

Town of Wallingford
Economic Development Commission
45 South Main Street, Room 311
Wallingford, CT 06492

RETENTION/INCENTIVE COMMITTEE
Economic Development Commission

SPECIAL Meeting Agenda
Friday, August 25, 2023 @ 11:00 a.m.

HUBCAP Wallingford
128 Center Street
Wallingford, CT 06492

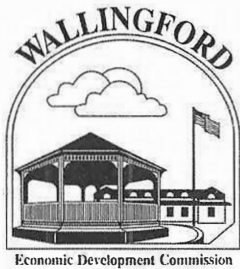
1. Discussion on Retention/Incentive Committee special meeting minutes of June 2, 2023. *(attached)*
2. Discussion: Incentive Programs *(drafts attached)*
3. Discussion: Broker Breakfast
4. Next meeting:

c: Town Clerk (for posting)
EDC Staff

ec: Patty Powers
Gary Fappiano
Tim Ryan
Joe Mirra

Jessica Wysocki, Bill Comerford
NH Reg., Htfd. Courant, R-J
GovMedia
Website

EDCRICSMAg082523



Town of Wallingford
Economic Development Commission
45 South Main Street, Room 311
Wallingford, CT 06492

RETENTION/INCENTIVE COMMITTEE
Economic Development Commission
Special Meeting Minutes
Friday, June 2, 2023

The Retention & Incentive Committee special meeting was called to order at 9:14 a.m. by Chair Powers. Committee members Fappiano, Ryan, and Powers were in attendance, along with staff Mirra and Crouch.

1. **Review and Discuss: Tax Incentive Programs** – The Committee agreed to review and discuss each incentive program individually.
 - Downtown Economic Development Rider – Electric Discount Program for Town Center businesses. This program is available to new businesses within the Town Center (map is outlined on the application). Currently the application period is based on one (1) year and the discount rates are based on a five (5) year discount period. Committee and staff will look into possibly increasing the application period to five (5) years to match the discount period. Program application process was reviewed. Don Crouch and Joe Mirra will reach out to Electric Division staff to get some questions clarified (i.e. how many businesses are currently enrolled in the program, how many businesses have been removed from the program for missed payments, etc...to see how successful this program is). Discussion will continue at the next meeting.
 - Water and Sewer Divisions Town Center/Reduced Units of Connection – Seeing that the application period for the program ends June 30, 2024 the committee decided to discuss this program next year.
 - Incentive Housing Zone (IHZ) Real Property & Personal Property Tax Incentives – the committee had a thorough discussion regarding the clarification of what is considered a \$1MM investment, and what qualifies as an IHZ project that would be considered and/or approved by the Planning and Zoning Commission. There was a discussion on the process an applicant would go through to apply for this incentive. Staff will continue to gather information regarding the process and qualifications. Discussion will continue at the next meeting.
 - Office Space Real Property & Personal Property Tax Incentives – This incentive could be used for redevelopment of certain office spaces depending on if the property could be easily converted. One example of space that was easily converted due to the floor plan, would be the Radial building. On the other hand, property like Edible Arrangements building would not be easy to convert, due to its complicated floor plan. The committee will gather information and sit with local brokers to see what the needs are in the area and what they are hearing from businesses looking for space.

- Manufacturing Real Property & Personal Property Tax Incentives – Real property for manufacturers is minimal due to manufacturing equipment being tax exempt. (mainly the building, racks, shelving, and office equipment/furniture are taxed) Staff can work with Assessors department to gather more information that is needed.
- Overall the Tax Incentive Programs may need a few minor changes that will be reviewed by the committee and discussed with the proper town departments (i.e. Planning and Zoning, Assessors, Law and the Mayor) and then go to Town Council for approval and renewal. Staff will create an informational sheet with bulleted talking points, introduction of the programs and their processes. All Incentive Programs are subject to Mayor and Town Council Approval.

2. **Next meeting** - none scheduled

By unanimous vote, the meeting adjourned at 10:14 a.m.

c: Town Clerk, Staff
ec: Website

EDCRICSMMins060223

smh



Town of Wallingford, Connecticut

A PROGRAM ESTABLISHING A PERSONAL PROPERTY TAX INCENTIVE FOR MANUFACTURERS

Section 1. Purpose

The purpose is to establish an incentive program for the Town of Wallingford, in order to attract and retain manufacturing companies to locate or expand in Wallingford through the temporary fixing of personal property assessments in such facilities in accordance with the Connecticut General Statutes 12-65h.

