

*Robert J. Walsh*

OFFICE OF THE  
TOWN COUNCIL

# TOWN OF EAST HARTFORD

740 Main Street  
East Hartford, Connecticut 06108



2017 JUN 22 A 9:38  
(860) 291-7208  
TOWN CLERK  
EAST HARTFORD FAX (860) 291-7389

DATE: June 22, 2017

TO: Town Council Members

FROM: Rich Kehoe, Chair

RE: **Tuesday, June 27, 2017 6:30 p.m. Town Council Chambers**

In accordance with Section 3.3 (a) of the Town Charter, a Special Meeting of the Town Council will be held as follows:

**Tuesday, June 27, 2017**

**6:30 p.m.**

**Town Council Chambers**

The purpose of the meeting is to hear public comment, discuss and possibly vote on a tax abatement, as well as setting fees for building permits, relating to the development of an outlet shopping center at Rentschler Field.

cc: Mayor Leclerc  
Michael Walsh, Finance Director  
Assistant Corporation Counsel Rich Gentile



## TOWN OF EAST HARTFORD OFFICE OF THE MAYOR

DATE: June 23, 2017  
TO: Richard F. Kehoe, Chair  
FROM: Mayor Marcia A. Leclerc  
RE: Rentschler Field Tax Incentive

East Hartford has been selected by Hartford Outlet Shoppes, LLC ("HOS") as the site for a 290,000 square foot or greater retail destination to be known as The Outlet Shoppes at Rentschler Field (the "Project"). The proposed overall cost of the Project will be in excess of \$100,000,000. The construction of this Project will provide employment for a substantial number of construction trades. When completed, the project will provide in excess of 1,000 full time and/or part time jobs.

Because this new construction is in the enterprise zone it qualifies for the benefits outlined in Connecticut General Statutes §32-71 and Town of East Hartford Ordinance 2-119, see attached, page 11. Accordingly, under existing law, any increase in real property assessment attributable to construction of the project would be deferred for seven years according to the following schedule:

Year	%Deferred
1	100%
2	100%
3	50%
4	40%
5	30%
6	20%
7	10%

HOS has represented that the project is not viable without additional tax relief and other benefits. Accordingly, I am asking that the Town Council approve additional tax relief that will provide tax benefits to HOS for ten (10) years. The expansion of Enterprise Zone benefits is allowed under both Connecticut General Statutes Section 32-71(e) and 12-65b, see attached, page 10. Specifically, I ask the Council to agree to the following tax abatement:

The assessment/exemption would be fixed at a value which results in the following percentage deferral of the increase in real property assessment in the following years:

Year(s)	%Deferred
1&2	100%
3	90%
4	80%
5&6	70%
7	60%
8	50%
9	40%

HOS and its tenants would still be liable for the payment of personal property taxes during this 10 year time frame. Additional phases of the Project beyond the proposed 290,000 square foot development would not benefit from this enhanced tax abatement.

Further, given the fact that this project has been in the works for a number of years, HOS will incur unanticipated additional expense in the form of increased Department of Inspections and Permits and Fire Marshall Fees. Accordingly, I am asking to set these fees at a cost consistent with the fee schedule that was in effect when the project began. Even with this adjustment, the fees will generate \$1.3 of revenue over the next 12-24 months. This setting of fees will only apply to fees payable to the Town in connection with construction of the first 290,000 square feet of the proposed Project. Tenant improvements, and additional phases of the Project will pay fees to the Town under then current fee schedules.

I value everyone's time and thoughts concerning this matter and am happy to discuss this memo and attachments with the Town Council.

I note that both HOS and my office are committed to utilizing Union Labor as much as possible on the project and I will not sign the Tax Abatement Agreement until I am satisfied that there is labor harmony at the worksite. I also will not sign the agreement until the "Construction Commencement Date" as set forth in the proposed lease of the Rentschler Field outlet shop location between RFDC 1, LLC and HOS.

