

# CITY OF NEW HAVEN

*Justin Elicker, Mayor*

## OFFICE OF CLIMATE AND SUSTAINABILITY

*165 Church St, 2<sup>nd</sup> Floor*

*New Haven, CT 06510*

*Phone: (475) 331-3769*

March 26<sup>th</sup>, 2026

Honorable Tyisha Walker-Myers  
President, Board of Alders  
City of New Haven  
165 Church St  
New Haven, CT 06510

**RE: ORDER OF THE 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 (LM-2024-0572)**

Dear President Walker-Myers:

The Office of Climate and Sustainability is requesting to amend an Order previously adopted concerning the authorization of the City to enter into a bridge loan agreement with the Connecticut Green Bank to finance the construction of the City's networked geothermal system serving Union Station and the first phase of the Union Square development.


Order LM 2024-0572 was favorably recommended by the City Services and Environmental Policy Committee on October 8<sup>th</sup>, 2024 and approved by the Board of Alders on November 7<sup>th</sup>, 2024.

To fund the loan, the City and the Green Bank had planned to rely on funding from the US Environmental Protection Agency's Greenhouse Gas Reduction Fund (GGRF). This funding would have allowed the City to access an interest rate of 3% but the federal administration has moved to terminate the GGRF. In the event that litigation is not successful in unfreezing the GGRG funds, the City will be required to utilize the Green Bank's conventional financing, which has an interest rate of 4.25%. While this interest rate is higher than the GGRF rate, due to the compression of our construction schedule the overall financing cost is estimated to be similar to the original projection.

Therefore we respectfully request your honorable Board's favorable action on the attached amended Order (LM 2024-0572), which will allow the project to close its construction financing and proceed with bidding and contractor selection for the geothermal ground loop.

Thank you for your consideration of this matter. If you have any questions or concerns, please feel free to contact me at (475) 331-3769.

Respectfully submitted,

**DocuSigned by:**  
  
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Steven Winter

Executive Director