

## EDA Open Town Letter— February 2011

Greetings,

We are your Town of Canton Economic Development Agency (EDA). Last month we wrote to you about choices. In these times of recession, and a persistent weak economy, our town, like every other town, has some very tough choices facing us about future town growth. As noted last month, our town will soon be facing substantial expense increases for teachers, public safety and municipal workers pay, and other overhead cost increases and much needed deferred road maintenance. As the State of Connecticut is in the midst of its own huge budget crisis, we can expect little help from state aid. That leaves us with two basic alternatives to pay for the critical town services that make Canton the town that we love: higher property taxes or substantial increases in our commercial and industrial tax base to minimize residential property tax increases. It is our very strong opinion that commercial development can be done in an environmentally and aesthetically responsible manner, and that the resultant commercial real estate tax revenues can be used to pay for those services that are critical to preserving our small town way of life.

During recent years, our land use committees have taken it as their mission to be strict guardians of our small town ambiance and configuration. They seem to believe that our small town way of life and commercial development are diametrically opposed. In this regard, there has been very little commercial development, as projects like Lowe's, Target, and the Route 44 car wash were either rejected or delayed until they went away. Other than the Shoppes at Farmington Valley which was built in 2003, there has been very little substantial commercial development in our town. Fortunately, during these years our state and local economy has been good so we have enjoyed good state support to supplement our tax collections. As a result, we have faced modest, yet steady residential property tax increases.

Now, without the expectation of strong state support, we will be primarily dependent on our own tax base to generate sufficient revenue. With residential property taxes making up over 85% of our total taxes, we will be heavily depended upon residential tax increases to cover substantial increases in town costs.

We have several major commercial real estate projects presently under consideration in our town. Were these projects to come to completion, they would provide very significant real estate and personal property taxes to the town that could go a long way toward paying some of our bills for many years to come. The new commercial proposal for the development of the corner of Route 44 and Lawton Road by Konover development is an excellent case in point. This project would generate more than \$4.3 million in tax revenues over the next 15 years! Also, the new proposed Collinsville Axe Factory project would have even greater tax impact. As we at EDA realize, we need to make the most of our very limited available commercial land parcels. If we cannot welcome new commercial development on Route 44—our first and best choice for commercial development—where can we expect our residents to support such growth!!

EDA is all about advocacy, collaboration and compromise to best achieve responsible and appropriate development for the betterment of our town.

For these projects, or others like them, to be completed, it will require strong public support. For without strong public support, these projects will get bogged down in our various land use committees who are perceived by many to believe that commercial development and preservation of open spaces and small town feel are incompatible objectives. We at the EDA strongly believe just the opposite! You see, we feel strongly that the additional substantial tax revenues that would be generated from commercial projects can go a long way toward paying for the services that are so critical to maintaining our way of life. We believe that new commercial projects such as Konover and the Axe Factory can be done in an environmentally and aesthetically responsible manner, and that they are critical to the management of reasonable residential tax growth. There is little doubt that projects like these will have a ripple effect on open space, traffic, and other factors impacting on our small town way of life. But, we believe that these realities can be reasonably and carefully managed in a positive way. Further, if we do not generate steady commercial development we worry that we could become a very expensive place to live, and risk losing a portion of our middle class residents who are vital to making our town rich in very important ways.

If you share our views, and you are supportive of responsible commercial development, please step up and be heard. Write to your selectmen, and town land use commissioners, and attend public hearings to let your views be known. Without your active support, we will see little commercial property development and most likely, substantial residential real estate tax increases in the next few years. Now is the time to make your voice heard.

We thank you in advance for your consideration and support.