C: R. Gentile, Assistant Corporation Counsel  
M. Walsh, Director of Finance  
E. Buckheit, Director of Development

# OFFICE OF CORPORATION COUNSEL

Date : June 22, 2017  
To : Richard Kehoe, Chair, Town Council  
From : Richard Gentile   
Re : Hartford Outlet Shoppes, LLC  
Tax Assessment Agreements

I am forwarding a draft motion and a Tax Assessment and Fees Agreement which can be considered by the Council in connection with Mayor Leclerc's request for tax incentives for Hartford Outlet Shoppes, LLC.

# MOTION

**DRAFT MOTION:**

MOVE: To authorize the Mayor, in her discretion and at any time after the "Construction Commencement Date" as set forth in a proposed lease between RFDC 1, LLC and Hartford Outlet Shoppes, LLC., to enter into a Tax Assessment and Fees Agreement with Hartford Outlet Shoppes, LLC and/or its affiliates and permitted assigns, with respect to the 290,000 square foot, or greater, first phase of the proposed retail destination development at Rentschler Field (the "Project") which Agreement shall also set the building permit fees of the Department of Inspections and Permits and the Office of the Fire Marshall for the first phase of the Project at \$1.3 million, and contain a tax assessment schedule which is consistent with the schedule set out in the draft Agreement contained in a memo from Assistant Corporation Counsel Richard P. Gentile to Town Council Chairman Richard Kehoe, dated June 22, 2017.

# TAX ASSESSMENT AND FEES AGREEMENT

**TAX ASSESSMENT AND FEES AGREEMENT**

**Hartford Outlet Shoppes, LLC**

This Tax Assessment and Fees Agreement (hereinafter “Agreement”) dated as of this \_\_\_ day of June , 2017 is made and entered into by and between the Town of East Hartford, a municipal corporation within the County of Hartford and State of Connecticut, (“Town”) and Hartford Outlet Shoppes, LLC a Delaware Limited Liability Company (together with its successors and permitted assigns, “Developer”).

WHEREAS, the Developer has proposed building a 290,000 square foot, or greater, retail destination: The Outlet Shoppes at Rentschler Field, in East Hartford, CT (the “Project”); and

WHEREAS, the Developer has proposed adding approximately 100,000 additional square feet to the Project in the future (“Additional Phases”); and

WHEREAS, the projected gross cost of the Project is in excess of \$100,000,000; and

WHEREAS, following completion, the Project is projected to provide employment for over 1,000 individuals; and

WHEREAS, the Developer represents that a Tax Assessment Agreement with the Town is an essential element of its decision to develop the Project at Rentschler Field; and

WHEREAS, the Town will benefit from the development of the Project, the location of a stable long-term retail destination at Rentschler Field, the prospect of new jobs for the area and increased personal property taxes; and

WHEREAS, the Town’s goals are to preserve and create jobs, create a stable long-term tax base and encourage the growth of new and existing business; and

WHEREAS, Developer’s project will qualify for certain tax relief and/or abatements by virtue of the proposed location of the Project in the designated Enterprise Zone at Rentschler Field; and

WHEREAS, Connecticut General Statutes, Sections 32-71(e) and 12-65b, as amended, provide the legal authority for a municipality to enter into this tax assessment agreement; and

WHEREAS, the East Hartford Town Council has authorized the Mayor, Marcia Leclerc, to execute a tax assessment agreement in accordance with the terms of the Connecticut General Statutes.



NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows:

- 1) Developer will build the Project on a portion of the premises known as Rentschler Field in East Hartford, Connecticut. Site development began in 2015 and construction will be completed in 2018 subject to Force Majeure Delays (as defined in the Lease (as defined below)). The Developer (including its successors and permitted assigns) will remain at the premises and occupy the Project for a period of at least ten (10) years from the grand opening of the Project.
- 2) Developer will comply with all applicable building, zoning, health and other governmental regulations and laws (including, but not limited to obtaining all necessary State and Municipal permits.)
- 3) Developer expects to utilize funds in excess of \$100,000,000 on the development and construction of the Project. Developer will work with labor to ensure significant union hiring on construction of the Project and labor harmony at the Project to the satisfaction of the Town's Mayor. Developer will also work with labor to ensure the utilization of East Hartford residents during the construction of the Project.
- 4) It is estimated that, when completed, the businesses located at the Project shall provide full and/or part time employment for at least 1,000 individuals. Developer will take all reasonable steps to ensure that employment opportunities related to the Project are offered to East Hartford residents, including holding hiring and job fairs in East Hartford, advertising such job fairs in local media and coordinating with the Town's Development Office on community outreach.
- 5) The terms of this Agreement shall not impact the obligation of Developer or Developer's tenants to pay personal property taxes with respect to personal property now or in the future located at the Project.
- 6) Pursuant to the authority granted under Connecticut General Statutes sections 12-65b and 32-71(e), the Town shall fix the assessments/exemptions on the Project as follows: One hundred percent (100%) of the increase in real property assessment attributable to the Project shall be abated for the first and second tax years, ninety percent (90%) for the third tax year, eighty percent (80%) for the fourth tax year, seventy percent (70%) for the fifth and sixth tax years, sixty percent (60%) for the seventh tax year, fifty percent (50%) for the eighth tax year, forty percent (40%) for the ninth tax year, and twenty-five (25%) for the tenth tax year. The increase in real property assessments shall be determined by computing the assessed value of the Project from time to time after completion and then subtracting the Baseline Assessed Value (as hereinafter defined). The "Baseline Assessed

Value” shall be the value for vacant land, assessed on the Town’s October 1, 2017 Grand List.

For the purposes of determining a tax year hereunder, the first tax year will be the assessment year commencing October 1, following the issuance of a certificate of occupancy, temporary certificate of occupancy or certificate of completion for the Project (the “First Tax Year”) and for tax years following the First Tax Year, the tax year commencing on October 1 immediately following the First Tax Year and the tax years commencing on each succeeding October 1 thereafter. Developer understands and agrees that it will be responsible for any taxes due on the Project between the date of the issuance of a certificate of occupancy, temporary certificate of occupancy or certificate of completion and the first day of the First Tax Year. Notwithstanding anything herein to the contrary, in no event shall the real property tax savings attributable to the fixing of assessments/exemptions hereunder exceed \$16,858,093.00. At such time, if any, that the real property tax savings hereunder reach \$16,858,093.00, the benefits under this Section 6 shall cease. This Agreement shall not apply to Additional Phases.

- 7) Pursuant to this Agreement the Town will set the building permit fees of the Department of Inspections and Permits and the Office of the Fire Marshall fees at \$ 1,300,000.00 in connection with the construction of the first 290,000 square feet of the Project. Fees associated with tenant improvements, and Additional Phases of the Project, will be payable pursuant to the then current Department of Inspections and Permits and the Office of the Fire Marshall fee schedules. This provision shall not apply to any fees payable to the State of Connecticut, including but not limited to the State Education Fee, in connection with the Project.
- 8) Each Covenant hereunder (as a whole and severally) is material and essential to this Agreement. Developer’s failure to comply with any of the covenants or the failure to maintain compliance with any of the covenants, shall, if not cured within sixty (60) days after written notice to the Developer, be a material breach of the Agreement. In the event of a material breach of this Agreement by reason of breach by the Developer or in the event that Developer (including its successors and permitted assigns) discontinues its operation of the Project prior to the 10 year period set forth in Section 1 hereof, except as otherwise provided in Section 9 hereof, the Town may terminate the future real property tax savings attributable to the fixing of assessments/exemptions under Section 6 above.
- 9) This Agreement and Developer’s rights, duties and obligations under this Agreement are not transferable or assignable without the prior consent of the Town, which consent will not be unreasonably withheld, other than in accordance with this Section 9. Notwithstanding the foregoing, Developer may assign its rights and interest or any

