

NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

RE: TOWN GREEN SPECIAL SERVICES DISTRICT, FY 2011-2012 budget and imposing a levy as municipal tax levy (Town Green Special Services District).
REPORT: 1450-12
ADVICE: Approval

BACKGROUND

On behalf of the Board of Commissioners of the Town Green Special Services District (SSD), Executive Director Rena Masten Leddy requests Aldermanic approval for the imposition of a tax levy on the taxable properties within the SSD for the fiscal year 2011/2012 budget. The proposed tax levy is 1.85 mills covering the period between July 1, 2011 and June 30, 2012 as approved by the Town Green's Board of Commissioners on March 8, 2011.

This SSD, authorized in 1996 in accord with State Statute, allows approximately 300 downtown property owners including the City, Yale University and AT&T, to tax themselves above and beyond what they pay to the City in property taxes. The Board of Commissioners of the District is responsible for recommending to the Board of Aldermen the imposition of a levy on properties within the district based upon a budget approved by a majority of the Board every year. This year the Board voted to recommend decreasing the mil rate levy from 1.96 to **1.85** for the proposed fiscal year. The District has been successful in reducing administrative costs through attrition and consolidation as well as contracting out the safety ambassador services and cleaning services.

The Town Green FY 11/12 Annual Operating Budget shows a deficit of \$61,394. This shortfall would be covered by reserve funds so as not to raise the mil rate. It is the hope of the Board to continue to act conservatively in the future without tapping into the remainder of the reserve fund which will become more and more important in the next couple of years when an increase in slow and non-paying property owners is expected. Higher vacancy rates, possible foreclosures, and a decrease in the value of commercial property are also anticipated in the forth coming years. All of this would impact Town Green's revenue. However, along with these revenue challenges, an increase in the need for cleaning, maintenance, and security related services is also anticipated.

PLANNING CONSIDERATIONS

Town Green SSD provides services to create a clean, safe, and attractive environment, laying the foundation for investment in the downtown area and protecting the significant investment that has already been made in downtown. That investment includes attracting new commercial businesses, restaurants, retailers, and creating more downtown residential opportunities. A vibrant downtown leads to more jobs, increases in property values, and increases tax revenues, ultimately improving the quality of life for New Haven residents.

In the past year services with the District have included maintenance and beautification of public sites; removal of snow from crosswalks; supplemental cleaning and ambassador services at all city-wide events in the downtown such as parades, the International Festival, and concerts on the Green; general clean up and graffiti removal, removal of trash from downtown trash receptacles; and operating the INFO Visitor's Center at Chapel and College. The Commission endorses the concept of a Special Services District in neighborhoods with a commercial core. It believes that such districts can effectively promote economic development and neighborhood interests, and that sufficient safeguards exist so that neither the City nor the District assumes undue risks or burdens.

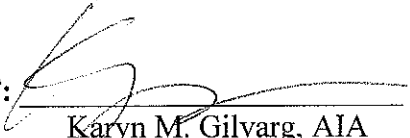
The City holds representation in the Town Green SSD as a Class D member, and contributes at least \$100,000 per Ordinance requirements as a payment in lieu of taxes (PILOT). The submission points

out that if the City's properties were assessed for the additional services the District provides using the Town Green's mil rate, the City's contribution would be \$330,000, more than twice the \$140,000 PILOT amount this year.

ADVICE

The Commission supports the tax levy proposal for the Town Green SSD for the fiscal year 2011-2012 and recommends that the Board of Aldermen adopt the proposed levy and budget to allow the goals of the District to be continued.

ADOPTED: April 20, 2011
Edward Mattison
Chair

ATTEST: 
Karyn M. Gilvarg, AIA
Executive Director