

*Robert J. Paek*

OCT 23 A 9:44

TOWN CLERK  
EAST HARTFORD

MICROSOFT "TEAMS"  
TAX POLICY COMMITTEE

OCTOBER 27, 2020

TO: Councillors Don Bell and Pat Harmon  
FROM: Angie Parkinson, Chair  
RE: Tuesday, October 27, 2020 @ 5:00pm

**Due to the coronavirus outbreak, Town Hall is closed. Pursuant to Governor Lamont's Executive Order No. 7B, the October 27<sup>th</sup> Tax Policy Committee meeting will be accessible through "Microsoft Teams" 1 929-235-8441 Conference ID: 515 344 219 #**

AGENDA

1. CALL TO ORDER
2. APPROVAL OF MINUTES  
A. June 9, 2020
3. OPPORTUNITY FOR RESIDENTS TO SPEAK
4. OLD BUSINESS
5. NEW BUSINESS  
A. Economic Development Incentive Guidelines
6. ADJOURNMENT

c: Town Council  
Mayor Leclerc  
Eileen Buckheit, Development Director  
Linda Trzetzziak, Finance Director  
Craig Stevenson, Chair, Economic Development Commission

*Robert J. Paet*

2020 JUN 10 P 1:28

MICROSOFT "TEAMS"  
TAX POLICY COMMITTEE

TOWN CLERK  
EAST HARTFORD

JUNE 9, 2020

PRESENT Angie Parkinson, Temporary Chair, Councillors Don Bell and Pat Harmon

ALSO

PRESENT Linda Trzetzziak, Finance Director  
Via TEAMS Marcia Leclerc, Mayor  
Rich Kehoe, Chair, East Hartford Town Council

CALL TO ORDER

Temporary Chair Parkinson called the meeting to order at 5:34 p.m.

NOMINATION OF OFFICERS

Chair

MOTION By Pat Harmon  
seconded by Don Bell  
to **appoint** Angie Parkinson as **Chair**  
of the Tax Policy Committee.  
Motion carried 3/0.

Secretary

MOTION By Pat Harmon  
seconded by Angie Parkinson  
to **appoint** Don Bell as **Secretary**  
of the Tax Policy Committee.  
Motion carried 3/0.

ADOPTION OF RULES GOVERNING MEETINGS

MOTION By Don Bell  
seconded by Pat Harmon  
to **adopt** Robert's Rules of Order as the rules that shall govern  
parliamentary procedure at all subcommittee meetings, with the exception  
that (1) the Chair shall not be required to restate the motion of any  
Council member unless requested by another Councillor, or when in the  
discretion of the Chair, such restatement is necessary to avoid any  
confusion as to the motion; and (2) where such rules are in conflict with  
the provisions of the State Statutes, the Town Charter, or Town  
Ordinances.  
Motion carried 3/0.

ESTABLISHMENT OF MEETING DATES

MOTION By Don Bell  
seconded by Pat Harmon  
to **hold** meetings at the **call** of the Chair.  
Motion carried 3/0.

STORAGE OF RECORDS

MOTION By Don Bell  
seconded by Pat Harmon  
to **store** records in the Town Council office.  
Motion carried 3/0.

APPROVAL OF MINUTES

March 20, 2019

MOTION By Don Bell  
seconded by Pat Harmon  
to **approve** the minutes of the March 20, 2019 meeting.  
Motion carried 3/0.

OPPORTUNITY FOR RESIDENTS TO SPEAK

None

NEW BUSINESS

Assignment of Subsequent Tax Liens to Existing Lien Holders

Finance Director Linda Trzetzziak discussed the operating procedures for selling tax liens and the assignment of a subsequent lien to an existing lienholder.

MOTION By Don Bell  
seconded by Pat Harmon  
to recommend that the Town Council **authorize** the Administration to assign the subsequent tax liens of 59 properties totaling \$450,749.09, as stated on lists produced by Finance Director Linda Trzetzziak and attached to a memorandum dated March 27, 2020 from Mayor Marcia Leclerc to Town Council Chair Richard Kehoe, to the vendors who currently hold the prior year tax liens on these properties; and to further recommend that the Town Council **authorize** the Administration to assign any future tax liens to the vendors who currently hold the prior year tax lien on those properties.  
Motion carried 3/0.