portion thereof in this Agreement without the prior consent of the Town to a transferee or assignee provided that the transferee or assignee continues to operate the Project as a retail destination such as an outlet center, of at least 290,000 square feet; and (i) the transferee or assignee has been accepted by RFDC 1, LLC, or the then current landlord under the Lease as a successor tenant under the terms and conditions of a certain Ground Lease [dated \_\_\_\_\_,] by and between RFDC 1, LLC and HOS, a copy of which is on file at [\_\_\_\_\_] (the "Lease"), (ii) the transfer is a permitted transfer pursuant to Section 11.3 of the Lease or (iii) the transferee or assignee is a lender or purchaser at foreclosure of a Leasehold Mortgage (as such term is defined in the Lease) or recipient of a conveyance in lieu of foreclosure of the Leasehold Mortgage in accordance with Sections 10.2.2.4(d) and 12.1 of the Lease. Should such Lease be terminated at any time during the term of this Agreement, Developer may assign its rights and interest or any portion thereof in this Agreement to a transferee or assignee provided: (i) that the transferee or assignee continues to operate the Project as a retail destination such as an outlet center, of at least 290,000 square feet; and (ii) the transferee or assignee has been accepted by the Town pursuant to the terms and conditions, and based upon the due diligence and disclosures which would otherwise be required, in Articles 10, 11 and 12 of the Lease. In the case of any such transfer or assignment, the transferee or assignee shall assume all of the Developer's obligations, shall be subject to all of the conditions of this Agreement and shall be entitled to all of the benefits of this Agreement accruing from and after the date of such transfer or assignment. Any attempt by Developer to transfer or assign this Agreement or any of its rights, duties or obligations under this Agreement in contravention of the terms set forth herein shall be void and of no effect.

- 10) This Agreement can only be modified by a written agreement duly signed by the persons authorized to sign agreements on behalf of the Town and Developer.
- 11) If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or be impaired thereby.
- 12) This Agreement shall be governed and construed in accordance with the laws of the State of Connecticut. The parties agree to the jurisdiction and venue of the courts located in the State of Connecticut.
- 13) This Agreement is the complete and exclusive statement of the agreement between parties as to the subject matter hereof and supersedes all communication between the parties related to the subject matter of this Agreement. Each party represents and warrants to the other that it has full power and authority to enter into and perform this Agreement.
- 14) A waiver of a breach or default under this Agreement shall not be a waiver of any other or subsequent breach or default. The failure or delay in enforcing compliance with any

term or condition of this Agreement shall not constitute a waiver of such term or condition.

- 15) This Agreement may be executed in multiple originals or counterparts, each of which will be an original and, when all of the parties to this Agreement have signed at least one (1) original, such documents together will constitute a fully executed and binding Agreement.

DRAFT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day first above mentioned.

Witness

TOWN OF EAST HARTFORD

\_\_\_\_\_

By: Marcia A. Leclerc, Mayor

\_\_\_\_\_

Witness

Hartford Outlet Shoppes, LLC

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF CONNECTICUT :  
SS : East Hartford  
COUNTY OF HARTFORD :

On this, the \_\_\_ day of \_\_\_\_\_, 2017, before me the undersigned officer appeared, Marcia A. Leclerc, the Mayor the Town of East Hartford, and acknowledged that she signed the foregoing instrument as her free ace and deed and the free act and deed of the Town.

\_\_\_\_\_  
Richard P. Gentile  
Commissioner of the Superior Court

STATE OF \_\_\_\_\_ :  
 SS : \_\_\_\_\_  
 COUNTY OF \_\_\_\_\_ :

On this, the \_\_\_\_ day of \_\_\_\_\_, 2017, before me the undersigned officer appeared, \_\_\_\_\_, the \_\_\_\_\_ of Hartford Outlet Shoppes, LLC and acknowledged that she/he signed the foregoing instrument as her/his free act and deed and the free act and deed of Hartford Outlet Shoppes, LLC

\_\_\_\_\_  
 Notary Public  
 Commissioner of the Superior Court

DRAFT

# STATUTES AND TOWN ORDINANCES

§ 32-71. Fixing of assessments in enterprise zones.

