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CITY OF DANBURY

155 DEER HILL AVENUE

DANBURY, CONNECTICUT 06810

COMMON COUNCIL

REPORT

July 7, 2004

Mayor Mark D. Boughton
Members of the Common Council

Re: **Application for Deferral of Assessment Increases for Personal Property**
Boehringer Ingelheim

The Common Council Committee appointed to review the application for deferral of assessment increases for personal property for Boehringer Ingelheim met on June 22, 2004 at 7:00 P.M. In attendance were committee members Basso, Nagarsheth and Saadi. Also in attendance were Director of Finance Dena Diorio, Tax Assessor Colleen Velez, Deputy Corporation Counsel Eric Gottschalk, Director of Planning Dennis Elpern, Executive Director of Site Services for Boehringer Ingelheim John Hardiman, Associate General Counsel for Boehringer Ingelheim Bruce Banks and Council Members Cavo, Urice and McMahon, ex-officio.

Ms. Diorio stated that the assessed value is \$85,493,000 including the Union Carbide property. The deferral on personal property is for equipment not subject to the state's exemption program. The amount under consideration is \$30,520,000 and we would receive money back from a state pilot program. Personal property would be put in place in 2008 and will run until 2015.

Mr. Saadi asked if all of the \$30,520,000 exemption is attributable to new construction at the facility and if there is new construction and renovations happening. Ms. Diorio said yes to both questions. Mr. Saadi asked how much personal property is going to be located in new construction, renovated property or existing structures not being renovated? Ms. Diorio said \$3,900,000 would be in the lab. Other renovations will be \$15,600,000 and machinery and software at approximately \$6,000,000. Mr. Saadi said we want to make sure we do not establish a precedent of deferring assessments for personal property. This is to encourage new personal property on new construction.

Mr. Nagarsheth made a motion to recommend approval of the application for deferral of assessment increases for personal property for Boehringer Ingelheim. Seconded by Mr. Saadi. Motion carried unanimously.

Respectfully submitted,

PAULINE BASSO, Chairman

SHAY NAGARSHETH

THOMAS SAADI