Section 2. Program

- (a) The Town of Wallingford, acting by its Mayor, may enter into a written agreement(s), subject to Town Council approval, that shall provide for the temporary fixing of personal property assessments, subject to the requirements as set forth below.
- (b) Any applicant for such benefit shall be eligible to enter into a written agreement with the Town provided it complies and conforms with the following requirements:
 1. The applicant is a manufacturing company and not currently benefiting from any other real or personal property tax incentive program, for the property that is the subject of the application, offered by the Town of Wallingford. Manufacturing is the activity of converting or conditioning tangible personal property by changing the form, composition, quality or character of the property. The Town will utilize the NAIC System as its guide.
 2. The applicant is locating in a vacant industrial property through either purchase, lease or new construction that is approved for such use by the Wallingford Planning & Zoning Commission.
 3. The applicant is current in the payment of any taxes or other obligations due to the Town of Wallingford and shall remain current in order to receive the benefit of this program.
 4. The applicant completes and submits an executed Tax Incentive Program Agreement to the Town of Wallingford Economic Development Commission.
 5. The applicant completes and submits a Declaration of Personal Property to the Town of Wallingford, Assessor's Office, on or before November 1st of each calendar year. An extension to file, not to exceed 45 days, may be granted by the Assessor for good cause if requested in writing and submitted to the Assessor by the November 1st date.

- (c) The period of benefit commences with the first applicable grand list following the execution of the Tax Incentive Program Agreement by the applicant and the Mayor of Wallingford. Any agreement entered into pursuant to this program shall not be subject to assignment, transfer or sale. In the event that any such agreement is assigned, transferred or sold, then and in that event, the agreement shall terminate as of the effective date of said assignment, transfer or sale.
- (d) Schedule:

<u>Amount of Net Increase In Assessed Value Of Personal Property</u>	<u>Time Period</u>	<u>% Reduction In Net Increase</u>
\$25,000 and above	2 years	50%

Net increase is defined as the actual growth or increase in assessed value as calculated by subtracting the prior year's assessment after the allowance for all other qualifying Town of Wallingford grants or exemptions.

Section 3. Term

This incentive program is available for the Grand List of October ~~2020~~2023 to and including the Grand List of October ~~2022~~2025. The program expires on September 30, ~~2023~~2026.

Attachment

- Adopted by Town Council on 9/28/93
- Approved by Town Council for 2 years on 9/23/97
- 6-month Extension by Town Council on 9/28/99
- Approved by Town Council for 2 years on 2/22/00
- Approved by Town Council on 1/14/03
- Amended by Town Council on 11/15/05
- Approved as Amended by Town Council for 3 years on 1/12/10
- Approved by Town Council for 3 years on 12/10/13
- Approved (as Amended) by Town Council for 3 years on 9/12/17
- Approved by Town Council for 3 years on 10/27/20

The undersigned affirms that the information provided herein is true and accurate

Date

Signature of Company Representative

Title

Subscribed and sworn to before me
this _____ day or _____, 20____
State of _____ County of _____

Notary Public
Date Commission Expires: _____

Return Application to: Economic Development Commission
45 South Main Street
Wallingford, CT 06492
Telephone: 203-294-2062

TAX INCENTIVE PROGRAM AGREEMENT

The Town of Wallingford has established a tax incentive program in order to attract and retain manufacturing companies to locate or expand in Wallingford, through the temporary fixing of personal property assessments in such facilities in accordance with the Connecticut General Statutes 12-65h.

The Town Council authorizes the Mayor on behalf of the Town to enter into a written agreement with the owner(s) and/or lessee(s) of certain property located within the Town, which agreements may provide for the temporary fixing of the personal property assessments, subject to the requirements as set forth in this document:

The applicant is a manufacturing company and not currently benefiting from any other real or personal property tax incentive program offered by the Town of Wallingford. Manufacturing is the activity of converting or conditioning tangible personal property by changing the form, composition, quality or character of the property. The Town will utilize the NAIC System as its guide.