**Connecticut Statutes**

**Title 32. COMMERCE AND ECONOMIC AND COMMUNITY DEVELOPMENT**

**Chapter 585. ENTERPRISE ZONES, ENTERTAINMENT DISTRICTS, ENTERPRISE CORRIDOR ZONES AND AIRPORT DEVELOPMENT ZONES**

*Current through May 12, 2017*

**§ 32-71. Fixing of assessments in enterprise zones**

- (a) Any municipality which has designated any area as an enterprise zone pursuant to section 32-70 shall provide, by ordinance, for the fixing of assessments on all real property in such zone which is improved during the period when such area is designated as an enterprise zone. Such fixed assessment shall be for a period of seven years from the time of such improvement and shall defer any increase in assessment attributable to such improvements according to the following schedule:

	Percentage of Increase
Year	Deferred
First	100
Second	100
Third	50
Fourth	40
Fifth	30
Sixth	20
Seventh	10



Notwithstanding the provisions of this subsection, a municipality may negotiate the fixing of assessments on the portion of improvements, by a taxpayer, which exceed a value of eighty million dollars to real property which is to be used for commercial or retail purposes. Notwithstanding the provisions of chapter 203, no such improvements shall be subject to property taxation while such improvements are being constructed.

- (b) Any fixed assessment on any residential property shall cease if:
  - (1) For any residential rental property, any dwelling unit in such property is rented to any person whose income exceeds two hundred per cent of the median income, as determined by the United States Department of Housing and Urban Development, for the area in which the municipality containing the residential rental property is located; or
  - (2) for any conversion condominium declared after the designation of the enterprise zone, any unit is sold to any person whose income exceeds two hundred per cent of the median income, as determined by the United States Department of Housing and Urban Development, for the area in which the municipality containing the residential rental property is located.
- (c) In the event of a general revaluation by any such municipality in the year in which such improvement is completed, resulting in any increase in the assessment on such property, only that portion of the increase resulting from such improvement shall be deferred. In the event of a general revaluation in any year after the year in which such improvement is completed, such deferred assessment shall be increased or decreased in proportion to the increase or decrease in the total assessment on such property as a result of such revaluation.
- (d) No improvements of any real property which qualifies as a manufacturing facility under subsection (d) of section 32-9p shall be eligible for any fixed assessment pursuant to this section.
- (e) Any such municipality may provide any additional tax abatements or deferrals as it deems necessary for any property located in any such enterprise zone.

Cite as Conn. Gen. Stat. § 32-71

**Source:**

P.A. 81-445, S. 3, 11; P.A. 82-435, S. 2, 8; P.A. 83-558, S. 1, 2; P.A. 94-241, S. 3, 4; P.A. 00-194, S. 1, 3; P.A. 09-0093, S. 1; 09-0234, S. 3.

**History.** Amended by P.A. 09-0234, S. 3 of the 2009 Regular Session, eff. 7/9/2009.

Amended by P.A. 09-0093, S. 1 of the 2009 Regular Session, eff. 6/2/2009.

**Note:** P.A. 81-445 effective July 1, 1982; P.A. 82-435 provided scale of fixed assessments, inserted Subsecs. (c) and

Section 2-117. Findings and Purpose. □

**CHAPTER 2. The Administration**

**Article 23. Establishment of Municipal Enterprise Zone.**

**Section 2-117. Findings and Purpose.**

The Town Council of the Town of East Hartford finds:

- a) That Section 32-70 et seq., as amended, of the Connecticut General Statutes permits the Town, upon receipt of approval from the Connecticut Department of Economic Development, to establish by ordinance a municipal enterprise zone for the purpose of attracting investment by business enterprises and enhancing the town's economic climate and employment opportunities; and
- b) That the Department of Economic Development approved on July 14, 1995, the Town's application to designate Census Tract 5106 as a municipal enterprise zone and that in 2009, the town recognized the need to reduce the scope of the enterprise zone to reflect changes in the economic development plan for this area; and
- c) That it is in the best interest of the Town to establish by ordinance such municipal enterprise zone In compliance with the requirements of Connecticut General Statutes, Section 32-70 et seq., as amended.

