

DOWNTOWN MANCHESTER
DEVELOPMENT INCENTIVE PROGRAM



ADOPTED: APRIL 2005
AMENDED: OCTOBER 2008

DOWNTOWN MANCHESTER DEVELOPMENT INCENTIVE PROGRAM

Introduction

The development and revitalization of Manchester's historic central business district has been among the Town's top priorities since 1990. The Town has funded a number of programs and initiatives including the reconstruction of Main Street, downtown facade improvements, and parking lot, landscaping and lighting improvements. The Downtown Manchester Special Services District (SSD) was created in 1991 and is responsible for events management, business recruiting, routine maintenance, and the marketing and promotion of the district.

In collaboration with the SSD, the Town wishes to encourage substantial property improvements and certain types of business development that will promote street level activity and adaptive re-use of downtown buildings. Of particular interest and importance to the SSD and the Town is the introduction of information technology related businesses on the upper floors on Main Street, and live/work quarters.

The Town will offer targeted tax incentives for business and property owners who invest in downtown properties and establish certain types of businesses in the SSD.

Eligible Area

Eligible properties for the tax incentive programs are those that are located inside the Downtown Manchester Special Services District. (A map of the district is attached.)

Program Term

The Downtown Manchester Development Incentive Program will be effective until April 30, 2009, and shall expire unless reauthorized by the Board of Directors.

Development Incentives for Information Technology

Downtown Manchester is currently served by SBC and Cox Communications for telephone and high speed access. Manchester's own fiber optic cable network offers free connections to the internet for WiFi enabled devices. In order to encourage private enterprise to take advantage of these facilities the Town of Manchester, as authorized under Section 12-81t of the Connecticut General Statutes, will offer the following negotiated personal property assessment agreements:

1. The Town will assess personal property at zero (\$0.00) for qualifying information technology equipment acquired or leased by eligible businesses, provided the total value of all equipment is not less than \$10,000 and not more than \$1 million. When the total value of the equipment is more than \$1 million, the Town will negotiate the assessment with the business.
2. The equipment must be new to the Town of Manchester grand list. The business must be new to Main Street and be established there after the adoption of this program or the equipment must be purchased to add capacity or expand a business located on Main Street before the adoption of the program.
3. The agreement for qualifying equipment will last for a four-year term.
4. The business must physically occupy and have staff placed at commercial space within the SSD.
5. The information technology business must be a permitted use in the central business district zone
6. Information technology tax agreements shall be provided for businesses including qualifying businesses in live/work quarters.
7. The applicant and its principals must be current on all local taxes and fees due to the Town of Manchester.
8. The business must file the required declaration of personal property with the Manchester Tax Assessor's office by November 1 of each year so the assessment will apply for the upcoming tax year.
9. The agreement may be assigned to another owner/operator of the business provided the Town consents to the assignment.

An information technology business is an enterprise that is determined to use, in principal part, voice, data, video or other electronic transmission media to conduct its business. Businesses may be classified within appropriate information technology classifications under the NAIC's codes as amended or succeeded. Examples of such business include, but are not limited to, the following:

Information Technology Businesses

- Software designers/developers
- Web designers
- Telemarketing firms
- Transaction processing companies for credit/debit cards, such as banks or other financial institutions
- Medical video conferencing operations
- Computer integrated systems designers
- Computer software and retail printer operations
- Online retail providers/centers
- Direct mail advertising services
- Catalog and mail-order houses
- Corporate data processing service centers
- Office machine rental and leasing operations
- Computer programming services
- Computer maintenance/repair services
- Engineering/architecture/design firms

Property Tax Incentives for Real Property Improvements

The improvement and rehabilitation of downtown Manchester's historic buildings and their historic architectural features are an important element of the Town's strategy to revitalize the district and capitalize on its historic character. Manchester's downtown is a National Register Historic District and is associated with the Cheney Brothers National Landmark Historic District. Most of the buildings in the downtown are contributing properties to the historic district and are therefore eligible for historic preservation tax credits from the federal government.