The applicant is locating in a vacant industrial property through either purchase, lease or new construction that is approved for such use by the Wallingford Planning & Zoning Commission.

The applicant is current in the payment of any taxes or other obligations due to the Town of Wallingford and shall remain current in order to receive the benefit of this program.

The applicant completes and submits a Declaration of Personal Property to the Town of Wallingford, Assessor's Office, on or before November 1st of each calendar year.

The period of benefit commences with the first applicable grand list following the execution of the Tax Incentive Program Agreement by the applicant and the Mayor of Wallingford. Any agreement entered into pursuant to this program shall not be subject to assignment, transfer or sale. In the event that any such agreement is assigned, transferred or sold, then and in that event, the agreement shall terminate as of the effective date of said assignment, transfer or sale.

Qualifying schedule:

Amount of Net Increase In Assessed Value of Personal Property	Time Period	% Reduction in Net Increase
\$25,000 and above	2 Years	50%

Net Increase is defined as the actual growth or increase in assessed value as calculated by subtracting the prior year's assessment after the allowance for all other qualifying grants or exemptions.

Company Name: _____

Mailing Address: _____

Location in Wallingford: _____

Phone Number: _____ **Fax Number:** _____ **E-mail Address:** _____

Type of Business: _____ **NAICS Code :** _____

Incentive Commencement Date: October 1, 20__

Applicant's Signature and Title

Mayor, Town of Wallingford

Return completed form to: Economic Development Commission, Town of Wallingford,
 45 South Main Street, Room 311, Wallingford, CT 06492.



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 (real property assessment includes land and building).

Section 2. Program

- (a) The Town of Wallingford by affirmative vote of the Wallingford Town Council shall enter into a written agreement that shall provide for the temporary fixing of real property assessments. The applicant is eligible for such benefit provided:
1. The project investment must be at least \$1 million (including land and improvements); and
 2. The applicant's project receives the approval of the Planning & Zoning Commission as an IHZ project;
 3. The applicant(s) is current in the payment of any taxes and other obligations due to the Town of Wallingford and shall remain current in order to receive the benefit of this program. 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;
- (b) The period of benefit commences with the first applicable grand list following the receipt of all necessary approvals from all applicable Town agencies and documentation is presented showing verification of investment threshold. Any agreement entered into pursuant to this program may be assigned or transferred.
- (c) Project must be completed within two years of the commencement of the benefit. Completed is defined as:
1. CO's issued for all residential units; and
 2. First floor commercial/retail space has been approved at "vanilla box" status (i.e., ready for custom build-out)

(d) The Town reserves the right to terminate if conditions of the program are not met, and may require full payback 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.

Purpose: 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.

Purpose: incentive is to have and keep all units leased but recognize that some turnover in tenancy may occur.

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.

Purpose: 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 ~~2020-2023~~ to and including the Grand List of October ~~2022~~2025. The program expires on ~~December 12, 2023~~September 30, 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.

Adopted by Town Council on 12/13/2016
Approved by Town Council for 3 years on 12/8/2020

Town of Wallingford
Incentive Housing Zone
Real Property Tax Incentive Program Questionnaire

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

Name: _____

Title: _____

Company: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Company Attorney: _____

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: _____

Project Description including Square Footage of Building and Estimated Date of Completion: _____

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 that the information provided herein is true and accurate

Date

Signature of Company Representative

Title

Subscribed and sworn to before me
this _____ day or _____, 20____
State of _____ County of _____

Notary Public
Date Commission Expires: _____

Return Application to: **Economic Development Commission**
45 South Main Street, Rm. 311
Wallingford, CT 06492
Email: edc@wallingfordct.gov
Telephone: 203-294-2062



Town of Wallingford, Connecticut

A PROGRAM ESTABLISHING A REAL PROPERTY TAX INCENTIVE FOR MANUFACTURERS

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 attract and retain manufacturing companies to locate or expand in Wallingford through the temporary fixing of real property assessments on property improvements costing at least \$1 million and resulting in an increased assessed valuation of the property of at least \$1 million.

