

**FISCAL IMPACT STATEMENT
TO BE FILED WITH SUBMISSION OF ITEM TO BOARD OF ALDERS**

DATE: August 28, 2019

FROM: Michael Piscitelli, Acting Economic Development Administrator

SUBMISSION ITEM:

RESOLUTION OF THE BOARD OF ALDERS DESIGNATING THE CITY OF NEW HAVEN AS A REHABILITATION AREA AND RENEWING AND AMENDING CRITERIA FOR THE ELIGIBILITY OF REAL PROPERTY FOR ASSESSMENT DEFERRAL AND ADMINISTRATIVE PROCEDURES

I. List Cost:

	<u>General</u>	<u>Special</u>	<u>Capital/Bond</u>	<u>Line Item Dept/Act/Obj. Code</u>
A. Personnel				
1. Initial start-up	0	0	0	0
2. One-time	0	0	0	0
B. Non-Personnel				
1. Initial start-up	0	0	0	0
2. One-time	0	0	0	0
3. Annual	0	0	0	0

II. List Revenues: Will this item result in any revenues for the City? Please list amount and type.

1. One-time	0	0	0	0
2. Annual:	0	0	0	0

Other Comments:

The City-Wide Assessment Deferral Program will inevitably have a fiscal impact when the program is utilized, but it is impossible to quantify in the absence of information regarding any specific project(s).

Please note, however, that the Program never reduces existing taxes or the value of the Grand List. Rather, it defers and phases in additional taxes attributable to the value of improvements made to properties through development or rehabilitation, and has the overall effect of encouraging development that creates net new revenue. For example, the following table shows the overall positive impact on City revenue for the period 1/1/15-12/31/19:

Pre-Rehabilitation Taxes	\$ 1,534,969
Post-Rehabilitation Taxes	\$ 8,192,768
Tax Base Expansion	(+) \$ 6,657,799