



September 19, 2012

Mayor John DeStefano Jr.
New Haven City Hall
165 Church Street
New Haven, CT 06510

Dear Mayor DeStefano,

The Town Green Special Services District (the "District"), Downtown New Haven's business improvement district, represents over 400 property owners who fund the District through a voluntary additional assessment on their real property tax.

The primary purpose of the District is to "Improve ownership values by making Downtown New Haven an internationally competitive urban environment in which to live, work, learn and play." The Town Green District pursues this purpose in four key areas: placemaking & user experience, communications & retail promotions, economic prosperity, and advocacy.

The District is not taking sides in the 360 State Street/MEPT tax issue which came before the Board of Aldermen. However, that tax assessment dispute highlights an issue that can affect all property owners and will affect all potential new construction.

As part of our on-going pro-business advocacy efforts to increase the economic prosperity of New Haven in general and the District in particular, we advocate for the operation and maintenance of a stable tax environment within the downtown to further encourage development crucial to the continued health of our entire city. We know there are many variables in the development industry that factor into investment decisions, such as the uncertain approval process, additional requirements imposed on major developments, regulatory barriers, zoning variances and political approvals. Another identified variable is the current tax assessment process for new buildings. This is a point of uncertainty that we as a community must remedy to increase our competitiveness against other towns and cities.

The District encourages the City and the Board of Aldermen to work with the business community to develop and implement a tax assessment process that more accurately reflects what the tax burden will be for proposed new buildings. When deciding whether to invest in the New Haven community, predictability of taxes will help to spur further development and uncertainty will stifle development.

Striving toward a business friendly Downtown with a stable tax assessment process is of vital importance to all of New Haven because over 24% of the City's real property tax revenue is generated within the Town Green District (according to 2010 Grand List). In order to shield residential properties in all neighborhoods from further tax increases, it is important to continue to encourage new developments in downtown, the core of the city.

Sincerely,

Winfield S. Davis
Executive Director

Cc: Board of Aldermen, City of New Haven
Kelly Murphy, Economic Development Administrator, City of New Haven
Alex Pullen, Acting City Assessor, City of New Haven