In addition to these tax credits Manchester will consider entering into negotiated tax assessment agreements for real property improvements made to downtown buildings. Property improvements to the real estate shall include but not be limited to exterior renovations, mechanical, electrical, heating/ventilating and air conditioning system improvements, handicap accessibility improvements, and other structural or exterior repairs. In accordance with the Connecticut General Statutes at Section 12-65b, the Town will negotiate real estate tax assessment agreements based on the following general formula:

1. For a period of not more than seven years, provided the cost of such improvements to be constructed is not less than three million dollars, the assessment may be fixed at any value.
2. For a period of not more than two years, provided the cost of such improvements to be constructed is not less than five hundred thousand dollars, the assessment may be fixed at any value.
3. For a period of not more than three years, at no more than fifty per cent of the increased assessment resulting from the improvements, provided the cost of such improvements is not less than twenty-five thousand dollars.

Rebate of Tipping Fees

The Town of Manchester will rebate tipping fees at its landfill for demolition or other building waste associated with substantial rehabilitation or renovations to buildings in the Downtown Manchester Special Services District subject to the following:

- 1) Eligible rehabilitation or renovation work includes:
 - Changes to the building exterior provided those changes meet the Downtown Manchester Architectural Design Guidelines;
 - Renovations necessary to convert vacant space or underutilized space to usable, tenant-ready space;
 - Improvements or renovations necessary to accommodate a change in building use type in accordance with the building and fire code requirements;
 - Improvements or repairs to the heating, ventilating, air conditioning, electrical, plumbing, or other mechanical systems necessary to create usable tenant space;
 - The correction or elimination of structural defects that preclude the legal occupancy of a building.
- 2) The property owner or agent must obtain all necessary building, fire, and zoning permits from the Town of Manchester before any work begins.
- 3) The work must be completed and the building must have obtained a certificate of occupancy within 12 months of the issuance of the building permit, unless a longer time period is mutually agreed to between the owner/agent and the General Manager after consultation with the Chief Building Official.
- 4) The owner/agent or their contractor shall pay 100% of the tipping fees associated with the approved project. The fees shall be held in a separate account until the certificate of occupancy for the property is issued.
- 5) The Town will rebate the tipping fees in the amount of 10% of the cost of the rehabilitation or renovation work, as determined by the General Manager, up to an amount not to exceed \$10,000. The rebate will be paid to the owner/agent and not the contractor who delivered the waste to the landfill. All contractors delivering waste must have a valid Commercial Permit issued by the Town Sanitation Division.
- 6) If the owner/agent applies for both the tipping fee rebate and the real property tax assessment agreement, the tipping fees shall not be included in the cost of the real property improvements that will be used to calculate the terms of the tax assessment agreement.

