



# City of Middletown- Tax Incentive Application

To qualify for any tax incentive, project improvements must increase the property value by at least **\$100,000**, as determined by the City of Middletown Tax Assessor.

## Project Information

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Applicant Name: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Property Address: \_\_\_\_\_

NAICS Code: \_\_\_\_\_ (For code, go to <http://www.middletownplanning.com/documents/NAICS.pdf>)

Proposed Project Type (Select all that apply):

- Manufacturing
- High Technology
- New Retail Business in Downtown
- Downtown Residential
- Office/Commercial
- Wholesale/Distribution (1 job per 1000sqft)
- Low & Moderate Income Residential
- Mixed Use/Other: \_\_\_\_\_

## Project Details

	Budget	Area
Acquisition	\$ _____	_____ Acres _____ Sqft of existing buildings
New construction	\$ _____	_____ Sqft of new buildings
Rehabilitation	\$ _____	_____ Sqft of existing buildings
Equipment	\$ _____	
Personal Property	\$ _____	
Total	\$ _____	

Residential Units Existing \_\_\_\_\_ Proposed New \_\_\_\_\_ Proposed Rehab \_\_\_\_\_

## Employment Details

	Present # of Employees	Future # of Employees	Temp. Construction Jobs
Officials & Managers	_____	_____	_____
Professionals	_____	_____	_____
Technicians	_____	_____	_____
Sales	_____	_____	_____
Office & Clerical	_____	_____	_____
Skilled (Craft) Laborers	_____	_____	_____
Unskilled Laborers	_____	_____	_____
Service Workers	_____	_____	_____
Total	_____	_____	_____

## Incentives Requested

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Abatement on Real Property *(Select only one, Consult with staff to determine best option)*

- Commercial Tax Abatement- *Requires EDC and Council Approval, See page 5.*  
*Only Manufacturing, High Technology, Wholesale/Distribution, and Downtown Retail Citywide where zoning permits, up to seven-year abatement*  
C.G.S. Section 12-65b  
Local Ordinance Section 272-9
- Tax Abatement- Green 10%- *Requires EDC and Council Approval, See page 5.*  
*Only Manufacturing, High Technology, Wholesale/Distribution, and Downtown Retail Citywide where zoning permits, up to seven-year abatement*  
C.G.S. Section 12-65b  
Local Ordinance Section 272-9
- Urban Jobs Abatement- *Requires EDC, Council and State Approval, See page 6.*  
*Only Manufacturers and new construction Warehouse/Distributors Outside the Enterprise Zone where zoning permits, up to five-year abatement*  
C.G.S. Section 32-70 through 32-71  
Local Ordinance Section 150-1 & 150-2
- Enterprise Zone Manufacturing Abatement- *Requires review by Tax Assessor and State Approval, see pg 6.*  
*Only new construction & expansion for Manufacturers and Warehouse/Distributors Enterprise Zone only where zoning permits, up to five-year abatement, see pages 7 & 8*  
C.G.S. Section 32-70 through 32-71  
Local Ordinance Section 150-2
- Enterprise Zone Deferred Increase- *Requires review by Tax Assessor, See page 6.*  
*Only Residential and Non-manufacturing Enterprise Zone only where zoning permits, up to seven-year abatement, see pages 7 & 8*  
C.G.S. Section 32-70 through 32-71  
Local Ordinance Section 150-3
- Redevelopment Area Deferred Increase- *Requires RDA and Council Approval, See page 6.*  
*Any rehabilitation of existing buildings for any use Redevelopment Area only, up to 12-year abatement, see pages 7 & 8*  
C.G.S. Section 12-65c through 12-65f  
Local Ordinance Section 272-7
- Low & Moderate Income Residential Abatement- *Requires Mayor and Common Council Approval, pg 6.*  
*Only for residential project assisted through federal or state statute Citywide where zoning permits, up to 40-year abatement*  
C.G.S. Section 8-215  
Local Ordinance Section 272-1
- Contaminated Property Redevelopment Abatement- *Requires EDC, Common Council and State Approval.*  
*Only for properties that are contaminated, where owner will remediate and redevelop property Citywide, up to seven-year abatement*  
C.G.S. Section 12-81r
- Manufacturing Facility Idleness Abatement- *Requires EDC, Common Council and State Approval.*  
*Only for manufacturing businesses with more than 5 employees purchasing properties that have been idle for at least one year*  
*Citywide, where zoning permits, up to five-year abatement*  
C.G.S. Section 32-9p, 32-9r, and 32-70 through 32-71

Assignability- Benefits approved under Ordinance 272-9 can be passed on to new owners or part owners.

