



CITY OF DANBURY

155 DEER HILL AVENUE

DANBURY, CONNECTICUT 06810

COMMON COUNCIL

January 10, 2006

Council President Joseph Cavo
155 Deer Hill Avenue
Danbury, CT 06810

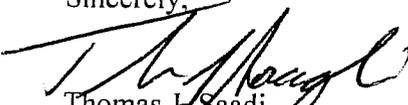
RE: BRT Tax Assessment Deferral - Crosby Street

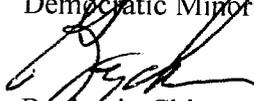
Dear President Cavo:

We are writing to request that Common Council and City of Danbury rescind the tax assessment increase deferral granted at the BRT Crosby Street property. These tax deferrals were granted with the understanding that the developers would use them to build middle income market rate housing for families. Instead the developer intends to turn the 115 unit apartment building into a private dormitory. While we have no objection to additional housing for a growing and successful Western Connecticut State University, we do not believe that a private real-estate developer should be able keep these tax breaks while not keeping its promise to the city.

We thank you for your attention to this matter.

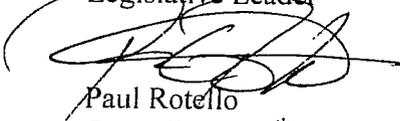
Sincerely,

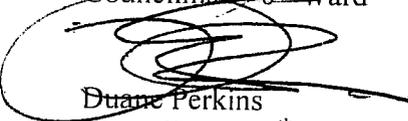

Thomas I. Saadi
Democratic Minority Leader


Benjamin Chianese
Councilman - 6th Ward


Fred Visconti
Councilman - 5th Ward


John Esposito
Legislative Leader


Paul Rotello
Councilman - 6th Ward


Duane Perkins
Councilman - 5th Ward


Lynn Taborsak
Council At Large



January 18, 2007

Council President Joseph Cavo
Common Council
City of Danbury
155 Deer Hill Avenue
Danbury, Connecticut 06810

Dear President Cavo:

I am writing in response to a letter addressed to you dated January 10, 2007 and signed by several members of the Common Council. In the letter, BRT was accused of not keeping its promise to the City of Danbury. That accusation is offensive and warrants a public response.

In 2005, BRT agreed to proceed with the redevelopment of two parcels in downtown Danbury that had become blighted -- 30 Crosby Street and 1 Kennedy Avenue. The empty Danbury Lumber buildings and the empty Amphenol building were sorry reminders of decay in our City's center.

The Agreements to Defer Increase in Tax Assessment between the City of Danbury and BRT companies executed May 11, 2005 were crucial to our ability to finance both projects. Without these tax agreements, neither project could have proceeded. During all communications regarding the tax agreements, the City and BRT discussed a shared vision of market rate housing in downtown Danbury. At that time, the Planning Commission had already approved the apartment site on Crosby Street for 115 units with the following mix: 45 studio apartments, 46 one bedroom apartments, and 24 two bedroom apartments. Given the weighting towards smaller units, the building was never designed to address the needs of families. Since then, BRT has been building that apartment building with the same unit mix as originally approved and has named the project Brookview Commons.

In late 2006, I was contacted by the leadership at Western Connecticut State University and was told of their housing crisis. Not only did the University have a long waiting list for students requiring housing, they had no ability to renovate residential halls (even for which they had funding) simply because they could not afford to take any rooms offline during the school year. I also learned that it takes the State of Connecticut roughly three years to build a new residential hall and that no such project was even in the initial stages for WestConn. Therefore, there was no way WestConn's leadership could keep their housing shortage from immediately inhibiting the University's growth.

Upon learning of these issues, we began analyzing how BRT could help with their situation. I had always believed that because Brookview Commons is comprised of mostly studio and one bedroom apartments, University students would naturally be interested in living there. However, we had never analyzed marketing the apartment building exclusively to WestConn's students. After much consideration, BRT has offered to do so. We will furnish the apartments and lease them directly to students at market rates. The product remains an apartment building and will comply with all City of Danbury zoning regulations for an apartment building.

We believe that the benefit of having students live downtown is multidimensional.

- Students have an energy that is critical for any vibrant community.
- The University shuttle will stop at Brookview Commons as part of its normal route that connects both of WestConn's campuses. Functionally, this will not only alleviate some traffic congestion from the site, but also will provide the entire WestConn community easier access to downtown.
- Upperclassmen will be the most logical tenants as this building offers an upward progression from what the University offers for apartment living. In the earlier years at WestConn, younger students receive more support from the University in the form of meal plans and student life services. As a means of better transitioning from academia to the real world, students will live more independently in our apartments. With amenities such as hardwood floors, maple cabinets, and other higher-end finishes, our apartments provide a qualitatively enhanced living environment to what is currently offered on campus to WestConn students. Our apartments will be more expensive to rent than anything the University currently offers.
- Students living at Brookview Commons will be visited by their parents who will also utilize the Dining and Entertainment District when in town.
- WestConn students will walk around (and spend money) downtown. The City improvements slated for the streetscape along White Street between downtown and WestConn's midtown campus will further promote pedestrian traffic.

On the whole, the "network effect" of a greater connection between WestConn and downtown Danbury will be more positive for the urban renewal of Danbury than a more broadly marketed apartment building could have ever been. Any claim that renting Brookview Commons to students in the manner described constitutes breaking a promise to the City is untrue.

As you are aware, the Brookview Commons apartment building is but the first phase of BRT's urban renewal efforts downtown. We will start construction at Kennedy Place this year and will continue to invest in the future of our city. In contrast to Brookview Commons, Kennedy Place has been designed to provide opportunities for young families

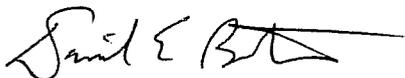
utilizing enhanced amenities and larger units. In short, the proposed use for Brookview Commons is perfectly consistent with the original concept.

We are at a critical point in our renewal efforts. As each residential building comes out of the ground, the improvements become more real to the outside world. With that, the potential for additional investment by others increases. It is critical that Danbury not be perceived as unfriendly to others who may look to invest downtown. If, in the review of a potential investment, an investor perceives that the City government is divided, an unnecessary obstacle is placed in our path. For example, one who reads the front page article published in the January 13, 2007 News Times sees clearly that members of the Common Council are lobbying to rescind agreements (based on speculation and rumors) before BRT has even announced plans for the building. This type of knee-jerk reaction sends a troubling and unwelcoming message to investors. We should be sending a message that investors are welcome downtown.

Our urban renewal efforts must transcend politics for them to be successful. The City of Danbury's Common Council has been very fair and nonpartisan when reviewing proposals involving downtown. I rest assured that this will continue as we work together to rebuild in downtown Danbury. Beyond that, I request that the Common Council send a message to the business community that more redevelopment is needed, desired and welcome in the City's downtown.

As always, I welcome the opportunity to address any concern that any Common Council member may have and am available to attend any Common Council meetings, if requested.

Yours truly,



Daniel E. Bertram