Application Process

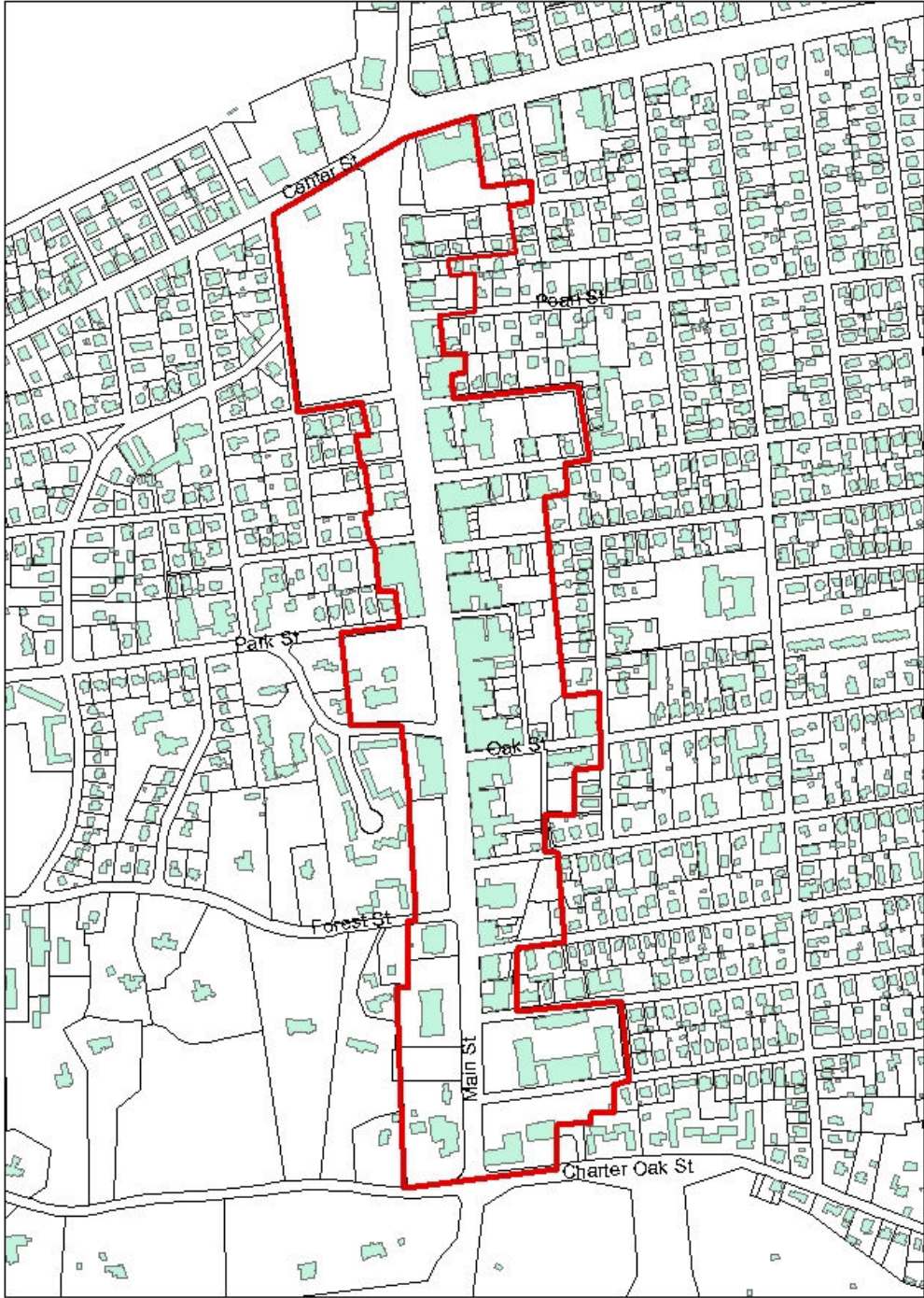
Property owners or businesses interested in participating in these programs can obtain application forms from the Manchester Planning Department, 494 Main Street, Manchester, Connecticut or the Downtown Manchester Special Services District, 983 Main Street, Manchester, Connecticut or download them from our website at www.ci.manchester.ct.us.

Applications must be submitted to the Director of Neighborhood Services and Economic Development at the Planning Department, Town of Manchester, 494 Main Street, P.O. Box 191, Manchester, CT 06045-0191. All incentive tax agreements are subject to the final approval of the Town of Manchester Board of Directors.

For further information or questions please contact Mark Pellegrini, Director of Neighborhood Services and Economic Development at (860) 647-3043 or by e-mail at markp@ci.manchester.ct.us.

For information on other development opportunities please contact Tana Parseliti, Downtown Manager, at (860) 645-2101 or by e-mail at tparseliti@ci.manchester.ct.us

Downtown Special Services District Manchester, CT



**APPLICATION PROCESS
DOWNTOWN MANCHESTER
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The Manchester Planning Department is responsible for the administration of the Downtown Development Incentive Program. Our administrative responsibilities include ensuring that all application materials are submitted properly, that the Downtown Manchester Special Services District (SSD) and the Manchester Economic Development Commission (EDC) have an opportunity to review and comment on submissions and make their recommendations to the Board of Directors, and to compile all of the information and submit it to the Board of Directors for their action.

The planning department will coordinate the review and the scheduling of the applicant's request to the SSD, EDC, and Board of Directors. Our goal is to efficiently manage and expedite this process so that within 45 days of the receipt of a complete application a decision on the incentive agreement has been made by the Board.

