



Town of Wallingford, Connecticut

A PROGRAM ESTABLISHING A REAL PROPERTY TAX INCENTIVE FOR MANUFACTURERS

Section I. 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 of \$3 million or more.

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, subject to the requirements as set forth.
1. 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.
 2. The newly constructed 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 minimum criterion to be considered for this program is a minimum of \$3 million or more of newly constructed manufacturing/industrial building.
- (b) 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.

- (c) 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.
- (d) 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.
- (e) Schedule:

<u>Minimum Cost of Development</u>	<u>Time Period of up to</u>	<u>Real Property * Assessment Reduction of up to:</u>
\$3 million or more	7 years	20%

* Real Property Assessment includes land and building.

Section 3. Terms

This incentive program is available for the Grand List of October 2009 to and including the Grand List of October 2012.

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