Section 2. Program

- (a) The Town of Wallingford, acting by its Mayor, may enter into a written agreement(s), subject to Town Council approval, that shall provide for the temporary fixing of real property assessments, subject to the requirements as set forth below.
1. The applicant is a manufacturing company and not currently benefiting from any other real or personal property tax incentive program, for the property that is the subject of the application, offered by the Town of Wallingford. Manufacturing is the activity of converting or conditioning tangible personal property by changing the form, composition, quality or character of the property. The Town will utilize the NAIC System as its guide.
 2. The manufacturing building is located or will be located in a zone that is approved for such use and is in compliance with the requirements of said zone as designated by the Wallingford Planning & Zoning Commission.
 3. The applicant(s) is current in the payment of any taxes or other obligations due to the Town of Wallingford and shall remain current in order to receive the benefit of this program.
 4. The criterion (total investment*) to be considered for this program is a minimum of \$1 million or more of one of the following:
 - property improvements to an existing manufacturing/industrial facility;
 - property improvements to an existing facility being repurposed for a manufacturing use;
 - newly built manufacturing/industrial facility.
- (b) Taxes will be abated on the net increase** in the assessed value of real property*** with a minimum required net increase in assessed value of \$1 million. Tax abatement will be

for a period of up to seven (7) years as follows: years 1-5...50% abatement; years 6 and 7...25% abatement.

- (c) The period of benefit commences with the first applicable grand list following the issuance of a Certificate of Occupancy, subject to prior receipt of any required application and documentation showing verification of investment threshold. Any agreement entered into pursuant to this program shall not be subject to assignment, transfer or sale. Prior to the issuance of a certificate of occupancy, the Town will collect pro-rata taxes.
- (d) If an applicant(s) receiving incentive benefits substantially reduces its operations in its real property during the term of the agreement, the Town may terminate the agreement and may require full payback of all abated taxes. Substantially reduced operations shall mean among other things a reduction in square feet occupied within the facility by 20% or more, a reduction in workforce by 20% or more, failure to construct agreed upon additional phases of construction, or the sale of the property.
- (e) The purpose of the benefit is to support manufacturing. If the applicant receiving the benefit changes the use of the facility during the term of the agreement, the Town may terminate the agreement and require full payback of all abated taxes.
- (f) Program References:
 - * Total investment of manufacturing development is the cost of the newly developed space and does not include the value of the land or personal property improvements.
 - ** Net increase is defined as the actual growth or increase in assessed value as calculated by subtracting the prior year's assessment after the allowance for all other qualifying Town of Wallingford grants or exemptions.
 - *** Real Property Assessment includes land and building.

Section 3. Terms

This incentive program is available for the Grand List of October ~~2020-2023~~ to and including the Grand List of October ~~2022-2025~~. The program expires on September 30, ~~2023-2026~~.

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.

Adopted by Town Council on 11/15/05
Approved by Town Council for 3 years on 1/12/10
Approved (as Amended) by Town Council for 3 years on 12/10/13
Approved (as Amended) by Town Council for 3 years on 9/12/17
Approved by Town Council for 3 years on 10/27/20



Town of Wallingford, Connecticut

**Town of Wallingford
Real Property Tax Incentive Program Application
For Manufacturers**

Please be advised that the completion of this preliminary form does not constitute a formal approval for a Real Property Tax Incentive. In accordance with Section 12-65b of the Connecticut General Statutes, the Town of Wallingford may enter into a written agreement to provide for the temporary fixing of real property assessments only by affirmative vote of the Wallingford Town Council.

Name: _____

Title: _____

Company: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Company Attorney: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

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

Name of Parent Company (if applicable): _____

Address: _____

Name of Entity who will Own the Building: _____

Address: _____

Name of Entity who will Own the Land: _____

Address: _____

Name of Manufacturer(s) who will Lease/Occupy the Facility, Term of Lease(s) NAICS Code #, Type(s) of Product(s) Manufactured, and Number of Full Time Employees in Wallingford:

Project Description including Square Footage of Building and Estimated Date of Completion:

Cost of Real Estate Improvements:

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

The undersigned affirms that the information provided herein is true and accurate

Date

Signature of Company Representative

Title

Subscribed and sworn to before me
this _____ day or _____, 20____
State of _____ County of _____

Notary Public
Date Commission Expires: _____

Return Application to: Economic Development Commission
45 South Main Street
Wallingford, CT 06492
Telephone: 203-294-2062



Town of Wallingford, Connecticut

A PROGRAM ESTABLISHING A REAL PROPERTY TAX INCENTIVE FOR OFFICE DEVELOPMENT

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 to encourage office development ~~within the I-5 and IX Zoning Districts~~ through the temporary fixing of real property assessments on property improvements costing at least \$500,000 and resulting in an increased assessed valuation of the property of at least \$500,000.