The following is a brief outline of the sequence of events in the process:

- 1) Complete applications must be submitted to Mark Pellegrini, Director of Neighborhood Services and Economic Development, in the Planning Department, 494 Main Street, P.O. Box 191, Manchester, CT 06045-0191.
- 2) The planning department will review the application for completeness and, if appropriate, will advise the applicant to submit additional information.
- 3) The application will be presented to the SSD and the EDC for their review, and their endorsement will be requested.
- 4) The complete application, the recommendations of the SSD and the EDC, and the staff recommendations will be compiled and submitted to the Board of Directors for their final consideration.

If you have any questions contact Mark Pellegrini at (860) 647-3043 or by e-mail at markp@ci.manchester.ct.us.

**DOWNTOWN MANCHESTER
DEVELOPMENT INCENTIVE PROGRAM**

APPLICANT

Business Name: _____

Business Address: _____

Contact Person: _____

Nature of Business: _____

Business Telephone: _____ e-mail: _____

TYPE OF BUSINESS

- Proprietorship General Partnership C Corp Limited Liability
 Limited Partnership Not-for-Profit S Corp Other

TYPE OF INCENTIVES

- Information Technology Real Property Improvements

JOBS

Present Employment _____ Projected Employment (1 year) _____

Full Time: ____ Part Time: ____ Total: ____ Full Time: ____ Part Time: ____ Total: ____

PROJECT COSTS

| | |
|-----------------------------|-----------------|
| Equipment | \$ _____ |
| Fixtures | \$ _____ |
| Furnishings | \$ _____ |
| Renovations/Construction | \$ _____ |
| Refinancing Existing Debit | \$ _____ |
| Other: | \$ _____ |
| Total Project Costs: | \$ _____ |

FOR INFORMATION TECHNOLOGY INCENTIVES

1) Describe the nature of your firm's business; principal and secondary activity; and services provided

2) Describe the types of *new* equipment you wish to have included in the incentive program.

3) Are you an existing business in Downtown Manchester? Yes No

4) If not, when would you expect to begin operations?

5) Are you current on all local taxes and fees for municipal services? Yes No

Signature

Date

FOR REAL PROPERTY IMPROVEMENT

1) Describe the nature and extent of the proposed improvements to the building and site.

2) Provide an itemized list of proposed work, and projected costs, anticipated for this project.

3) Describe the anticipated uses for the building after rehabilitation/construction, including number of establishments, residential units, etc.

4) Are you an existing business in Downtown Manchester? Yes No

5) If not, when would you expect to begin operations?

6) Are you current on all local taxes and fees for municipal services? Yes No

Signature

Date

DOWNTOWN MANCHESTER
DEVELOPMENT INCENTIVE PROGRAM

LANDFILL WASTE DISPOSAL FORM

DATE: _____ TRANSPORTER NAME: _____

PERMIT # _____ TRANSPORTER ADDRESS: _____

GENERATOR SITE NAME: _____

SITE ADDRESS: _____

CONTACT NAME: _____ PHONE #: _____

MATERIAL DESCRIPTION: (ex. Appliances, asphalt, brick, concrete, doors, furniture, grass, leaves, lumber, metal, sand, sheetrock, shingles, shopping carts, siding, sinks, stumps, telephone poles, toilets, windows, wood/brush, wood chips, wood pilings, etc)

MATTRESS # _____ PROPANE TANKS# _____ TIRES (off rim) # _____ (oversized) # _____

REFRIGERATOR/FREEZER # _____

THE FOLLOWING MATERIALS REQUIRE PRIOR AUTHORIZATION AND MAY NEED AN ADDITIONAL MANIFEST TO DISPOSE OF MATERIAL IN THE LANDFILL:

NON FRIABLE ASBESTOS, CONTAMINATED SOIL, LEAD ABATEMENT, SAND BLASTING GRIT AND ANY OTHER SPECIAL WASTES

I certify that the information provided above is correct to the best of my knowledge.

Transporter Authorized Signature: _____ Date: _____

Print Name: _____