

Town of East Haddam Redevelopment Incentive Programs

Federal Historic Preservation Tax Incentive

Federal tax credit program administered through the Connecticut Department of Economic and Community Development to support the rehabilitation and reuse of historic buildings. Up to 20% of the building rehabilitation costs can be received as a credit against the owner/developer's federal tax liability. Applications are filed with the Connecticut State Historic Preservation Office, which conducts a preliminary review and coordinates application reviews with the National Park Service. Eligible buildings must be listed on the National Register.

Connecticut Historic Preservation Tax Credit

Connecticut established the Historic Preservation Tax Credit program (Connecticut General Statutes sec 10-416b (PDF), as amended in Public Act 11-48 Section 122) to support and encourage the rehabilitation and reuse of historic property to mixed-use or commercial use. Developer/owners can apply for a tax credit of 25% of the value of the total qualified rehabilitation expenditures. These state tax credits may be combined with the 20% federal historic preservation tax credits. There is a per building cap is up to \$5 million in tax credits, and buildings must be listed on the National or State Register of Historic Places, either individually or as part of an historic district.

Historic Structures Rehabilitation Tax Credit Program

Connecticut established the Historic Structures Rehabilitation Tax Credit program (Connecticut General Statutes sec 10-416b (PDF), as amended in Public Act 11-48 Section 122) to support and encourage the rehabilitation and reuse of historic residential property. Developer/owners can apply for a tax credit of 25% of the value of the total qualified rehabilitation expenditures. These state tax credits may be combined with the 20% federal historic preservation tax credits. The "per building cap" is up to \$2.7 million in tax credits, and buildings must be listed on the National or State Register of Historic Places, either individually or as part of an historic district.

Small Business Express Program (CT DECD)

During the October 2011 Special Session on the economy, the Connecticut General Assembly passed the Small Business Express Program to support the growth and development of Connecticut businesses established for at least 12-months, employing 50 or fewer people, and in good standing with both local and state taxes. The program has three components; 1) a revolving loan fund; 2) a job creation incentive component; and 3) a matching grant component. The state has

authorized \$100 million over two fiscal years to support small business through these programs. A brief summary of each program is below:

- a. Revolving Loan Fund (RLF)
 - i. Eligible Uses: M & E, Construction/Leasehold Improvements, Relocation expenses (in-state), working capital, other
 - ii. Terms: 4% max rate, \$10k to \$100k funding, 5-year term
- b. Job Creation Incentive Component (loans)
 - i. Eligible Uses: training, marketing, working capital
 - ii. Job Creation forgiveness for job maintenance of 12-months or more
 - iii. Terms: terms not defined, \$10k to \$250k
- c. Matching Grant Component
 - i. Eligible Uses: Training, M & E, Construction/Leasehold Improvements, Relocation expenses (in-state), working capital, other
 - ii. Terms: \$10k to \$100k

East Haddam Tax Incentive Program

In 2010 the Town of East Haddam created a Tax and Business Incentive Program to attract new businesses, promote the expansion of existing businesses and to encourage rehabilitation and reuse of vacant commercial buildings. It is the intent of the Town: (1) to assist in the creation of jobs for local area residents, (2) to create long term tax base growth through the replacement, reconstruction, expansion and remodeling of existing business facilities where appropriate and not injurious to the surrounding environment, (3) to encourage construction of new commercial and industrial facilities, and (4) to encourage substantial investment in new machinery, equipment and other personal property subject to taxation within the Town.

Businesses qualifying for

The following types of businesses, consistent with Town ordinances, regulations, rules and codes and with the East Haddam Plan of Conservation and Development shall receive priority consideration under the provisions of this ordinance and the Program:

1. All business uses enumerated in subdivision (b) of CGS Sec. 12-65b including (1) Office; (2) retail; (3) permanent residential; (4) transient residential; (5) manufacturing; (6) warehouse, storage or distribution; (7) structured multilevel parking use necessary in connection with a mass transit system; (8) information technology; (9) recreation facilities; or (10) transportation facilities
2. Resorts and other tourist attractions
3. Other business uses

Program benefits provide a graduated abatement of property taxes for a period of up to seven years. The assessment of real property and all improvements to be constructed on the property for projects valued at not less than three million dollars (\$3,000,000).