- Seeking permission to transfer Commercial Abatement to a future new owner
- Seeking permission to transfer Abatement-Green 10% to future new owner

Other Incentives Requests

At the discretion of the Common Council, the Council could consider other incentives. Please explain what special circumstances exist to consider other incentives and what type of other incentives are desired?

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**Parties Involved**

Name: \_\_\_\_\_  Owner  Tenant  Other: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip code \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_  Owner  Tenant  Other: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip code \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_  Owner  Tenant  Other: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip code \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_  Owner  Tenant  Other: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip code \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**Required Submittals**

- Business Plan
- Affirmative Action/Hiring Statement of Plan- *(Commercial and Green 10% Tax Abatements Only)*
- 1 copy of application submitted to:  
Mayor, Office of Mayor, City of Middletown,  
245 DeKoven Dr, Rm 209, Middletown, CT 06457
- 1 copy of application submitted to:  
Director of Planning Conservation and Development, City of Middletown,  
245 DeKoven Dr, Rm 209, Middletown, CT 06457
- 1 copy of application submitted to:  
Tax Assessor, City of Middletown,  
245 DeKoven Dr, Rm 115, Middletown, CT 06457

**Certifications**

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1. It is hereby represented and certified by the undersigned that to the best knowledge and belief of the undersigned, the information contained herein and attached hereto is accurate and correct and truly descriptive of the project, the applicant and the property.
2. It is further represented that the undersigned is familiar with the program guidelines and to the best knowledge and belief, has compiled or will be able to comply with all requirements thereof.
3. Approval of benefits are at the discretion of the City of Middletown in accordance with the applicable Connecticut General Statutes and applicable Middletown Code of Ordinances.
4. Any tax abatement does not take effect until the project receives a Certificate of Occupancy.
5. Approval of benefits pursuant to the Enterprise Zone, Urban Jobs Program or Manufacturer’s Assistance Act is granted by the CT Department of Economic Development. Approval of benefits pursuant to the Contaminated Property Redevelopment Abatement is granted by the CT Department of Energy and Environmental Protection. The City of Middletown will, to the extent practical, assist in the State application process.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Departmental Sign-off- To be completed by staff**

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**Department Planning, Conservation and Development**

Complete Application Received:  Yes     No

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Tax Assessor’s Office**

Appraised Value of Improvement\*: \$ \_\_\_\_\_

Assessed Value of Improvements\*: \$ \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Tax Collector’s Office**

All Parties Current on Owed Taxes:  Yes     No

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Chief Building Official**

Building Fee\*: \$ \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

\* Good-faith estimate based on representations in application



## BRIEFING SHEET- Middletown Tax Abatement Programs

Contact: Department of Planning, Conservation and Development, 245 DeKoven Drive, Room 202, Middletown, CT 06457  
 Website: <http://www.middletownplanning.com>

**Commercial Tax Abatement:** This program is to attract investment in real property in the City of Middletown to promote new construction and expansion of businesses and industry. The City can consider a partial tax abatement, pursuant to the Connecticut General Statutes Section 12-65(b), for:

- Manufacturing firms as defined in the Economic Development and Manufacturing Assistance Act of 1990, as amended.
- Facilities designed for the management and administrative support of business activity located elsewhere.
- High Technology Firms.
- Wholesale/Distribution Firms providing new employment not less than one (1) job per each 1,000 sq. ft. of gross building area.
- New retail businesses in the central business district.

The term period and amount of real estate and personal property tax abated are determined by the minimum investments amounts and percentages

### Term of Tax Abatement based on Value of Improvements

2 Years-	\$ 100,000
3 Years-	\$ 500,000
4 Years-	\$ 1,000,000
5 Years-	\$ 5,000,000
6 Years-	\$10,000,000
7 Years-	\$15,000,000

### Percentage of Taxes Paid- Commercial Tax Abatement

		Fiscal Years after Property is on City Tax Rolls						
		1	2	3	4	5	6	7
Term of Tax Abatement	2	40%	70%	100%	100%	100%	100%	100%
	3	30%	50%	70%	100%	100%	100%	100%
	4	25%	45%	60%	80%	100%	100%	100%
	5	20%	35%	50%	65%	80%	100%	100%
	6	15%	30%	45%	60%	75%	90%	100%
	7	10%	25%	35%	50%	60%	75%	85%

**LEED Tax Abatement- Green 10%:** To promote the development of human and environmentally health commercial buildings, reduce the environmental footprint of commercial properties and to increase the Grand List; on November 3, 2008, the Common Council of the City of Middletown amended the Tax & Business Incentive Program § 272-9 to include enhanced partial real estate tax exemption for properties that are Leadership in Energy and Environmental Design (LEED®) certified under the US Green Building Council.

