

**FISCAL IMPACT STATEMENT**

**DATE:** August 26, 2024  
**FROM (Dept.):** Economic Development Administration  
**CONTACT:** Michael Piscitelli, EDA Administrator      **PHONE** (203) 946-2867

**SUBMISSION ITEM (Title of Legislation):**

ORDER OF THE NEW HAVEN BOARD OF ALDERS APPROVING AMENDMENT 1 TO THE LEASE, OPERATING AND FUNDING AGREEMENT WITH THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION FOR THE MANAGEMENT AND OPERATION OF THE NEW HAVEN UNION STATION AND STATE STREET STATION CAMPUS

List Cost:	Describe in as much detail as possible both personnel and non-personnel costs; general, capital or special funds; and source of funds currently budgeted for this purpose.			
	GENERAL FUND	SPECIAL FUNDS	BOND FUNDING	CAPITAL/LINE ITEM/DEPT/ACT/OBJ CODE
<b>A. Personnel</b>	\$0	\$0	\$0	
1. Initial start up	\$0	\$0	\$0	
2. One-time	\$0	\$0	\$0	
3. Annual	\$0	\$0	\$0	
<b>B. Non-personnel</b>	\$0	\$0	\$0	
1. Initial start up	\$0	\$0	\$0	
2. One-time	\$0	\$0	\$0	
3. Annual	\$0	\$0	\$0	

**List Revenues:** Will this item result in any revenues for the City? If Yes, please list amount and type.

NO   
 YES

- 1. One-time
- 2. Annual

**Other Comments:** (see following page)

On December 21, 2021, the City and the State (CTDOT) entered a 35-year lease agreement (with two 10-year renewal options) for the operation and redevelopment of the New Haven Union Station Campus, which includes New Haven Union Station (including the garage and surface lots) and State Street Station.

The operation of the Campus is a not-for-profit venture. Revenues for the operation and redevelopment of the Campus are collected from parking garage revenue, retail lease revenue, other Campus sources, and other special funding that may become available, such as state/federal grants or state bond funds. All revenues are maintained by the City in restricted, special accounts for the purposes articulated in the Agreement and pursuant to guidance established by the City Controller.

Pursuant to the Lease, there is a new Operations Committee with joint governance by the CTDOT and the City. The New Haven Parking Authority has been designated operator for five years, with renewable five-year terms. Compensation for work performed by either the City or the New Haven Parking Authority pursuant to the Lease is budgeted and reimbursed from operating and capital revenues from the Campus.

With a forthcoming private development on the so-called "East Lot", CTDOT and the City recognize there will be a reduction in parking revenues. To address the reduction in parking revenues, the following terms are included in Amendment 1,

"After removal of the east lot parcel, in the event of deficit operations as referenced in Section 9.5, it shall be CTDOT's responsibility to identify and contribute such other sources of funding to the Operations Account, in order to cover monthly budgeted expenses up to the amount of anticipated parking revenues that would have been generated from the east lot parcel, based on average monthly parking revenue for the 12-month period prior to removal from the Campus. With prior Operating Committee approval, CTDOT will disburse such funding to the CITY in advance for deposit into the Operations Account in order to avoid a negative balance therein. This CTDOT responsibility shall extend only until the earlier of (i) the intake of new parking revenue in a manner approved by the Operations Committee, including without limitation by the commencement of an alternative parking operation, such as on the New Haven Union station west lot identified in Section 6.1(c), or (ii) the commencement of the generation of any additional revenue at, or new revenue sources for, the Campus, such as from new or updated tenancies, concessions, and other commercial activities, as approved by the Operations Committee."

In addition, the future private development will be not be exempt from City property tax. City building permit inspection and fees also applicable.