

NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

RE: ORDINANCE AMENDMENT TO THE NEW HAVEN CODE OF ORDINANCES DESIGNATING THE SCIENCE PARK MUNICIPAL DEVELOPMENT AREA, THE DOWNTOWN MUNICIPAL DEVELOPMENT AREA, THE RIVER STREET MUNICIPAL DEVELOPMENT AREA AND VARIOUS ADJACENT BLOCKS AS ENTERTAINMENT DISTRICTS (Economic Development Corporation and Office of Economic Development).

REPORT: 1439-10

ADVICE: Approval

BACKGROUND

The Economic Development Corporation (EDC) and the City's Office of Economic Development have been working together over the past several months to secure the relocation of two video production companies and a third related firm from California to New Haven.

Working closely with the State Department of Economic and Community Development and Science Park Development Corporation, negotiation of the deal to move a video game designer and animated film producer to the City is near completion. The business development entity, which has nurtured these companies from start-up, also plans to move to New Haven. These companies will execute leases and hire full-time employees for their New Haven offices, adding to the City's growing hub of innovative digital and computer based companies in industries such as graphic design, software development, and programming and new media.

In order to make the move viable, it will be necessary to employ every cost-saving program available to these companies in the city and state. Although film industry businesses are not eligible for Enterprise Zone property tax benefits, they would be eligible for those benefits in an Entertainment District.

A municipality such as New Haven that has an Enterprise Zone can designate an Entertainment District within the City, according to Section 32-76 of the Connecticut General Statutes. On January 24, 1983, as amended on June 6, 1983, the Board of Aldermen of the City of New Haven designated census tracts 1415 and 1416 as a State Enterprise Zone under Section 32-70 of the Connecticut General Statutes; and on October 16, 2000, the Board of Aldermen of the City of New Haven additionally designated census tracts 1402, 1403, 1405, 1406, 1407, 1421 and 1423 as a State Enterprise Zone. All of these census tracts are within the proposed areas for inclusion into the Entertainment District.

PLANNING CONSIDERATIONS

According to Section 32-76 of the Connecticut General Statutes, a municipality with a designated Enterprise Zone is defined as a Targeted Investment Community. By statute, a municipality may have only one Enterprise Zone. However, a Targeted Investment Community may, if certain conditions are met, designate other areas within the municipality as having the equivalent of Enterprise Zone level benefits, including the benefits of an Entertainment District.

Once an Entertainment District is designated, projects eligible for Enterprise Zone level benefits would include, but are not limited to, facilities producing live or recorded multimedia products, and any such support business necessary to sustain such operations. In the event that an eligible entertainment related project takes place within the municipality, the firm may be eligible for a tax abatement of up to 80% of real and personal property taxes for five (5) years. The State of

Connecticut reimburses the municipality for one-half or 40% of the abatement. The municipality also had the option of providing a 100% property tax abatement for the eligible project for up to seven years. The firm is also eligible for tax credits against the Connecticut corporate income tax. The State of Connecticut Department of Economic and Community Development must certify any firm seeking to obtain benefits. Entertainment related to gambling or gaming facilities, or facilities whose primary source of revenue is the sale of alcoholic beverages are specifically excluded per statute. Also, such operations as video arcades and theme parks do not fall within the range of definitions provided in statute. Currently Entertainment Districts have been designated in Bridgeport, New Britain, Stamford, and Windham.

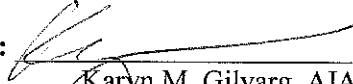
The Commission notes that uses within an Entertainment District are subject to the provisions of the New Haven Zoning Ordinance and other applicable City ordinances.

ADVICE

The Commission recommends that the Board of Aldermen approve the designation of an Entertainment District within and around the existing Municipal Development Plan areas, with the understanding that uses within an Entertainment District are subject to the provisions of City ordinances including the New Haven Zoning Ordinance.

ADOPTED: April 21, 2010
Edward Mattison
Chair

ATTEST:


Karyn M. Gilvarg, AIA
Executive Director