ADJOURNMENT

MOTION      By Don Bell  
                  seconded by Pat Harmon  
                  to **adjourn** (5:54 p.m.)  
                  Motion carried 3/0.

cc: Town Council  
      Mayor Leclerc  
      Linda Trzetzak, Finance Director

RL

**Town of East Hartford, Connecticut  
ECONOMIC DEVELOPMENT INCENTIVE GUIDELINES**

**I. Overview and Background**

The objective of offering an economic development incentive (see section VI) is to encourage the expansion of specific types of businesses through the establishment of a public/private partnership, which results in growth, and expansion consistent with the Town's Plan of Conservation and Development (Plan of C &D). In order to create the impetus for new investment, the town may provide incentives under the Connecticut General Statutes, Sec. 12-65b to projects that will increase the assessed value to the real property by at least 25% and demonstrate long-term commitment to East Hartford through:

1. Preservation and creation of jobs for local residents;
2. Creation of high-quality long term tax base growth;
3. Stimulation of the local economic conditions for existing businesses and the development of future industry groups;
4. Accomplishment of community goals as stated in the current PLAN OF C & D.

Any project requesting incentives shall meet established criteria. An application will be completely filled out and submitted to the Development Department. This application will be brought to the Economic Development Commission for endorsement and then submitted to the Mayor. The Mayor will submit any proposal for incentives to the Town Council for action.

**II. Qualifying Businesses**

1. Applicant must be a private, for-profit enterprise that is entitled to operate legally in the State of Connecticut;
2. Applicant must not be in violation of any law, regulation or agreement with the Town, State or Federal Government;
3. Applicants must demonstrate a solid financial base and reasonable growth potential;
4. Applicants must be committed to make a significant investment in new or rehabilitated real or personal property;
5. Applicant's project must provide the Town the opportunity to create new employment, enhance the tax base, encourage technological innovation or investment, or address a goal or objective identified in the PLAN OF C & D.
6. A statement as to the ownership structure of both the real property and operating company including information as to the ownership of any applicable subsidiary companies.

### **III. General Requirements**

RL

Applicants for incentives will be considered under the following circumstances:

1. The proposed project is located in an appropriate zone as defined in the East Hartford Zoning Regulations;
2. There is a commitment to remain in the town beyond the length of the abatement or other incentive period if applicable;
3. All tax obligations to the Town by the Applicant are current and remain current during the incentive period. Any delinquencies will automatically terminate tax fixing agreements;
4. Reasonable efforts will be made to employ Town residents;
5. The project must meet goals and objectives identified in the current PLAN OF C & D;
6. Reasonable efforts will be made to use East Hartford businesses during construction and operation.

### **IV. Application Procedure**

Applications shall be made to the Mayor, through the Director of Development. The Director of Development may enter into negotiations with such applicant for the purpose of developing an agreement. Once agreement has been reached, the Mayor, Director of Finance and Corporation Counsel shall review the application and the agreement. After review the application and agreement shall be forwarded to the Economic Development Commission for its review, comment and recommendation. Within thirty days of receipt of the proposed agreement, the EDC shall report its findings and recommendation to the Mayor. The Mayor shall make a final recommendation and submit the application and agreement to the Town Council for approval. The application and supporting documentation will, at minimum, provide the information as outlined in Exhibit A attached hereto and made a part of.

### **V. Policy Waiver**

In the event of unusual or extraordinary circumstances, the Council may alter or otherwise waive any and all requirements contained herein so long as the project is consistent with the goals and objectives of the current Plan of C & D.

### **VI. Types of Incentives**

The Town may provide economic development incentives as it may be eligible to provide in accordance with State Statutes including but not limited to Personal and Real Property Tax Fixing Agreements; Abatements or Rebates; grants, loans, loan guarantee, down payment, employment or local hiring credit; public infrastructure improvements, job training program or other purchase assistance.

~~Projects can qualify for abatement of taxes on real property improvements automatically by meeting the above criteria and scoring in the required range as detailed on Exhibit A.~~ Exhibit A attached hereto and made a part of details the level of abatements to be offered.

**Exhibit A**  
**Amount of Abatements**

RL

<u>Total Project Cost</u>	<u>Max Length of Abatement</u>	<u>Max Size (%) of value to be abated</u>
<u>\$25,000-499,999</u>	<u>3 years</u>	<u>50%</u>
<u>\$500,000-2,999,999</u>	<u>2 years</u>	<u>100%</u>
<u>\$3,000,000-9,999,999</u>	<u>5 years</u>	<u>100%</u>
<u>Over \$10,000,000</u>	<u>10 years</u>	<u>100%</u>

Projects located within targeted development or redevelopment districts and meeting the objectives outlined within the plans for these districts, as previously approved by an authorizing agency of the Town, shall be automatically considered for the maximum abatement of taxes.