



TOWN OF ROCKY HILL
761 OLD MAIN STREET
ROCKY HILL, CT 06067



BUSINESS DEVELOPMENT INCENTIVE POLICY

ADOPTED May 3, 2004
REVISED October 21, 2013
REVISED APRIL 5, 2021

The Town of Rocky Hill, Connecticut recognizes the need for encouraging appropriate growth in our community. Through the use of tax abatements, the Town may provide incentives to individual projects which demonstrate long term commitment to the town through the provision of jobs, extraordinary site development costs to protect the environment, revitalization of underutilized properties and expansion of existing business.

As such, in accordance with 12-65b of the Connecticut General Statutes, as amended, the Town Council may enter into a written agreement, for a period of not more than ten years, with any party owning or proposing to acquire an interest in real property, fixing the assessment of the real property which is the subject of the agreement, and all improvements thereon or therein and to be constructed, including the rehabilitation of existing structures.

Eligible Uses

Only projects creating significant real property improvements for the following uses may be considered under this Business Incentive Policy:

- Class-A Office
- Manufacturing, to include advanced manufacturing, bio-medical and research and development
- Warehouse, Storage or Distribution
- Information Technology
- Retail
- Mixed-use developments as defined in section 8-13m of the Connecticut General Statutes
- Recreation Facilities
- Offices for advanced medical procedures
- Permanent residential and commercial mixed uses in connection with a residential property consisting of four or more dwelling units

Evaluation of the Project

To be eligible for these incentives, a project must meet the following criteria:

1. Conformance to the Rocky Hill Plan of Conservation and Development.
2. Conformance to a conceptual site/master development plan
3. The project must increase the local tax base.
4. The project must create and/or retain jobs within the town.
5. The project must represent a long-term partnership with the Town of Rocky Hill.

Additional Criteria for Consideration

1. Strategic value to the community.
2. Demonstrated need for assistance.
3. The project may utilize extraordinary investments in the infrastructure to protect the environment and reduce sprawl in the town.
4. Is there any other investment that is required by the town to accommodate this development?
5. Conformance to Zoning Regulations
6. Amount of assistance required – return on the town's investment.
7. Duration of project construction phase.
8. Experience and resources of the applicant.
9. Ability to commit to the site for the long term.
10. Long Range Impacts on Town Infrastructure. The Town may request an impact analysis to be conducted at the developer's expense.

Process for Approval

- 1) Applicants must complete an Application for Business Development Incentives, which are available on the Town Website and from the Economic Development Office. Applications shall be submitted to the Economic Development Office with all required attachments. Attachments may include: Site plans, architectural drawings with detailed cost estimate; an itemized personal property schedule and a narrative describing the business in detail, the proposed improvements with costs and an explanation detailing the need for assistance with supporting documentation.
- 2) The Economic Development Director, in consultation with the Town Manager and Town Assessor will evaluate the application and forward recommendations to the Economic Development Subcommittee of the Town Council.
- 3) The Economic Development Subcommittee of the Town Council will in turn evaluate the application and forward their recommendation to the Town Council to approve, approve with modifications or deny the application.
- 4) Upon receipt of the Economic Development Subcommittee's recommendation, the Town Council may vote on an application for a Tax Agreement and such vote shall take place at a public meeting of the Town Council. If approved or approved with modifications, the

Town Manager shall enter into a Tax Agreement with the applicant pursuant to the “General Stipulations of Approval” and any additional terms of approval specified in the Tax Agreement authorized by the Town Council. Approval of any application is at the sole discretion of the Town Council. Nothing contained in this policy or application process shall obligate the Town Council to enter into a Tax Agreement.

General Stipulations of Approval

The following General Stipulations of Approval may not be applicable to all proposals. As such, modifications to existing stipulations and/or additional stipulations may be required.

1. **Execution of Agreement:** Once approved by the Town Council, the Tax Agreement shall be executed within 30 days following the filing, in the Town of Rocky Hill Land Records, a Site Plan approved by the Planning and Zoning Commission which is in substantial conformance to the concept plan submitted with the Tax Agreement and approved by the Town Council. The Town Manager may approve the extension of this deadline but is under no obligation to authorize such extension.
2. **Construction Periods:** Construction shall commence within 12 months after the execution of the Tax Agreement and shall be completed within 24 months of commencement of construction. The Town Council may modify these timeframes or approve any extension of these timeframes but is under no obligation to authorize any modification or extension.
3. **Failure to Comply:** Absent authorized modifications or extensions, failure to comply with the timeframes specified in Conditions 1 and 2 above may result in immediate termination of the Tax Agreement Contract entered into pursuant to this Policy and the full amount of the tax, including accrued interest that would otherwise be due, shall immediately become due and payable.
4. **Lessee:** If the end user (s) of the Tax Agreement of the proposed facility is a lessee, then the tax benefit created by this abatement must be clearly reflected in the lease as accruing to the applicant company and the lease must be at least for the term of the abatement period.
5. **Tax Payments:** If the applicant fails to comply with the payment of taxes upon the due date, the Tax Agreement shall immediately terminate and the full amount of the tax, including accrued interest shall become due and payable.
6. **Delinquent Payment:** Any person, firm, or entity that is delinquent in payment on any taxes, interest on taxes, has any liens including water and sewer user fees that are due to the Town or local utility provider shall be ineligible to enter into any such agreement pursuant to this Policy.
7. **Assignment:** Any Tax Agreement entered into pursuant to this policy shall not be subject to assignment, transfer or sale without the consent of the Town Council. In the event that any such agreement is assigned, transferred or sold without the Town's Council's consent,

then the Agreement shall terminate as of the effective date of any such assignment, transfer or sale, and the full amount of the tax, including any accrued interest, that would otherwise be due to the Town shall immediately become due and payable.

8. **Provisions for Assignment of Tax Agreements:** Any request for the assignment of a Tax Agreement to a new owner or lessee of the same facility for which the original Tax Agreement was executed shall at be the sole discretion of the Town Council. The Town Council shall consider the financial capacity of the proposed owner or lessee and require that all conditions of the original Tax Agreement remain in effect. Failure or inability of a new owner or lessee to comply with the conditions of the Tax Agreement and this Policy in general shall result in immediate termination of the Agreement and all taxes, including accrued interest, otherwise due to the Town shall immediately become due and payable.

Provision for Recovery of Losses by the Town: In the event that the conditions of the Tax Agreement are not fulfilled the business or individual granted a tax incentive abatement shall repay the Town the dollar amount of the rebated tax payments, interest on rebated tax payments, legal expenses and any other associated costs.