



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 environmental 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%

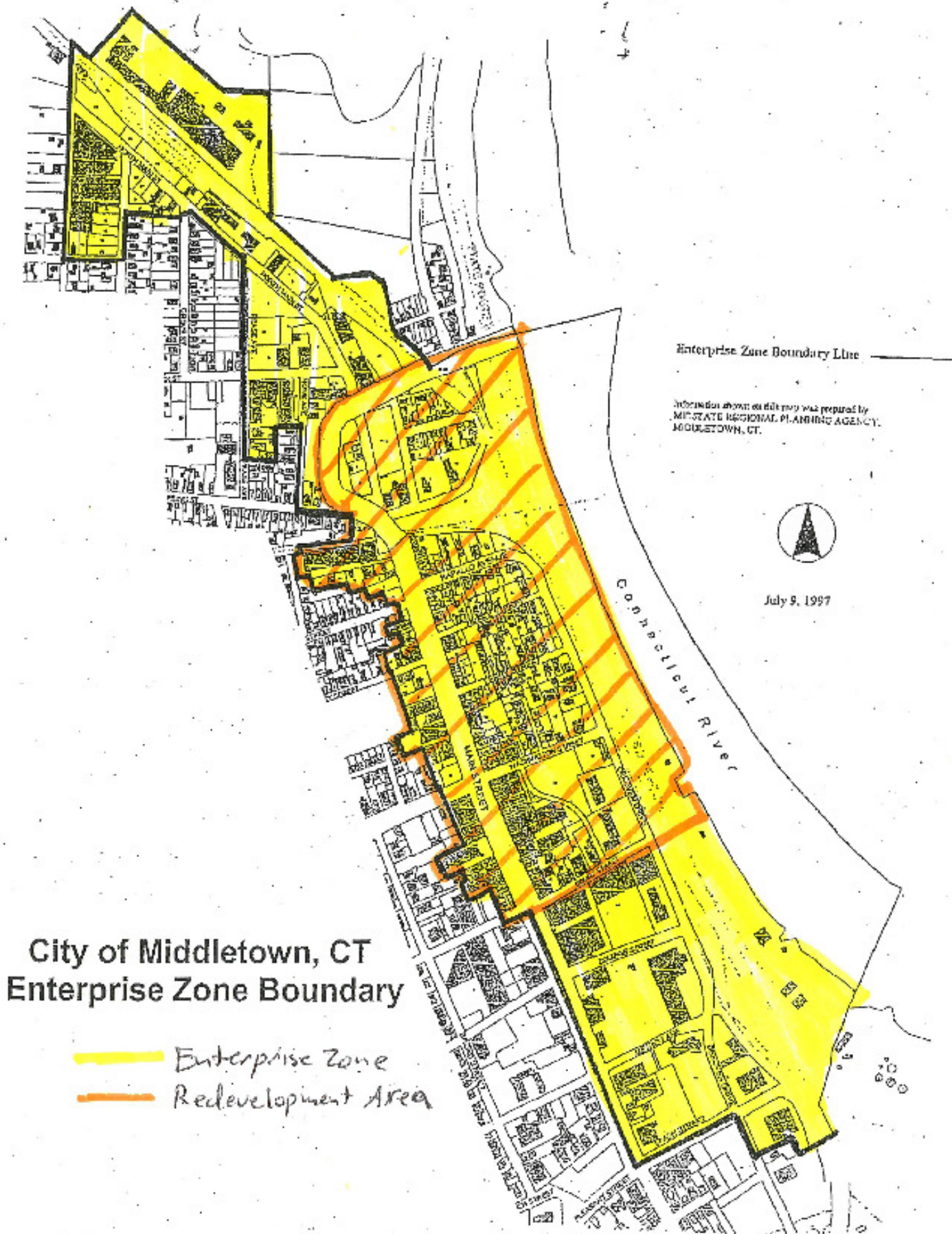
The deferral of assessment shall cease upon the sale or transfer of the property unless the new owner of said property has given written assurance to the Common Council that he will abide by the terms of the rehabilitation agreement.

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 SO
 ST JOHNS SO LOT 20-0164
 20 ST JOHNS ST
 22 ST JOHNS ST
 24 ST JOHNS ST
 33 ST JOHNS SO
 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