Effective: 09-15-09

**Section 2-118. Municipal Enterprise Zone Established.**

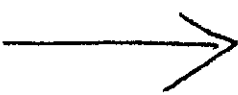
As used in this ordinance, "municipal enterprise zone" means a portion of Census Tract 5106 as depicted on a map dated April 3, 2009 and approved by the Commissioner of the Connecticut Department of Economic and Community Development, which map is on file in the office of the Town Clerk.

Effective: 09-15-09

**Section 2-119. Benefits.**

- a) All real property in the municipal enterprise zone which is improved in a manner which causes its assessment to be increased during the period when such area is designated as a municipal enterprise zone shall have its real estate assessment fixed. Such fixed assessments shall include new construction, reconstruction or renovations to existing buildings. Such assessment shall be fixed for a period of seven years from the time of completion of such improvements as certified by the Tax Assessor and shall defer any increase in assessment attributable to such improvements, in accordance with the following schedule:

Year	Percentage
First	100
Second	100
Third	50



Section 2-120. Municipal Enterprise Zone Advisory Committee.□

**CHAPTER 2. The Administration**

Fourth	40
Fifth	30
Sixth	20
Seventh	10

- b) In the event of a general revaluation by the Town of East Hartford in the year in which such improvements are completed, resulting in any increase in the assessment on such property, only that portion of the increase resulting from such improvements shall be deferred. In the event of a general revaluation in any year after the year in which such improvement is completed, such deferred assessment shall be increased or decreased, in proportion to the increase or decrease in the total assessment on such property as a result of such revaluation.
- c) Any assessment fixed pursuant to this Section on any residential property shall cease if: (1) any dwelling unit in any residential property is rented to any person whose income exceeds two hundred percent of the median family income of the town; or, (2) any unit of any conversion condominium declared after the designation of the municipal enterprise zone is sold to any person whose income exceeds two hundred percent of the median family income of the town of East Hartford.
- d) No improvements to real property that qualifies as a manufacturing facility under the provisions of Section 32-9p(d) of the Connecticut General Statutes shall be eligible for benefits under this Section.
- e) No improvements to real property shall be eligible for benefits under this section if such improvements have already been granted a deferred increased assessment by the Town of East Hartford.
- f) Notwithstanding the provisions of this Section, the Town may negotiate the fixing of assessments which is different from the schedule contained in subsection (a) of this section on improvements which exceed eighty million dollars and are used for commercial or retail purposes.

***Section 2-120. Municipal Enterprise Zone Advisory Committee.***

- (a) A Municipal Enterprise Zone Advisory Committee is hereby established.
- (b) The Municipal Enterprise Zone Advisory Committee shall consist of the following members:
  1. The Development Director; the Mayor or his designee; two members of the Town Council appointed by said Council; the Chief of Police or his designee; the Executive Director of the East Hartford Housing Authority or his designee; and a representative of the East Hartford Board of Education appointed by said Board;
  2. A representative of Manchester Community Technical College, appointed by its President;
  3. Two representatives of East Hartford's business community, one of whom shall be a member of the East Hartford Chamber of Commerce;
  4. Two persons who own businesses located in the municipal enterprise zone; and
  5. Two representatives of neighborhood community organizations serving the area in which the municipal enterprise zone is located, or two residents of the municipal enterprise zone.

§ 12-65b. Agreements between municipality and owner or lessee of real property or air space fixing the assessment of such property or air space.

