How to Think About the City Budget:
A Template for Change & Progress
A city’s budget is an expression of its values and priorities. Liam Brennan supports the priorities of a "Fair Share" budget that both promotes resident wellbeing and is sustainable. These principles are embodied by these values, and by the particular programs we detail in this document:

- Center New Haven's people when considering how to raise revenue and how to spend it.
- Use the city’s strengths to raise revenue more equitably. This means getting downtown developers and suburban visitors to pay their fair share to support city amenities.
- Target new investment to areas that meet people's needs and reinforce the city's fiscal health. This means directing new spending to policy areas like education and housing affordability, and conceptualizing public safety as more than just policing.

A Budget That Embodies Our Values

A city’s values are not found in its grand statements and proclamations, but in its budget. As we look to the coming years and decades, we know that major governance challenges will confront all American cities, from the chronic problems of providing opportunity through high quality education and public safety, to emerging crises in housing affordability and environmental sustainability.

Annual budgets, like the Fiscal Year 2023-2024 proposal put forth by the current administration, often start with the status quo and tinker around the edges. When we’re facing big challenges, we need more than tinkering. This budget template provides a vision for reconnecting the city’s finances with our goals and values.
Liam’s Vision

A city government cannot pursue every impulse or completely solve every problem on its own because it is constrained by state laws, balanced budget requirements, and economic competition with other jurisdictions. But even with all these constraints in mind, we know that New Haven can rise to these challenges and provide equitable opportunities for all our neighbors. And we don’t suggest pie-in-the-sky solutions.

As a pragmatic progressive, Liam examines the best information available and draws on the best insights from around the policy world to identify root causes of our common challenges, and identify the best solutions to address them. Drawing on our key resources – partners in the private sector; allies in the statehouse; and above all the energy, ingenuity, and participation of our people – we can meet these challenges and make New Haven a stronger community. If we work together today, we’ll be stronger tomorrow.

The “Fair Share” Budget

By law, the New Haven city budget must be balanced. That means expenditures must not exceed revenues in a given year. This constraint means that we should look at both sides of the ledger – revenues and expenditures – to realize our vision of a fair city budget that delivers effective services and makes our community stronger.

Property taxes make up nearly half the city’s revenues (47% in 2022). The city has more discretion over this source of revenue than it does over intergovernmental aid, the other major revenue stream, so it is crucial that the tax burden be shared equitably by the city’s major stakeholders. In examining the budget, we are guided by the simple and fundamental principle that New Haven has a revenue problem. According to a 2018 study by the CT Mirror, New Haven ranked 41st in per capita spending amongst Connecticut municipalities. The top five highest spending municipalities in Connecticut – towns like Westport and Darien – spent between 62% and 84% more per person than New Haven.

New Haven’s non-taxable property remains a problem to raising the revenue New Haven needs to fully fund city services. This truth often manifests itself in two results: looking to Hartford for more PILOT funding or looking to Yale for a greater contribution to the city. Both are worthy goals - the State of Connecticut and Yale both owe New Haven a great debt that they are not fully paying.

However, these are well-trodden paths that have usually led nowhere. For example, although Mayor Elicker pledged to increase Yale’s contribution to the city by $50 million in his 2019 campaign, that number has fallen woefully short. Even with veteran representation in Hartford, New Haven has not been able to secure PILOT funding that would in any way come close to making up for the revenue lost due to untaxed property.

Instead of treading the same ground, we envision a municipal budget policy that looks within and starts from a place of strength. The city government should take a muscular, multi-
pronged approach toward revenue generation which includes proper tax assessment, shifting costs to non-residents users when possible, and actively seeking grants to fund projects that benefit the public.

This strategic approach toward revenue generation must also be coupled with a fair evaluation of how and what we spend taxpayer money on. Thinking of the budget as a statement of the city's vision, we must strategically use our funding in the best ways to promote the city’s wellbeing.

**PART 1: REVENUE GENERATION**

*Effective Management and Enforcement*

In addressing our revenue needs, we must be guided by principles of fairness and examine how properties are assessed for tax collection. Drawing on Liam’s long experience of holding corporate actors accountable, New Haven should commit itself to fairly determine the value of each parcel, particularly the corporately-owned locations that are not paying their fair share. New Haven is currently failing to properly assess a number of properties that should support the work of local government. A recent report by the New Haven Independent found that downtown commercial properties were dramatically under assessed in 2022–by approximately $166 million. The city is currently losing at least $20 million annually in under assessed commercial real estate. This underassessment effectively shields these properties from contributing to the common good and forces the tax burden to fall disproportionately on smaller property owners.

The road to proper, accurate assessment of taxable properties begins and ends with a properly resourced Assessor’s Office. A New Haven dedicated to receiving its fair share from Yale and corporate buildings must be willing to invest in building capacity, if need be, to accurately assess buildings. New Haven has been without a permanent tax assessor for the whole of the current administration. We must invest in - and recruit to - our city assessor’s office in order to raise the revenues necessary to fund city services. The mayor needs to actively engage in equipping the Assessor’s Office with the staff and resources to properly do its job so that the city has the resources to do all its other jobs.

