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CITY OF DANBURY

OFFICE OF THE MAYOR
DANBURY, CONNECTICUT 06810

MARK D. BOUGHTON
MAYOR

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April 29, 2008

Honorable Members of the Common Council
City of Danbury, Connecticut

Re: Charles Ives Center, LLC
Property acquisitions

Dear Council Members:

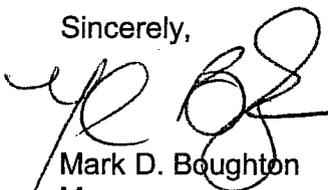
Now that the Charles Ives Authority for the Performing Arts has been established, we may proceed to wind up the affairs of the Charles Ives Center, LLC. As part of that process, the city will acquire two parcels of land owned by the Center and authorize the Authority to use and maintain them. These parcels are presently encumbered by a mortgage from Newtown Savings Bank, which holds two promissory notes from the Center in the total principal amount of \$160,654.72.

After several meetings with representatives of the bank, we have negotiated a tentative payoff of these notes and a release of the mortgage. In exchange for the prompt payment of \$131,000.00, Newtown Savings Bank has graciously agreed to do its part to preserve the original community goals that inspired the creation of the Charles Ives Center and now the Charles Ives Authority, by relinquishing its interest in these parcels and cancel the debt in full, including outstanding interest and penalties owed by the Center, which alone exceed \$20,000.00. Finance Director David St. Hilaire will provide you with a certification of funds.

Once this transaction has been concluded, I intend to make arrangements to place a conservation restriction on the property to insure its protection in perpetuity. Finally, I will be meeting with the new Authority board to structure an agreement between the Authority and the city so that the city is reimbursed, over time, as revenues are generated by the Authority. I would be happy to provide you with more details as they are finalized with representatives of the Authority.

If you have any questions, please feel free to contact me.

Sincerely,



Mark D. Boughton
Mayor