## Connecticut Statutes

### Title 12. TAXATION

#### Chapter 203. PROPERTY TAX ASSESSMENT

*Current through May 12, 2017*

→ **§ 12-65b. Agreements between municipality and owner or lessee of real property or air space fixing the assessment of such property or air space**

- (a) Any municipality may, by affirmative vote of its legislative body, 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 in such municipality, or with any party owning or proposing to acquire an interest in air space in such municipality, or with any party who is the lessee of, or who proposes to be the lessee of, air space in such municipality in such a manner that the air space leased or proposed to be leased shall be assessed to the lessee pursuant to section 12-64, fixing the assessment of the real property or air space which is the subject of the agreement, and all improvements thereon or therein and to be constructed thereon or therein, subject to the provisions of subsection (b) of this section. For purposes of this section, "improvements to be constructed" includes the rehabilitation of existing structures for retail business use.
- (b) The provisions of subsection (a) of this section shall only apply if the improvements are for at least one of the following:
- (1) Office use;
  - (2) retail use;
  - (3) permanent residential use in connection with a residential property consisting of four or more dwelling units;
  - (4) transient residential use in connection with a residential property consisting of four or more dwelling units;
  - (5) manufacturing use;
  - (6) warehouse, storage or distribution use;
  - (7) structured multilevel parking use necessary in connection with a mass transit system;

- (8) information technology;
- (9) recreation facilities;
- (10) transportation facilities;
- (11) mixed-use development, as defined in section 8-13m ; or
- (12) use by or on behalf of a health system, as defined in section 19a-508c.

**Cite as Conn. Gen. Stat. § 12-65b**

**Source:**

1971, P.A. 471, S. 1, 2; P.A. 73-477; P.A. 75-575, S. 1, 2; P.A. 77-138, S. 1, 3; 77-586, S. 2, 3; P.A. 79-78, S. 1, 2; P.A. 82-414, S. 1, 2; P.A. 85-573, S. 1, 18; P.A. 90-219, S. 13; May Sp. Sess. P.A. 92-15, S. 4, 20; P.A. 94-157, S. 3, 4; P.A. 97-235, S. 1, 4; P.A. 98-207; P.A. 01-125, S. 1; P.A. 03-19, S. 25; P.A. 13-0246, S. 1; P.A. 14-0174, S. 5; June Sp. Sess. P.A. 15-5, S. 240; May Sp. Sess. P.A. 16-3, S. 32.

**History.** Amended by P.A. 16-0003, S. 32 of the Connecticut Acts of the 2016 Special Session, eff. 10/1/2016.

Amended by P.A. 15-0005, S. 240 of the Connecticut Acts of the 2015 Special Session, eff. 7/1/2015.

Amended by P.A. 14-0174, S. 5 of the Connecticut Acts of the 2014 Regular Session, eff. 10/1/2014.

