

FISCAL IMPACT STATEMENT

DATE: January 10, 2022
FROM (Dept.): Office of the Mayor
CONTACT: Justin Elicker PHONE 203-946-8200

SUBMISSION ITEM (Title of Legislation):

ORDER OF THE BOARD OF ALDERS ACCEPTING VOLUNTARY PAYMENTS FROM YALE UNIVERSITY IN A MANNER CONSISTENT WITH LETTER FROM PETER SALOVEY, PRESIDENT AND CHRIS ARGYRIS PROFESSOR OF PSYCHOLOGY DATED NOVEMBER 17, 2021

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	SPECIAL	BOND	CAPITAL/LINE ITEM/DEPT/ACT/OBJ CODE
A. Personnel				
1. Initial start up				
2. One-time				
3. Annual		(see below)		
B. Non-personnel				
1. Initial start up				
2. One-time				
3. Annual				

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

NO	<input type="checkbox"/>
YES	<input checked="" type="checkbox"/>

- 1. One-time:
- 2. Annual: (see below)

Other Comments:

The Order concerns voluntary payments as articulated in the letter from Peter Salovey to Mayor Elicker, dated November 17, 2021. Please review the letter for complete details as they relate to the commitment to continue current payments (the Fire Service Payment and the Voluntary Payment, as well as the new Voluntary Payment of \$10M per year through FY26 with an additional \$2.0M in FY27. The chart below is excerpted from the letter recognizing that the Fire Service payment is estimated as it is calculated annually as per formula set forth in the 1990 Agreement.

(Chart numbers in thousands)

	<u>Estimated Fire Service Payment*</u>	<u>Calculated Voluntary Payment</u>	<u>Recent Increase</u>	<u>Current Estimated Voluntary Payment</u>	<u>New Voluntary Payment</u>	<u>Total</u>
FY 2022	\$3,563	\$6,580	\$3,100	\$13,180	\$10,000	\$23,180
FY2023	\$3,652	\$6,744	\$3,100	\$13,497	\$10,000	\$23,497
FY2024	\$3,744	\$6,913	\$3,100	\$13,757	\$10,000	\$23,757
FY2025	\$3,837	\$7,086	\$3,100	\$14,024	\$10,000	\$24,024
FY2026	\$3,933	\$7,263	\$3,100	\$14,297	\$10,000	\$24,297
FY2027	\$4,032	\$7,445	\$3,100	\$14,577	\$2,000	\$16,577
Total	\$22,764	\$42,034	\$18,600	\$83,398	\$52,000	\$135,398

* To be adjusted annually based on actual Yale Fire Service Payment calculated in the City's Annual Budget and based on the 1990 Agreement.

In addition to the payments above, the letter includes a commitment by Yale to make an additional voluntary payment in the event Yale acquires and converts real property to exempt status over the next six years. The letter sets forth Yale's commitment to make this additional voluntary payment in the amount equal to 100% of the property tax amount for three years, and then at a sliding scale reducing the additional voluntary payment from year four through year 12.

When implemented, the conversion of High Street to the new public walkway will include the removal of parking meters along High Street from Chapel Street to Elm Street.