

Area News

Board approves \$1.3M for Old Town Hall

By Stephen P. Clark
Staff Writer

STAMFORD — In their first meeting since taking an ax to Mayor Daniel Malloy's proposed budget, finance board members Thursday voted on only a few requests but engaged in a spirited debate over the Old Town Hall restoration and Antares' South End redevelopment plan.

The Board of Finance unanimously approved a \$1.3 million additional capital appropriation that would bring Old Town Hall, the 100-year-old Beaux Arts-style building at Atlantic, Main and Bank streets that has been vacant or about 20 years, up to snuff by next year. That's when National Realty and Development Corp., a real estate development and retail company that owns

Affordable housing questioned in Antares' project

the Lord & Taylor and Linens & Things chains, plans to move 80 employees into the building under a lease agreement.

The city has cleaned the exterior and rebuilt the front plaza, but major interior work still is needed, including a planned addition with an elevator. The city has raised \$12 million of the \$16 million renovation project through state grants and historic tax credits. The Board of Finance approved another \$2.7 million in Malloy's capital budget for next fiscal year last week. But the \$1.3 million request was mistakenly omitted, city officials said.

The city needs the additional \$1.3

million to help substitute for \$4 million in new market tax credits that have not, and may not, materialize. The Treasury Department, which awards tax credits to economic development agencies that sell them for cash, did not provide credits for Old Town Hall during the last round of allocations in October.

An agency headed by current and former city officials now owns the building, and it plans to repay the loan using rental income. National Realty and Development has agreed to pay \$400,000 annually for the first decade.

The agency won't need the \$4 million in capital funds if the tax credits are

awarded. But the funding commitment must be in place to keep the project on track, officials say.

Democratic board member John Louizos questioned what project would better qualify for the tax credits than Old Town Hall. Director of Operations Ben Barnes replied that the project qualified, but added that the Treasury Department has been focusing on redevelopment projects in areas damaged by Hurricane Katrina.

But Barnes added that the city also is seeking to expand the amount of historic tax credits.

Republican board member Joseph

Tarzia asked if he should be concerned about a quid pro quo scenario because National Realty is trying to get a project approved that would expand Lord & Taylor in the Bulls Head section of Stamford.

City officials dismissed the notion saying National Realty's expansion plan has been thwarted so far.

Though the Board of Finance did not vote on Antares' South End redevelopment plan, also known as Harbor Point Antares executives pitched their project for review. The Board of Representatives is to vote in June on the city's plan to create a special tax district Antares has proposed to pay for infrastructure for the project. The district would issue as much as \$145 million in revenue

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bonds and share the revenue generated by the property taxes with the city. Antares executives said the project would generate about \$44 million per year in property taxes; \$31 million in fees to the city; and create nearly 16,000 construction jobs and more than 4,000 permanent jobs.

Tarzia cited a recent report in *The Advocate* that Stamford had the most expensive rent among metropolitan areas. He wanted to know whether those new jobs would pay living wages so average citizens could afford to live in the city.

"It's going to be expensive. There's no getting around it," Barnes said. "But this is going to be the largest expansion of affordable housing in 30 years."

Of the 4,000 residential units, 400 would be affordable.

Tarzia said he believed the project would make Stamford unaffordable by raising the housing market rate. Board of Finance Chairman Michael Pollard said market prices can't be controlled.

"Things are going to happen," Tarzia said, "but unfortunately it's going to be the haves and have-nots living in this town and nothing in between. We're promoting that kind of policy, unintentionally."

Barnes said a financial analysis showed that the project would help lower property taxes.

By the end of the discussion, all the board members, including Tarzia, expressed support for the project.

In other business, the Board of Finance unanimously approved a lease agreement that would allow Saturn of White Plains, N.Y., to store vehicles at the Bedford Street and Bell Street garages for three years at \$4,800 per month. Saturn will use Bell Street, as it has been doing for 13 years, until June 30. Then it only will use the Bedford Street garage until Oct. 31, 2010.