

Economic Development Incentive Plan Guidelines

Standard Abatement for Office, Manufacturing, Warehouse, Storage, distribution and IT.

The Town of Vernon, Connecticut recognizes the importance of continued economic growth in our community and has adopted the following tax abatement framework. Projects must be consistent with State Statutes. The Town policy is that projects must involve real property improvements for at least one of the following:

- (1) for office use;
- (2) for manufacturing use;
- (3) for warehouse, storage or distribution use; or
- (4) for information technology; or
- (5) *for retail and residential units with restrictions.

The following abatement schedule will be used by the Town Council as a guideline. The Town Council must act to approve each project and its specific abatement schedule.

Yearly Abatement schedule:

50% , 40%, 25% for projects with Improvement costs greater than \$100,000

75%, 50%, 25% for projects with Improvement costs greater than \$1,000,000

75%, 75%, 50%, 50%, 25%, 25% for projects with Improvement costs greater than \$3,000,000

The value of real property improvements must be greater than \$100,000 if the project is for office use, for manufacturing use, for warehouse, storage or distribution use or for information technology uses.

Additional abatements may be considered for projects involving real property improvements greater than Six million dollars.

*Abatements pertaining to Retail establishments will be limited to Exterior facade, landscaping, and parking improvements. These improvements must be in excess of \$25,000 and meet specific design and sign requirements.

*Abatements pertaining to Residential uses will be limited to improvements that bring existing buildings up to current Fire and/or Building codes. These improvements must be in excess of \$25,000 and meet specific design, building, and fire codes.

Other uses for which tax abatement is permitted by state statute will not generally be eligible unless the applicant demonstrates that the project will have a special benefit to the community.

Application Procedure

The tax abatement program application should be submitted to the Economic Development Coordinator for consideration and for a recommendation by the Economic Development Commission to the Town Council.

Town of Vernon Incentive Programs Application

Name of Operating Company: _____

Name of Parent Company (if applicable): _____

Name of Entity that will own/ or owns the real estate: _____

Current Address: _____

Project Address (if different than above): _____

Company Contact: _____

Phone Number: _____ Facsimile: _____ Email: _____

Describe the business to be located in the facility including the types of products manufactured or distributed:

Project Description - Please include square footage of building to be constructed or renovated, a general description of machinery and equipment and other personal property expected to be added to the grand list, expected project start and completion dates. Attach an additional sheet if needed.

Estimated Value of Real Estate Improvements: _____

Estimated Value of Additional Personal Property: _____

Number of Jobs to be retained in Vernon: _____

Number of Jobs to be created in Vernon: _____

Property Use: ___ Office ___ Manufacturing ___ Information Technology
___ Warehouse, Storage or Distribution
___ Retail ___ Residential ___ Other: _____

Incentives requested:
(choose one)

- ___ Standard Abatement
- ___ Blighted / Vacant building Abatement

- ___ Infrastructure Loan

If an infrastructure loan is requested please provide a description of the infrastructure work to be completed below **and attach a cost estimate for the work.**

Date

Signature of Company Representative