

April 5, 2021

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

RE: ORDER OF THE BOARD OF ALDERS AUTHORIZING THE MAYOR OF THE CITY OF NEW HAVEN TO APPLY FOR AND ACCEPT FEDERAL STIMULUS FUNDING IN A MANNER CONSISTENT WITH AND PURSUANT TO THE AMERICAN RESCUE PLAN ACT OF 2021.

Suspension Agenda Requested

Dear President Walker-Myers,

In March, 2021, President Biden signed into law the American Rescue Plan Act of 2021. The approximate \$1.9 trillion package was passed with the strong support of Connecticut's federal delegation and I am deeply appreciative of the work by Senator Chris Murphy, Senator Richard Blumenthal and Representative Rosa DeLauro for their efforts on behalf of the residents, business owners, non-profits and others in our community who have been seriously impacted by the COVID-19 pandemic.

The American Rescue Plan is significantly more than a stimulus bill. Key provisions of the bill include, stimulus payments of \$1,400 per person and dependent, subject to income limits of \$75K (individual) and \$150K (couple); unemployment benefits consisting of an additional \$300/week of assistance through September 6, 2021; and child tax credits expanded (on a scaled income basis) of up to \$3,000 for each child between the ages of 6 and 17 and \$3,600 for each child under 6. The bill also includes substantial funding to assist small business, public transit, education, tenants at risk of eviction, vaccine and public health programs all intended to put an end the pandemic and advance social- and economic recovery. It is estimated that the child tax credits alone could lower the number of children living below the poverty level by 45% nationwide.

In addition, the American Rescue Plan provides direct line item support to local governments. Many of them, just like New Haven, have incurred significant costs to address the impact of the pandemic and realized associated revenue shortfalls on important revenue lines. The City's Controller will present to the Board an accounting of these costs at the Committee hearing for this item.

The President and the Congress go well beyond cost recovery, however, with provisions allowing local governments to address the negative economic impacts associated with COVID-10; to respond to workers performing essential work during the COVID-19 public health

emergency; and to make necessary investments in certain infrastructure, all subject to other provisions and final rules from the United States Department of Treasury.

In totality, the American Rescue Act represents a once-in-a-generation opportunity to lift up our city by addressing income inequity and wealth creation through jobs, neighborhood revitalization and overall wellbeing. As a community, we have been planning for this moment and the Together New Haven approach provides us with the framework to move forward in a timely basis.

Recognizing final rules are not yet in place, this communication summarizes the plan moving forward, highlighted by a community engagement process known as the Civic Space as well as the formality of our submission of the municipal cost recover and full investment plan when ready for the Board's consideration.

Thank you for your time and attention to this very important matter and I look forward to your support in the implementation of the American Rescue Plan here in New Haven.

Sincerely,

Justin Elicker
Mayor

cc: BOA Communication
File