bridge financing for this project has the potential to not only unlock substantial grant funding from EPA but also to catalyze the development of a networked geothermal system that offers a new model for affordable, clean heating and cooling;

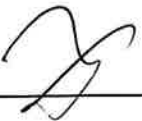
WHEREAS, this system has the potential not only to serve Union Station and the transit-oriented development planned around this key transportation hub, but also to extend affordable, clean heating and cooling to the Hill neighborhood adjacent to Union Station and to create many strong job opportunities for New Haven residents.

NOW, THEREFORE, BE IT ORDERED by the Board of Alders of the City of New Haven that the Mayor, is authorized to borrow up to \$7,114,410 in bridge loan financing from the Connecticut Green Bank with an interest rate of up to four and one quarter percent (4.25%), a term of up to four (4) years and an option to extend the agreement on the same terms for up to two (2) one (1) year periods. The Mayor is also authorized to execute such documentation as is necessary to complete the transaction, including, without limitation, multiyear agreements and agreements including the provision of indemnification.

This Order was Amend a matter previously Adopted by the Board of Alders on 4/6/2026.

Attest, City Clerk _____ 

Date 4/6/2026

Signed, City Clerk _____ 

Date 4/13/2026

Signed, Mayor _____ 

Date 4/27/2026