The enhanced partial real estate tax exemption for LEED certified buildings is equal to a fixed amount of 10% of the assessed value divided equally over the number of years as determined in the ordinance tables. For example improvements worth \$1 million would result in 10% being \$100,000. For a 5-year abatement, \$20,000 would be the reduction in taxes for each of the five years.

**Assignability:** To promote the development of commercial buildings, on April, 5, 2010, the Common Council of the City of Middletown amended the Tax & Business Incentive Program § 272-9 to include provisions for the assignment of a tax agreement to a new owner of the same building or portion thereof for which the original tax agreement was executed.

### Other Possible Incentives

In addition to, or in lieu of, tax abatements, the City will consider on a case by case basis, other financial or development incentives. Such incentives include but are not limited to:

- Waiving of building permit fees, in whole or in part.
- In-kind services such as infrastructure improvements by the City related to the development project. For example, road widening, storm drainage improvements, sidewalk construction.
- Extension of water and/or sanitary sewer lines; waiving of "hook-up" charges.
- Direct grants to the applicant for infrastructure improvements.

**Enterprise Zone & Urban Jobs Benefits:** This program is to attract investment in real property to the Enterprise Zone to attract targeted investment for manufacturing, office, commercial and residential development.

**Manufacturing Benefit-** Incentive benefits are provided for eligible business relocation/expansion projects within the zone. Eligible businesses include manufacturers, warehouse distributors (new construction/expansion only) and certain designated service related businesses. Benefits include:

1. A 5-year, 80% abatement of local property taxes on all qualifying real and personal property that are new to the Grand List of the city/town as a direct result of a business relocation, expansion or renovation project;
2. 10-year, 25% or 50% credit on that portion of the Connecticut Corporate Business Tax that is directly attributable to this business relocation, expansion or renovation project as determined by the Connecticut Department of Revenue Services and as provided under section 12-217(e) of the Connecticut General Statutes.
3. Exemption from real estate conveyance tax.

With permission of the State, a property outside the Enterprise Zone would qualify under the Urban Jobs Program.

**Residential and Non-manufacturing Rehab Benefit-**

1. The increase in the value of any improvements will be deferred in accordance with the following schedule:

Year	% Increase Deferred
1	100%
2	100%
3	50%
4	40%
5	30%
6	20%
7	10%
8	0%

2. A deferred increase is allowed only once on a property.
3. Residential improvement deferred increase shall cease if the income of the household residing in any dwelling unit exceeds 200%.

2011 100% AMI- \$ 86,500  
200% AMI- \$173,000

**Low and Moderate Income and Rent Limits 2011**

- 1 person household- \$44,950
- 2 person household- \$51,400
- 3 person household- \$57,800
- 4 person household- \$64,200
- 5 person household- \$69,350
- 1 bedroom rent- \$849
- 2 bedroom rent- \$1,038
- 3 bedroom rent- \$1,247
- 4 bedroom rent- \$1,548

**Redevelopment Area Deferred Increase:** Certain areas within the City of Middletown are in need of rehabilitation. Sections 12-65c through 12-65f of the Connecticut General Statutes, as amended, provide a method for the municipality to encourage property owners to rehabilitate their properties situated in those areas in need of rehabilitation by allowing the municipality to defer the increase to the property assessment due to such rehabilitation.

**Criteria for eligibility.** To be eligible for the benefits provided by this section, an owner of property situated in the designated rehabilitation area must be willing to enter into a written agreement with the City of Middletown whereby the owner of such property agrees to rehabilitate the property in accordance with the standards set forth by the Design Review and Preservation Board for the rehabilitation of structures in established historic neighborhoods.