**Note:** P.A. 73-477 added words "an interest in" with reference to acquisition of real property and air space in Subsec. (a); P.A. 75-575 amended Subsec. (a) to include municipalities with population densities of 4,500 persons or more per square mile and those contracting with U.S. for grants of more than \$10,000,000 for redevelopment and urban renewal and amended Subsec. (b) to include improvements for manufacturing use and to change cost minimum from \$10,000,000 to \$5,000,000; P.A. 77-138 made provisions applicable to any municipality, deleting all restrictions based on population, population density or amount of federal grant and included in Subsec. (b) improvements for warehouse storage or distribution use; P.A. 77-586 reinstated restriction on applicability of provisions, limiting provisions to municipalities with population of at least 35,000; P.A. 79-78 deleted restriction imposed by P.A. 77-586 and changed cost minimum in Subsec. (b) from \$5,000,000 to \$3,000,000; P.A. 82-414 amended requirements in Subsec. (b) applicable to fixed assessment agreements to permit agreements if at least one, rather than two or more as was previously the case, of the types of improvements is satisfied; and increased list by adding multilevel parking facilities as an improvement, the proposed construction of which would allow such an agreement; P.A. 85-573 provided for agreements for not more than two years on improvements of not less than \$500,000, effective July 10, 1985, and applicable in any municipality to the assessment year commencing October 1, 1985, and thereafter; P.A. 90-219 amended Subsec. (b) to require that improvements for structured multilevel parking use be necessary in connection with a mass transit system; May Sp. Sess. P.A. 92-15 added Subsec. (a)(3) re improvements of not less than \$100,000, effective July 1, 1992, and applicable to assessment years of municipalities commencing on or after October 1, 1992; P.A. 94-157 added Subsec. (a)(4) to (7), inclusive, effective October 1, 1994, and applicable to assessment years commencing on or after that date; P.A. 97-235 added Subsec. (b)(viii) re improvements for information technology, effective June 24, 1997; P.A. 98-207 reorganized and relettered Subsec. (b) and added new Subdivs. (9) and (10) re recreation facilities and transportation facilities; P.A. 01-125 amended Subsec. (a) to reduce

ILLUSTRATION OF ABATEMENT SCHEDULE AND  
BENEFITS BASED UPON SHOWN ASSUMPTIONS

**The Town of East Hartford**  
**The Outlet Shoppes at Rentschler Field - Enterprise Zone**  
 Revised June 21, 2017

**PROPOSED PROPERTY TAX ABATEMENT\***

Enterprise Zone Tax Benefits				Ent. Zone		(1)		(2)		(To Town)		Tax		Total		X-check		
Year	Year #	Construction Costs	Assessment @ 70%	Assess. Abate %	Adjusted Assessment	Est. Mill rate	Net Real Estate Taxes	Abatement	Total	X-check								
2018	1	\$ 64,556,690	\$ 45,189,683	100%	\$ -	48.00	-	\$ 2,169,105	\$ 2,169,105	2,169,105								
2019	2	\$ 64,556,690	\$ 45,189,683	100%	\$ -	48.96	-	\$ 2,212,487	\$ 2,212,487	2,212,487								
2020	3	\$ 64,556,690	\$ 45,189,683	90%	\$ 4,518,968	49.94	225,674	\$ 2,031,063	\$ 2,256,737	2,256,737								
2021	4	\$ 64,556,690	\$ 45,189,683	80%	\$ 9,037,937	50.94	460,374	\$ 1,841,497	\$ 2,301,871	2,301,871								
2022	5	\$ 64,556,690	\$ 45,189,683	70%	\$ 13,556,905	51.96	704,373	\$ 1,643,536	\$ 2,347,909	2,347,909								
2023	6	\$ 64,556,690	\$ 51,968,135	70%	\$ 15,590,441	53.00	826,229	\$ 1,927,868	\$ 2,754,097	2,754,097								
2024	7	\$ 64,556,690	\$ 51,968,135	60%	\$ 20,787,254	54.06	1,123,672	\$ 1,685,507	\$ 2,809,179	2,809,179								
2025	8	\$ 64,556,690	\$ 51,968,135	50%	\$ 25,984,068	55.14	1,432,681	\$ 1,432,681	\$ 2,865,363	2,865,363								
2026	9	\$ 64,556,690	\$ 51,968,135	40%	\$ 31,180,881	56.24	1,753,602	\$ 1,169,068	\$ 2,922,670	2,922,670								
2027	10	\$ 64,556,690	\$ 51,968,135	25%	\$ 38,976,102	57.36	2,235,842	\$ 745,281	\$ 2,981,123	2,981,123								
Total											\$ 8,762,447	\$ 16,858,093	\$ 25,620,540	25,620,540				
NPV @ 5%												\$ 13,400,000						

(1) Assessed value adjusted at year 6 by 15%.

(2) Estimated 2% annual increase in mill rate

\*Disclaimer: Illustration of abatement schedule and benefits based upon shown assumptions.