30

CITY OF DANBURY

155 DEER HILL AVENUE

DANBURY, CONNECTICUT 06810

COMMON COUNCIL

REPORT

June 7, 2005

Mayor Mark D. Boughton
Members of the Common Council

Re: **Tax Assessment Deferral – 14-16 State Street**

The Common Council Committee appointed to review the request for a tax assessment deferral at 14-16 State Street met on May 23, 2005 at 7:30 P.M. in the Third Floor Caucus Room. In attendance were committee members Cavo, Calandrino and Saadi. Also in attendance were Deputy Corporation Counsel Eric Gottschalk, Director of Planning Dennis Elpern, Director of Economic Development James Bellano, Tax Assessor Colleen Burke, the petitioner Brendan Spain and Council Members Basso, Saracino, Teicholz and Urice, ex-officio.

Mr. Elpern reported that the site plan is for twenty-seven one-bedroom apartments and was approved in January 2004. He received the request in February 2004 in the amount of $850,000 for two years. He reviewed it for the four items he is responsible for and found that they applied. There are no delinquent taxes and the petitioner is prepared to enter into a written agreement with the City. The permits were applied for on April 27, 2004 and the Certificates of Occupancy were issued on May 9th and 10th, 2005.

Attorney Gottschalk stated that there is a provision in Section 18-25, subsection (e)(6) stating "properties upon which construction or improvements commenced prior to the adoption of this section, but which have not yet received a certificate of occupancy, may be eligible for the benefits set forth in this section, provided that they meet the requirements of and apply in accordance with the provisions of this section". It was adopted to suggest that there might be some work out there that might be eligible for this. Projects commenced since the adoption of this section would not be eligible because the purpose was to provide an incentive. Projects under way require no incentive. Adoption of this section was in 1997.

Mr. Spain said that as far of the project being under way when the ordinance came out, he was here two years ago for mixed use and Planning

turned him down. They told him to go totally residential. He feels that if BRT is getting a tax break, the same should be given to the little guy who needs it.

Mr. Saadi stated that the petitioner is applying under the blighted property ordinance. He asked when that ordinance was adopted. Attorney Gottschalk said either in February or August of 2004. Mr. Saadi said that the theory is that the ordinance is an incentive opposed to an after the fact tax deferment. He would not be in favor of granting this deferral. Mr. Calandrino agreed.

Mr. Calandrino made a motion to recommend that the request for a tax assessment deferral at 14-16 State Street be denied. Seconded by Mr. Saadi. Motion carried unanimously.

Respectfully submitted,

_____
JOSEPH CAVO, Chairman

_____
MICHAEL CALANDRINO

_____
THOMAS SAADI