The increase in the value of any improvements will be deferred in accordance with the following schedule:

Year	% Increase Deferred
1	100%
2	100%
3	90%
4	80%
5	70%
6	60%
7	50%
8	40%
9	30%
10	20%
11	10%
12	0%

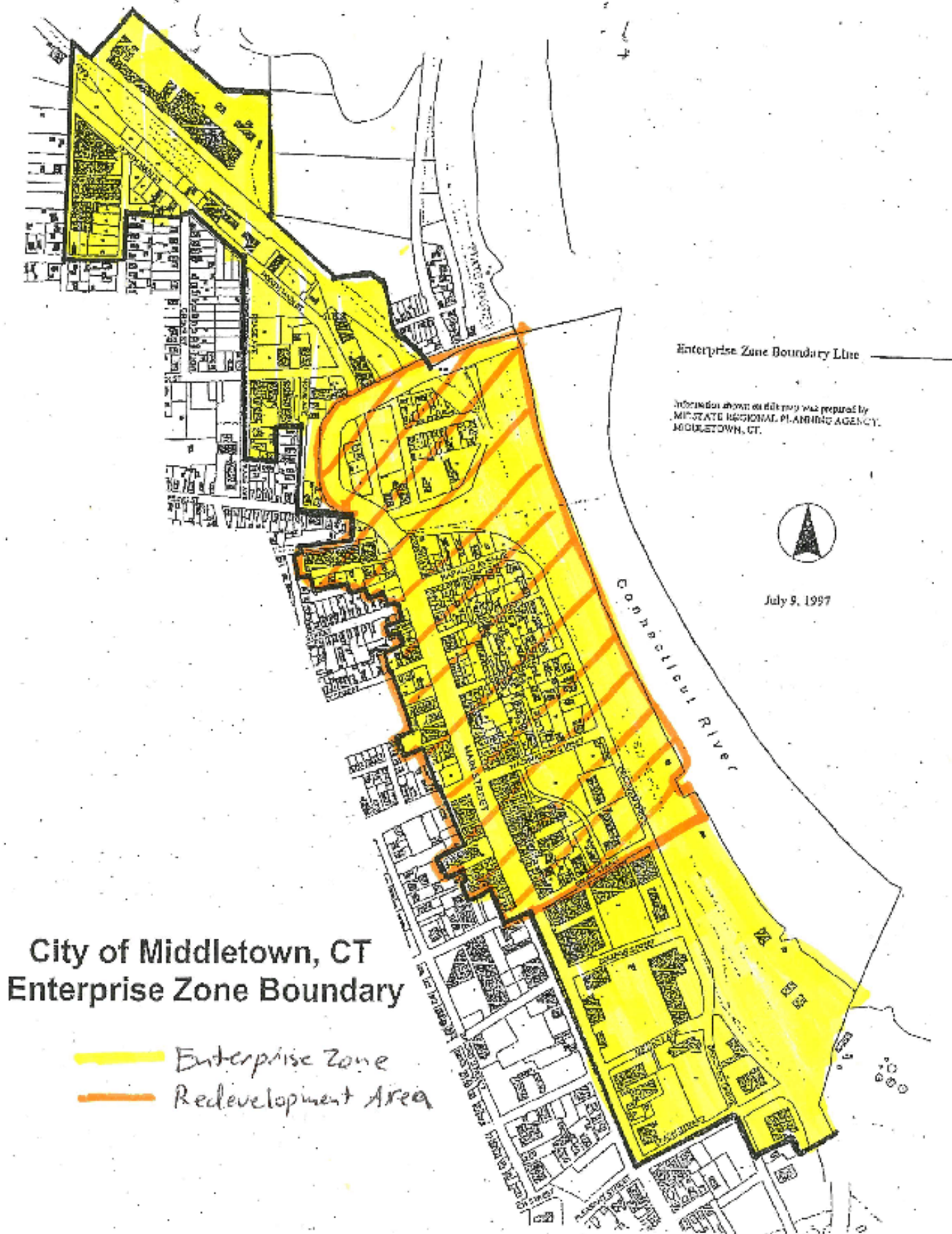
The deferral of assessment shall cease upon the sale or transfer of the property unless the new owner of said property has given written assurance to the Common Council that he will abide by the terms of the rehabilitation agreement.

**Low & Moderate Income Housing Tax Abatement:** Housing, the construction or rehabilitation of which is aided or assisted in any way by any federal or state statute, which housing is subject to regulation or supervision of rents, charges or sale prices and methods of operation by a governmental agency under a regulatory agreement or other instrument which restricts occupancy of such housing to persons or families whose incomes do not exceed prescribed limits.

