



Town of Wallingford, Connecticut

A PROGRAM ESTABLISHING A REAL PROPERTY TAX INCENTIVE FOR THE INCENTIVE HOUSING ZONE

Section 1. Purpose.

To establish a real property tax incentive program in accordance with Section 12-65b of the Connecticut General Statutes for the Town of Wallingford in order to foster the restoration, rehabilitation, redevelopment and economic vitality of Downtown Wallingford within the Incentive Housing Zone (IHZ), through the temporary fixing of real property assessments (land and building). Upon approval of this Program by the Town Council, the Mayor is authorized to enter into Agreements with qualified applicants.

Section 2. Program.

- (a) 1. The new Incentive Housing Zone investment must be at least \$1 million;
2. The applicant's project obtains the approval of the Planning & Zoning Commission as an IHZ project;
3. The applicant(s) is current in the payment of any taxes, water-sewer charges and other obligations due to the Town of Wallingford and shall remain current as a condition of the Agreement. For purposes of this subsection, "Applicant" includes any affiliated entities and/or unaffiliated entities in which the Applicant is a principal, officer or holds any ownership interest.
4. The applicant must demonstrate/substantiate financial ability to complete the project, to the satisfaction of the Town;
- (b) The period of benefit commences with the next Grand List following the receipt of all necessary approvals from all applicable Town agencies and the execution of the agreement. Any agreement entered into pursuant to this program may be assigned or transferred only to an entity that will complete the project as approved, upon proof of financial ability to complete the project to the Town's satisfaction.
- (c) Project must be completed within two years of the commencement of the benefit. Completion is defined as:
 1. Certificates of Occupancy issued for all residential units; and
 2. First floor commercial/retail space has been built at "vanilla box" status (i.e., ready for custom build-out)

(d) The Town may terminate the Agreement if conditions of the program are not met, and may require full repayment of any and all abated taxes.

(e) Schedule for benefits:

1. 100% tax abatement in years one and two;
2. 75% tax abatement on assessed property value in year three (to assist while owner is actively seeking and securing tenants);
3. 75% tax abatement on assessed property value in year four provided all units have active leases in place covering at least the first three quarters of the applicable tax year (incentive is to have and keep all units leased but recognize that some turnover in tenancy may occur); and
4. 50% tax abatement on assessed property value in year five provided all units have active leases in place covering at least the first three quarters of the applicable tax year (incentive is to have and keep all units leased but recognize that some turnover in tenancy may occur).

Section 3. Terms.

This incentive program is available for the Grand List of October 2023 through and including the Grand List of October 2025.

Note: The Assessor's Grand List is due for completion by January 31 of each year. Administrative and Town Council action is required on any Real Property Tax Incentive Agreement. Completion of the Agreement for Town Council action is desirable by November 15.



Town of Wallingford, Connecticut

**Incentive Housing Zone
Real Property Tax Incentive Program Application**

Please be advised that the completion of this Application does not constitute a formal approval for a Real Property Tax Incentive. In accordance with Section 12-65b of the General Statutes, the Town of Wallingford may enter into a written agreement to provide for the temporary fixing of real property assessments with qualified applicants. Further, additional information may be required by the Town prior to approval.

Name: _____

Title: _____

Company: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Company Wholly Owned: Yes _____ No _____ or a Subsidiary: Yes _____ No _____

Name of Parent Company (if applicable): _____

Address: _____

Name of Entity/Principal(s) who will Own the Building: _____

Address: _____

Name of Entity/Principal(s) who will Own the Land: _____

Address: _____

Attach a separate sheet with names and addresses of any affiliated/unaffiliated entities in which the Applicant is a principal, officer or holds any ownership interest.

Project Description including Square Footage of Building; Estimated Date of Completion; Number of Residential Units; Description of Commercial Space (include a copy of the approved zoning plans): _____

Complies with IHZ? Yes_____ / No_____

Cost of Real Estate Improvements:_____

Please attach a Certification of Costs from a
Licensed Architect, General Contractor or
Certified Public Accountant

The undersigned affirms under penalty of false
statement that the information provided herein is
true and accurate.

Date

Signature of Company Representative

Title

Return Application to: Economic Development Commission
45 South Main Street
Wallingford, CT 06492
Telephone: 203-294-2062
Email: edc@wallingfordct.gov



Town of Wallingford, Connecticut

**REAL PROPERTY TAX
INCENTIVE AGREEMENT
FOR INCENTIVE HOUSING ZONE**

The Town of Wallingford and _____ (Owner) hereby agree to the terms and conditions set forth herein:

1. _____'s application for this program is attached hereto and incorporated herein as a part of this Agreement. All representations made in the application shall remain true and accurate as a condition of this Agreement.
2. _____ shall remain current in the payment of any taxes, water-sewer charges or other obligations owed to the Town of Wallingford throughout the term of this Agreement.
3. Based upon the representations made by _____ and the submittal of requested documentation of all Program requirements, the Town agrees to provide _____ with the following benefit:

Beginning with the Grand List year of _____:

- a) Years One and Two: 100% tax abatement;
 - b) Year Three: 75% tax abatement;
 - c) Year Four: 75% tax abatement provided all units are leased for at least the first three quarters of the applicable tax year;
 - d) Year Five: 50% tax abatement provided all units are leased for at least the first three quarters of the applicable tax year.
4. _____ must provide proof of the leasing requirements in Paragraph 4 no later than _____ of the fourth and fifth year.
 5. This Agreement shall not be assigned, transferred or sold without the Town's consent. If it is, the Agreement shall terminate as of the date of such action, and the Town may require the repayment of all abated taxes.

6. A breach of this Agreement shall result in the termination of this Agreement and the Town may require the repayment of all abated taxes.

7. The Town may require information demonstrating compliance with the Program requirements throughout this Agreement.

Owner

Date: _____

Town of Wallingford

Date: _____