



## 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%

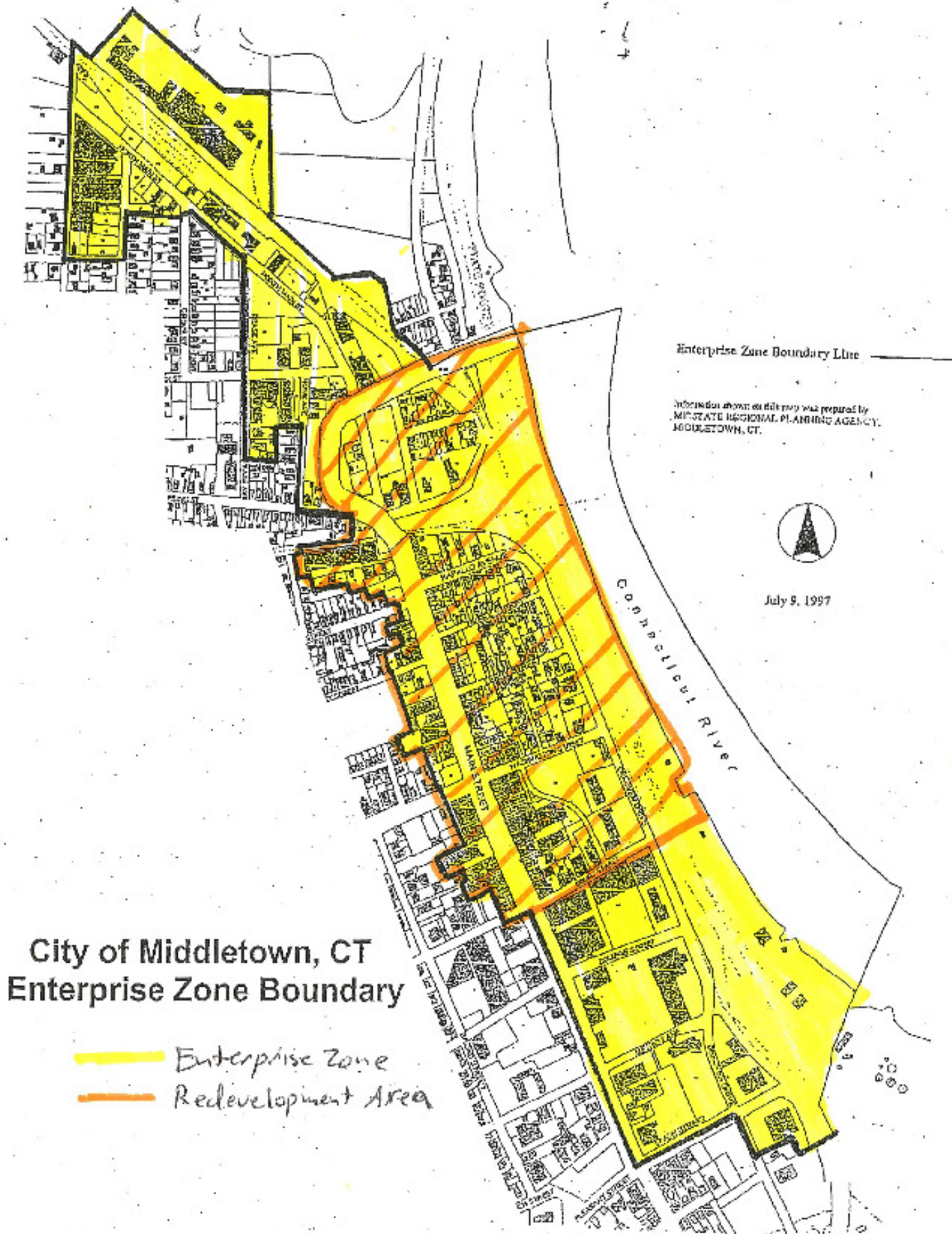
The deferral of assessment shall cease upon the sale or transfer of the property unless the new owner of said property has given written assurance to the Common Council that he will abide by the terms of the rehabilitation agreement.

**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  
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 353 MAIN ST  
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 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