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CITY OF DANBURY

155 DEER HILL AVENUE

DANBURY, CONNECTICUT 06810

COMMON COUNCIL

REPORT

March 1, 2005

Mayor Mark D. Boughton
Members of the Common Council

Re: **Assessment Deferral at 62-69 Kenosia Avenue**

The Common Council Committee appointed to review the request for assessment deferral at 62-29 Kenosia Avenue met on February 8, 2005 and again on February 23, 2005 in the Third Floor Caucus Room in City Hall. In attendance at the February 8th meeting were committee members Cavo, Calandrino and Saadi. Also in attendance were Assistant Corporation Counsel Les Pinter, Director of Finance Dena Diorio, Director of Planning Dennis Elpern, Tax Assessor Colleen Velez, the petitioner David Kaplan and Council Members Nolan and Saracino, ex-officio. In attendance at the February 23rd meeting were committee members Cavo, Calandrino and Saadi, as well as the petitioner, David Kaplan.

The building is on the corner of Backus Avenue and Kenosia Avenue. During a two-year process Mr. Kaplan converted an old warehouse into a mixed-use office building. Ms. Velez said the entire building site is 40,000 square feet. Office space occupies 22,000 square feet and the remaining footage is used for recreation. She has a list of the construction costs but would need more detail to determine where allocations would be made. Mr. Saadi stated that the value of the office space is at issue as opposed to the recreation space.

Mr. Cavo stated that the original request was denied. Mr. Elpern said he thought Mr. Kaplan was including the recreational aspects, but he was not. Mr. Elpern said he does meet the criteria of 18-25. Ms. Diorio said the intent of these deferrals was to encourage people to do projects that would not necessarily be done. The application should have to show what the economic development is. She stated she is not sure that someone who buys a building and renovates it qualifies. This is shifting the burden to the taxpayers.

Mr. Saadi asked Attorney Pinter how many large applications have been reviewed? Attorney Pinter said he has reviewed between six and eight. Mr.

Saadi asked if the applications were received before or during construction? Attorney Pinter said the applications were received prior to construction. One case was a long-standing matter with the understanding that the deferrals would be there. The ordinance does not expressly state that you have to create new employment. The intent is to encourage new construction and new development, not to offset the cost of existing properties.

Mr. Saadi made a motion to continue the meeting at the call of the chair to gather new information. Seconded by Mr. Calandrino. Motion carried unanimously.

At the February 23, 2005 meeting, Mr. Saadi said his main concern was the intent of the ordinance. First, the preamble speaks to economic development and the Common Council passed it with the intent to spur new economic development. Section 18-25(d)(4) states, "that such construction or improvements shall be completed by a date fixed in such assessment deferral agreement...in no event shall such extension of time exceed a period of one year."

Mr. Saadi stated that he spoke to Corporation Counsel who confirmed that prior agreements were approved prior to construction of the granted deferral. The one exception was the ice rink, but that was before the implementation of the ordinance.

Mr. Saadi made a motion to deny the application. Seconded by Mr. Calandrino. Mr. Kaplan said he read the ordinance and its intent is very clear. It is to encourage business in Danbury. The deferral would be beneficial to his tenants. Mr. Cavo said that the committee had given this a great deal of thought. We have to follow the intent of the ordinance.

Motion carried unanimously.

Respectfully submitted,

JOSEPH CAVO, Chairman

MICHAEL CALANDRINO

KEVIN BARRY