OFFICE OF FISCAL ANALYSIS

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sHB-7153

AN ACT CONCERNING THE ESTABLISHMENT OF THE PORT EASTSIDE INFRASTRUCTURE IMPROVEMENT DISTRICT IN THE TOWN OF EAST HARTFORD.

As Amended by House "A" (LCO 8878)

House Calendar No.: 388

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
East Hartford	Cost	15,000-20,000	None
Bridgeport	Cost	25,000	None
East Hartford; Bridgeport	Potential	See Below	See Below
	Cost		
East Hartford; Bridgeport	Potential	See Below	See Below
	Grand List		
	Increase		
East Hartford; Bridgeport	Potential	See Below	See Below
	Revenue		
	Gain		

Explanation

The bill establishes an infrastructure improvement district (Port Eastside) in the town of East Hartford, as well as an infrastructure improvement district (Park City Landing) in the city of Bridgeport, which results in the following impacts.

If fifteen or more voters petition to establish the districts, the municipalities would each incur

(a) minimal costs (estimated at less than \$1,000) associated with providing written notice of a meeting of the voters residing within the

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districts' limits, as well as holding the meeting; and

(b) potential costs associated with conducting a referendum, if (1) 200 or more voters, or 10% of the total number of voters in the district, whichever is less, petition for a referendum, or (2) the mayor orders a referendum. The cost of holding a referendum in a town of East Hartford's size is estimated to range from \$15,000 - \$20,000, while the cost of holding a referendum in a city of Bridgeport's size is estimated to be \$25,000.

There is a potential cost to the East Hartford and Bridgeport for fees and costs associated with the establishment of an infrastructure improvement district, as it is unclear if the municipalities are responsible for any costs associated with the districts' establishment or if private developers will cover these costs.

To the extent that creation of Port Eastside and Park City Landing lead to property improvements, East Hartford and Bridgeport may experience increases in their grand lists.

The bill results in a potential revenue gain to East Hartford and Bridgeport should the districts contract with the municipalities for public services such as firefighting and town planning, and they receive reimbursement from the districts for those services.

East Hartford and Bridgeport may experience a potential cost from the bill as it permits the municipalities to incur the districts' debts in the event that the districts are terminated. The municipalities must agree in writing to assume any of the districts' outstanding debts.

House "A" struck the underlying bill in its entirety but retained the original fiscal impacts to the town of East Hartford. The amendment also resulted in fiscal impacts to the city of Bridgeport.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.