



**CITY OF NEW HAVEN
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-NEWS RELEASE-

**CITY & TOWN DEVELOPMENT ACT TO APPEAR AS
REFERENDUM QUESTION ON TUESDAY'S BALLOT**

NEW HAVEN- On Tuesday, November 3, 2009, the City of New Haven's ballot will contain one referendum question asking the electors to approve or disapprove the reauthorization of the use of the powers available to the City under the City & Town Development Act.

The ballot question will be printed in English and Spanish and will ask electors to vote yes or no on the following question:

“Shall the City of New Haven, as authorized by the Board of Aldermen, continue to undertake programs and projects under the City and Town Development Act, Chapter 114, Sec.7-480 et seq. of the Connecticut General Statutes?”

“La ciudad de New Haven debe como ha sido autorizado por la Junta de Concejales, continuar ofreciendo programas y proyectos bajo el acta de desarrollo de la ciudad y del pueblo, Chapter 114, Sec. 7-480 y siguiente de los Estatutos Generales de Connecticut?”

The Board of Aldermen of the City of New Haven passed a resolution to reauthorize adoption of the City & Town Development Act on August 3, 2009. The resolution now must be ratified by a vote of the electorate before the powers granted under the Act may be used.

The City of New Haven has authorized the use of the City and Town Development Act every five years since the original passage of the Act by the Connecticut General Assembly in 1975. The enabling statute has a sunset clause which requires reauthorization every five years. The most recent authorization has expired and requires renewal.

The City and Town Development Act is a tool that assists municipalities in reducing unemployment, alleviating blight, and updating and upgrading the commercial, industrial and housing stock.

As required under the Act, the Board of Aldermen made legislative findings prior to passage of the resolution that demonstrate an unreasonable level of unemployment; inadequate housing; blight and deterioration of the commercial, industrial and housing stock; and that the ordinary operation of private enterprise is not presently conducive to alleviating these needs.

The Act grants certain powers to a municipality upon adoption and ratification. In particular, a municipality is authorized to acquire, construct, rehabilitate, improve and equip development property; to hold, manage, operate and dispose of development property; to issue special obligation bonds or notes for revitalization projects and programs; and to make loans and provide other forms of assistance to “sponsors.”

Bonds issued under the authority of the Act are special obligation bonds of the City and only repayable from the revenue generated by a development project. The bonds are not considered part of the City’s indebtedness nor is it counted in the City’s credit rating.

Any project proposing to use the powers granted under the City & Town Development Act would require approval by the Board of Aldermen of the City of New Haven.

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