Section 2. Program

- (a) The Town of Wallingford, acting by its Mayor, may enter into a written agreement(s), subject to Town Council approval, that shall provide for the temporary fixing of real property assessments, subject to the requirements as set forth below.

The minimum criteria for property improvements are:

- an investment of \$500,000* of newly developed office space.
 - Newly developed is defined as newly built or renovated/upgraded office space.
- ~~The newly developed office space is located or will be located in the I-5 or IX Zoning District and is in compliance with the requirements of the said district, as designated by the Wallingford Planning & Zoning Commission. The newly developed office building is located or will be located in a zone that is approved for such use and is in compliance with the requirements of said zone as designated by the Wallingford Planning & Zoning Commission.~~
- The applicant(s) is current in the payment of any taxes or other obligations due to the Town of Wallingford and shall remain current in order to receive the benefit of this program.

- (b) Taxes will be abated on the net increase** in the assessed value of real property*** with a minimum required net increase in assessed value of \$500,000. Tax abatement will be for a period of up to seven (7) years as follows: years 1-5...50% abatement; years 6 and 7...25% abatement.
- (c) The period of benefit commences with the first applicable grand list following the issuance of a Certificate of Occupancy, subject to prior receipt of a completed application. Any agreement entered into pursuant to this program shall not be subject to assignment, transfer or sale. Prior to the issuance of a Certificate of Occupancy, the Town will collect pro rata taxes.

(d) If an applicant(s) receiving incentive benefits substantially reduces its operations in its real property during the term of the agreement, the Town may terminate the agreement and may require full payback of all abated taxes. Substantially reduced operations shall mean among other things a reduction in square feet occupied within the facility by 20% or more, a reduction in workforce by 20% or more, failure to construct agreed upon additional phases of construction, or the sale of the property.

(e) Program References:

* Total investment of property improvements is the cost(s) of the newly developed space and does not include the value of the land or personal property improvements.

** Net increase is defined as the actual growth or increase in assessed value as calculated by subtracting the prior year's assessment after the allowance for all other qualifying Town of Wallingford grants or exemptions.

*** Real Property Assessment includes land and building.

Section 3. Terms

This incentive program is available for the Grand List of October ~~2020-2023~~ to and including the Grand List of October ~~2022-2025~~. The program expires on September 30, ~~2023-2026~~.

This program is predicated upon the existing ~~I-5 and IX~~-zoning regulations and is subject to termination, should those regulations change.

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.

Adopted by Town Council on 6/28/05
Approved by Town Council for 3 years on 1/12/10
Approved (as Amended) by Town Council for 3 years on 12/10/13
Approved (as Amended) by Town Council for 3 years on 9/12/17
Approved by Town Council for 3 years on 10/27/20



Town of Wallingford, Connecticut

**Town of Wallingford
Real Property Tax Incentive Program Application
for Office Development**

Please be advised that the completion of this preliminary form does not constitute a formal approval for a Real Property Tax Incentive. In accordance with Section 12-65b of the Connecticut General Statutes, the Town of Wallingford may enter into a written agreement to provide for the temporary fixing of real property assessments only by affirmative vote of the Wallingford Town Council.

Name: _____

Title: _____

Company: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Company Attorney: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

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

Name of Parent Company (if applicable): _____

Address: _____

Name of Entity who will Own the Building: _____

Address: _____

Name of Entity who will Own the Land: _____

Address: _____

Name of Company(ies) who will Lease/Occupy the Facility, Term of Lease(s) and

Number of Full Time Employees in Wallingford: _____

Project Description including Square Footage of Building and Estimated Date of Completion: _____

Cost of Real Estate Improvements: _____

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

The undersigned affirms that the information provided herein is true and accurate

Date

Signature of Company Representative

Title

Subscribed and sworn to before me
this _____ day or _____, 20____
State of _____ County of _____

Notary Public

Date Commission Expires: _____

Return Application to: Economic Development Commission
45 South Main Street
Wallingford, CT 06492
Telephone: 203-294-2062