Each abatement approved by the City shall require that the developer apply the money equivalent of the taxes toward one or more of the following specified purposes:

- (a) To reduce rents below the levels which would be achieved in the absence of abatement;
- (b) To improve housing quality and design;
- (c) To effect occupancy by persons and families of varying income levels, within prescribed limits; or
- (d) To provide necessary related facilities or services.

Tax abatement shall not exceed 40 year



Enterprise Zone Properties (All properties in **Bold** are also eligible for Redevelopment Area benefits)

2 ALSOP AVE  
 3 ALSOP AVE  
 5 ALSOP AVE  
 6 ALSOP AVE  
 9 ALSOP AVE  
 13 ALSOP AVE  
 14 ALSOP AVE  
 17 ALSOP AVE

55 BRIDGE ST SOUTH  
 59 BRIDGE ST SOUTH  
**63 BRIDGE ST SOUTH**  
 126 Broad St  
 130 Broad St  
 154 Broad St  
 158 Broad St  
 160 Broad St

18 Catherine St  
 Catherine St Lot 19-0023  
**19 CHERRY ST**  
 1 Court St  
**74 COURT ST**  
**COURT ST LOT 22-0588**  
**90 COURT ST**  
**102 COURT ST**  
**106 COURT ST**  
**114 COURT ST**

60 Dekoven Dr  
 100 Dekoven Dr  
 111 Dekoven Dr  
 113 Dekoven Dr  
 195 Dekoven Dr  
**245 DEKOVEN DR**  
**DEKOVEN DR LOT 22-0585**  
**DEKOVEN DR LOT 22-0584**  
**323 DEKOVEN DR**  
**329 DEKOVEN DR**  
**DEKOVEN DR LOT 22-0234**  
**DEKOVEN DR LOT 22-0235**  
**399 DEKOVEN DR**

**23 FERRY ST**  
**25-27 FERRY ST**  
**FERRY ST LOT 22-0237**  
**33 FERRY ST**  
**38 FERRY ST**  
**39 FERRY ST**  
**43-47 FERRY ST**  
**49-51 FERRY ST**  
**53-55 FERRY ST**  
**57 FERRY ST**  
**63 FERRY ST**  
**67 FERRY ST**  
**71 FERRY ST**  
**73 FERRY ST**

**21 GREEN ST**  
**22 GREEN ST**  
**25 GREEN ST**  
**29 GREEN ST**  
**31 GREEN ST**  
**35 GREEN ST**  
**37-39 GREEN ST**  
**40 GREEN ST**  
**41-43 GREEN ST**  
**44 GREEN ST**  
**46 GREEN ST**  
**50 GREEN ST**  
**51 GREEN ST**

**54 GREEN ST**  
**56-58 GREEN ST**  
**60 GREEN ST**  
**GREEN ST LOT 22-0247**  
**GREEN ST LOT 22-0246**  
**GREEN ST LOT 22-0220**  
**GREEN ST LOT 22-0214**  
**GREEN ST LOT 22-0226**

**HARBOR DR LOT 33-003**  
**80 HARBOR DR**  
 664 High St  
 High St Lot 20-0023  
 695 High St

172 Johnson St  
 180 Johnson St

**3 KINGS AVE**  
**5 KINGS AVE**  
**7 KINGS AVE**  
**9 KINGS AVE**  
**KINGS AVE LOT 22-0179**

**12 LIBERTY ST**  
**13 LIBERTY ST**

10-20 Main St  
 48 Main St

50 Main St  
 56 Main St  
 70 Main St  
 100 Main St  
 130 Main St  
 292 Main St  
**306 MAIN ST**  
**308 MAIN ST**  
**315 MAIN ST**  
**318 MAIN ST**  
**324 MAIN ST**  
**329 MAIN ST**  
**330 MAIN ST**  
**332 MAIN ST**  
**339 MAIN ST**  
**340 MAIN ST**  
**344 MAIN ST**  
**346 MAIN ST**  
**350 MAIN ST**  
**353 MAIN ST**  
**360 MAIN ST**  
**363 MAIN ST**  
**366 MAIN ST**  
**381 MAIN ST**  
**388 MAIN ST**  
**393 MAIN ST**  
**395 MAIN ST**  
**404 MAIN ST**  
**412 MAIN ST**  
**413 MAIN ST**  
**418 MAIN ST**  
**422 MAIN ST**  
**423 MAIN ST**  
**428 MAIN ST**  
**437 MAIN ST**  
**438 MAIN ST**  
**460 MAIN ST**  
**465 MAIN ST**  
**472 MAIN ST**  
**480 MAIN ST**  
**483 MAIN ST**  
**484 MAIN ST**