*Fairly Share the Burden with Nonresidents Who Use City Services*

Instead of raising all new revenue through increased property taxes on working families, the city can offset the costs of its services by charging users regardless of their residency for some of the city’s services. Developing new fees that are focused on those who enjoy the city’s amenities without supporting them – something akin to a modest fee for ride shares to support city infrastructure or for gasoline sales to offset the environmental impact of pollution – are also within our city toolbox, but have not been explored. These solutions will raise revenue from all users regardless of their place of residence.
**Actively Seek More Grant Funding**

New legislation advanced by the Biden administration also affords new opportunities for creative revenue pursuit. The Inflation Reduction Act’s programs are particularly promising, because they provide essentially infinite opportunities to promote green infrastructure and clean energy adoption by both public and private sector actors. Moreover, there are a plethora of private funding opportunities for municipalities with forward thinking, innovative plans. Drawing on Liam’s experience building out development capacity at Connecticut Veterans Legal Center to fund improved services, our plan would invest in personnel to both pursue direct funding for city projects and support local organizations pursuing initiatives on their own and in partnership with the city. Effective efforts in this area can have multiplier effects, freeing up the budget for other important areas of government.

**PART 2: STRATEGIC EXPENDITURES**

The mayor’s current budget proposal is illustrative of a broader lack of imagination or strategic planning to address the root causes of our challenges. We need to assess our goals and what areas of government provide the most effective and efficient results for our city.

**Effectively Fund Public Safety Initiatives**

The city needs to think about public safety through a holistic lens and ensure that it is funding the initiatives that have the greatest results for residents. The city’s proposed budget recommends 34 new positions in city government, one third of those positions in the police department.

Police officers’ greatest utility is in crime investigation. Increasing the detective bureau should have some increased benefits. However, research suggests that it’s not increased police spending but adjusted police practices that deliver results that actually benefit the community. The city has 8 police officers permanently stationed at schools and not out in the community. Schools do not need to be a permanently militarized or surveilled space. The officers would be more effectively used responding to reports of crime. Moreover, the city has increased traffic stops 300% from last year. However, police officers are a very expensive way of addressing speeding and traffic violence. This work should be moved elsewhere. This is not a strategic use of resources; the same level of investment would go much farther in other city offices that are woefully understaffed.

At the same time, investment in housing safety is distressingly underfunded. We know that safety starts at home, but too many New Haveners do not have a safe place to live. A recent expose by the Yale Daily News highlighted an overwhelmed staff at the Livable Cities Initiative, New Haven’s main office for holding landlords accountable. According to the Daily News:
LCI employs only 12 housing inspectors for New Haven's 49,000 households, leaving over 4,000 for every inspector to manage. To inspect each property once in a typical work year would require 80 inspections a week. Since 2019, LCI's general funds budget from the city has increased by only $17,000, while New Haven's police budget has increased by $7 million in the same period, for comparison. LCI is far from the city's highest budgetary priority.

Most New Haveners rent their homes, so an understaffed LCI means unenforced codes and unaccountable landlords. It advantages the powerful over the rest of us. Building inspection and enforcement currently account for approximately 1 percent of discretionary spending—and Livable Cities is just a small fraction of that category. Conditions that lead to collapsing ceilings or black mold causing children to develop asthma are conditions that are crimes themselves. With regard to both, the current budget ignores opportunities to deliver tangible results and does not appear to treat this with any urgency. We must invest more in this basic form of oversight, which can provide immediate benefits to working families across the city.

More broadly, affordable housing for New Haveners is in short supply. The region's vacancy rate is just 1.3%, far below the national average. A recent analysis by the Urban Institute found that "New Haven County has only 25,043 housing units affordable for the 49,589 households earning 30 percent or less of the county median income." As a result, more than half of all renters—and nearly 1 in 3 homeowners—face housing cost burdens that are too high. Housing is not a productive asset, so this level of cost burden produces a drag on the overall local economy. This is an area in which we would pursue an all-of-the-above approach that includes both modest investments in market-making through changed zoning permissions and public-private partnership, and direct use of discretionary funds to increase the supply of affordable housing. We will be detailing a more detailed affordability plan shortly.

*Investing in Our Built Environment*

The city budget should invest in the city itself as well as in its people and buildings. In 2020, New Haven consolidated its Parks and Public Works departments. This was a well-meaning effort at administration efficiency, but after a few years it appears that the "parks" mission has suffered from its placement within a larger bureaucracy. To build a people-first budget means thinking about what elements of a place can enhance individual and community well-being. Positive engagement with nature and other park activities bring people together and make them healthier as individuals. Liam would strengthen the autonomy and resources of the Parks Department to ensure that our common spaces are well-maintained and welcoming sites of activity in all areas of the city.

This move will also be integrated into a set of holistic policies to develop cycling and pedestrian infrastructure, encourage vibrant street life, and build on commitments to sustainability and climate adaptation. These wellbeing investments must be equitably shared, expanding green space and traffic calming initiatives to underserved neighborhoods. The built environment can either enhance or detract from the physical, emotional and spiritual well-being of New Haveners. Our goal as a government is to always make the Elm City
an even better place to live for all residents; we do this by centering the health and wellbeing of residents when making infrastructure choices.

**Shoring Up Our Schools**

Similarly, New Haven schools are underfunded and overcrowded. The mayor has significant influence over school policy and the Board of Education budget is included in the city budget proposal. We know that school funding matters significantly for student outcomes. One thing most New Haven parents in the public schools can relate to is our high rate of teacher turnover. There is a real return on investment in schools, and good schools will also help stabilize the city's overall tax base. New Haven teachers get paid less to teach more students than in neighboring districts, and we need to increase our pay parity to retain our teachers.

The fact that there are 34 new government positions and none of them are in our city schools is evidence of the short shrift schools get from the current administration. Planning for the future also needs to recognize that surrounding towns often dedicate two-thirds of their budgets toward education. As long as we dedicate only one-third of our budget toward education, we will shortchange our students.