

TOWN OF PLAINVILLE
ECONOMIC DEVELOPMENT AGENCY
TAX AND BUSINESS INCENTIVE PROGRAM POLICY

PURPOSE:

The purpose of the Tax Incentive Program is to attract new business and industry to the Town of Plainville and to promote expansion of existing businesses and industry. It is the intent of the Town to provide and create jobs for local and area residents; to create long term tax base growth through the replacement, reconstruction, expansion and remodeling of existing business and industrial facilities, where appropriate and environmentally sound; to encourage the construction of new facilities, when necessary; and to create the potential for generating new demands for existing local businesses through a “spin-off” effect. It is further the intent of the Town of Plainville to encourage substantial investment in new equipment and other personal property subject to taxation within the Town.

In addition to the incentives provided hereunder, the applicant may also be eligible for incentives allowed under other ordinances of the Town of Plainville and provisions of the General Statutes of the State of Connecticut including Section 12-65h and Section 12-127a, as amended.

QUALITY BUSINESS:

The following types of businesses, consistent with Town regulations and ordinances shall receive priority consideration for development incentives:

1. Manufacturing firms.
2. Medical offices.
3. Financial offices.
4. Facilities designed for the management and administrative support of business activity located elsewhere.
5. High Technology Firms including research and development.
6. Wholesale/Distribution Firms providing new employment not less than one (1) job per each 1,000 square feet of gross building area.
7. New retail business.

Notwithstanding the listing of priority businesses, all companies shall meet the following standards:

1. Possession of a good, recent environmental “track record”; or, through relocation to an area with appropriate infrastructure, begin meeting its environmental responsibilities.
2. Investment of \$100,000 or more in new or rehabilitated facilities and/or equipment.
3. Creation of at least four (4) new permanent, full-time jobs
4. Provide a solid financial base and growth potential through the preparation of a business plan, which demonstrates the capital necessary for reasonable business growth.

GENERAL REQUIREMENTS:

Applications for tax incentives under this program will be considered under the following circumstances:

1. The proposed project must be located in the appropriate zone or district of the Town of Plainville's Zoning Regulations, subject to approval of the land use boards.
2. If the applicant is a tenant, the tax benefits must be reflected in the lease and the lease must be for at least the term of the tax abatement period, with an option to renew for a similar term.
3. Applicant has no delinquency of any taxes or services charges due the Town of Plainville.
4. The project should have a clear economic benefit to the Town of Plainville as follows: the benefits derived to the Town shall exceed the total cost to the Town over the economic life of the investment or project, not to exceed five (5) years.

LOCAL EMPLOYMENT CONSIDERATIONS:

To the extent feasible, the applicant shall commit to the utilization of Town based businesses and Town residents during both the construction and operation phases. The following guidelines are offered to assist in achieving these goals:

1. To the extent feasible, the applicant shall commit to hire Town residents for the new positions created as a result of any development project.
2. Applicants shall estimate the number of anticipated new hires, the skills required and the timing of such new hires.
3. Applicants shall provide a copy of its affirmative action/hiring statement or plan.
4. To the extent feasible, the applicant shall commit to utilize Town based businesses for materials and supplies in connection with construction and operation of any facility and equipment benefiting from this assistance.

APPLICATION PROCEDURE:

All tax incentive requests shall be made in writing on a form prescribed by the Town of Plainville. The applicant must indicate that its new investment would not occur without the tax incentive requested.

The application for tax incentives shall first be referred to the Economic Development Agency of the Town. Said Agency shall review the application to determine if the application conforms to and complies with the Town's requirements. Each completed application shall be reviewed on a case-by-case basis. Within thirty (30) days of receipt of the application, the Agency shall forward a recommendation to the Town Council for its action.

TAX ABATEMENT AGREEMENT:

Pursuant to Section 12-65b of the Connecticut General Statutes, as amended, the Town may enter into a written agreement with the owner or lessee of real property, fixing the assessment of the real property and all the improvements thereon of therein to be constructed. Within the parameters of C.G.S. Section 12-65b, as amended, a business may be granted partial exemption from real property taxation for a term of years which may vary in accordance with the scale and/or economic impact of the new development.

The fixed assessment may be established for property a party purposes to acquire. The written agreement fixing the assessment shall be in place prior to the acquisition and will fix the assessment for forthcoming assessment years pursuant to the statute and this policy. The Town, in its sole discretion, shall determine the assessment of the property with the improvements to which the percentage provided for in the statute for fixing the assessment will be applied.

All agreements shall contain a provision that any business granted a tax incentive, shall repay the Town the dollar amount of any incentive contained in such agreement if such business does not meet the obligations contained in such agreement.

ABATEMENT SCHEDULE:

For investments equal to or exceeding \$3,000,000.00, the EDA may recommend a tax abatement of up to 30% of the increased tax assessment for a period of up to 3 years.

For investments equal to or exceeding \$500,000.00 to \$2,999,999.99, the EDA may recommend a tax abatement of up to 20% of the increased tax assessment for a period of up to 3 years.

For investments equal to or exceeding \$25,000.00 to \$499,999.99 the EDA may recommend a tax abatement of up to 20% of the increased tax assessment for a period of up to 2 years.

CONSTRUCTION SCHEDULE:

After approval of any application by the Town Council, construction shall commence within six (6) months and shall be completed within 24 months. Any extension from these requirements must be approved by the EDA and the Plainville Town Council.

OTHER DEVELOPMENT INCENTIVES:

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

1. In-kind services such as infrastructure improvements by the Town related to the development project subject to fund availability. Example: road widening, storm drainage improvements, sidewalk construction, extension of sanitary sewer lines.
2. Moving expenses.

Additional incentives are based on funding availability.

TOWN COUNCIL AUTHORITY

Any and all decisions to grant an incentive, pursuant to the terms of this program, shall be within the sole and absolute discretion of the Town Council of the Town of Plainville.