**489 MAIN ST**  
**494 MAIN ST**  
**497 MAIN ST**  
**504 MAIN ST**  
**505 MAIN ST**  
**512 MAIN ST**  
**MAIN ST LOT 22-0540**  
**515 MAIN ST**  
**530 MAIN ST**  
**533 MAIN ST**  
**542 MAIN ST**  
**545 MAIN ST**  
**546 MAIN ST**  
**560 MAIN ST**  
**566 MAIN ST**  
**567 MAIN ST**  
**570 MAIN ST**  
**574 MAIN ST**  
**575 MAIN ST**  
**MAIN ST REAR LOT 22-0243**  
**578 MAIN ST**  
**584 MAIN ST**  
**594 MAIN ST**  
**601 MAIN ST**  
**613 MAIN ST**  
**622 MAIN ST**  
 625 Main St  
**630 MAIN ST**  
**631 MAIN ST**  
**635 MAIN ST**  
**639 MAIN ST**  
**642 MAIN ST**  
**645 MAIN ST**  
**646 MAIN ST**  
**656 MAIN ST**  
**666 MAIN ST**  
**675 MAIN ST**  
**682 MAIN ST**  
**689 MAIN ST**  
**695 MAIN ST**  
**696 MAIN ST**  
**710 MAIN ST**  
**711 MAIN ST**  
**725 MAIN ST**  
**728 MAIN ST**

**NORTH MAIN ST LOT 20-0114**  
**25 NORTH MAIN ST**  
**29 NORTH MAIN ST**  
 52 North Main St  
 North Main St Lot 20-0092  
 55 North Main St  
 82 North Main St  
 90 North Main St  
 North Main St Lot 20-0103  
 North Main St Lot 20-0105  
 91 North Main St  
 North Main St Lot 20-0106  
 110 North Main St  
 120 North Main St  
 North Main St Lot 19-0025  
 North Main St Lot 20-0108  
 170 North Main St  
 171 North Main St  
 175 North Main St

10 Pease Ave  
 12 Pease Ave  
 14 Pease Ave  
 Pease Ave Lot 20-0124  
 80 Pease Ave

**7 PORTLAND ST**  
**10 PORTLAND ST**  
**13 PORTLAND ST**  
**14 PORTLAND ST**  
**18 PORTLAND ST**  
**19 PORTLAND ST**  
**20 PORTLAND ST**  
**21 PORTLAND ST**  
**22 PORTLAND ST**  
**23 PORTLAND ST**  
**25 PORTLAND ST**  
**30 PORTLAND ST**

**7 RAPALLO AVE**  
**10 RAPALLO AVE**  
**11 RAPALLO AVE**  
**31 RAPALLO AVE**  
**35 RAPALLO AVE**  
**RAPALLO AVE LOT 22-0210**  
**36 RAPALLO AVE**  
**39 RAPALLO AVE**  
**43-49 RAPALLO AVE**  
**46 RAPALLO AVE**  
**48 RAPALLO AVE**  
**50 RAPALLO AVE**  
 15 Rome Ave  
 19 Rome Ave  
 21 Rome Ave  
 23 Rome Ave  
 31 Rome Ave  
 40 Rome Ave  
 42 Rome Ave

**7 SPRING ST**  
 28 Spring St  
 32 Spring St  
**5 ST JOHNS SQ**  
**ST JOHNS SQ LOT 20-0164**  
**20 ST JOHNS ST**  
**22 ST JOHNS ST**  
**24 ST JOHNS ST**  
**33 ST JOHNS SQ**  
**34 ST JOHNS ST**  
**36 ST JOHNS ST**  
**42 ST JOHNS ST**  
**50 ST JOHNS ST**  
 St Johns St Lot 20-0189  
 10 Stack St  
 16 Stack St  
 24 Stack St  
 Stack St Lot 20-0121  
 27 Stack St  
 29 Stack St  
 33 Stack St

40 Union St

**27 WASHINGTON ST**  
**36 WASHINGTON ST**  
**44 WASHINGTON ST**  
**46 WASHINGTON ST**  
**WASHINGTON ST LOT 22-0613**  
**50 WASHINGTON ST**  
**53 WASHINGTON ST**  
**54 WASHINGTON ST**  
**58 WASHINGTON ST**  
**62 WASHINGTON ST**  
**102 WASHINGTON ST**