

CHAPTER 98 - TAXATION

Article VIII - Deferral of assessment increases attributable to construction or improvements.

§ 98-26 **Preamble, general findings and authority.** Whereas, the Connecticut General Assembly has authorized municipalities to fix assessments for construction or improvements to real property or air space in accordance with the provisions of §12-65b of the Connecticut General Statutes; and whereas the deferral of assessment increases attributable to new construction or improvements will encourage economic development within the Town of Bethel and the continued economic vitality of the Town; now, therefore, in accordance with § 12-65b of the Connecticut General Statutes, the Town does hereby provide for the deferral of assessment increases attributable to construction or improvements to real property or air space within the Town of Bethel as specified herein.

§ 98-27 **Application and eligibility.** An application to the Town for a deferral of assessment increases for real property, air space and all improvements thereon or therein and to be constructed thereon or therein may be made by any party owning or proposing to acquire an interest in real property, or any party owning or proposing to acquire an interest in air space, or any party who is the lessee of, or who proposes to be the lessee of, air space in such a manner that the air space leased or proposed to be leased shall be assessed to the lessee pursuant to § 12-64 of the Connecticut General Statutes. In order to be eligible for the benefits provided by this section, a completed application form available from the Town of Bethel Economic Development Commission (the "EDC") must be submitted to the EDC or such other Town agency or Town officer as designated by the Bethel Board of Selectmen and, upon receipt of a report from the EDC, the Bethel Board of Selectmen (the "Selectmen") must find that:

- A. Use. The applicant proposes to use the construction of improvements to real property (or property subject to air rights) for at least one of the following principal uses where allowed in the zoning districts of the Town of Bethel's Zoning Regulations or where a variance for the specific use(s) has been granted by the Bethel Zoning Board of Appeals:
 1. Office use;
 2. retail use;
 3. use in connection with transient residential units in the form of a hotel and/or motel;

4. manufacturing use;
 5. warehouse, storage or distribution use;
 6. structured multilevel parking use necessary in connection with a mass transit system;
 7. information technology;
 8. recreation facilities;
 9. transportation facilities;
 10. mixed-use development, as defined in § 8-13m of the Connecticut General Statutes; or
 11. use by or on behalf of a health system, as defined in § 19a-508c of the Connecticut General Statutes.
- B. Taxes. The property or property subject to air rights is not delinquent in the payment of taxes owed to the Town.
- C. Written agreement. The applicant agrees to enter into a written agreement with the Town fixing the assessment of the real property, air space and all improvements thereon or therein and to be constructed thereon or therein upon such terms and conditions as are provided for herein and therein.
- D. Site plan. The application shall include a site plan, proposed exterior façade elevations, interior layout, and other specifications drawn to scale indicating all existing and proposed construction and other improvements sufficient for the assessor to determine the assessment increase of the property after completion of all proposed construction or improvements for which this deferral is being requested. The Town may require that proposed new construction or renovation of non-historic buildings located within the Village Zoning District comply with one or more of the contextual design guidelines for such district as specified in the Town of Bethel Zoning Regulations, as amended.

§ 98-28 **Application procedure.**

- A. All applications shall be submitted to the EDC on forms supplied by the EDC. Each such application shall include the applicant's estimate of the cost of the construction or improvements subject to deferred assessment hereunder.
- B. The EDC shall review each application submitted to it and shall forward each such application to the Selectmen within sixty (60) days of receipt, together with the EDC's report concerning whether or not

the application meets the eligibility criteria contained in this section. Such report shall include specific reasons in support of the findings expressed therein.

- C. Upon receipt of an application and report from the EDC, the Selectmen shall approve the application, reject the application, or return the application to the EDC for further information. If an application is rejected, the Selectmen shall state its reasons for rejection upon the record. The applicant may file a revised application with the EDC which addresses the reasons for rejection by the Selectmen.
- D. In the event of approval, the Selectmen shall adopt a resolution authorizing the First Selectman to enter into an agreement with the owner or lessee of the property, as specified herein.

§ 98-29 Assessment deferral agreement.

- A. The assessment deferral agreement to be signed by the applicant and the First Selectmen on behalf of the Town shall refer to and incorporate the application as approved by the Board of Selectmen, shall reflect the assessment on the property immediately prior to the commencement of construction, and shall specify the period of deferral which shall begin with the issuance of a certificate of occupancy for the improvements to be constructed.
- B. The assessment deferral agreement shall provide that, upon completion of construction or improvements made in accordance with the terms of the agreement, and upon certification by the planning department, as hereinafter set forth, and upon issuance of the certificate of occupancy, the increase in the assessment on the property due to such construction or improvements shall be deferred in accordance with one of the following schedules, as determined by the Board of Selectmen:
 - 1. For proposed construction or improvements which value three million dollars (\$3,000,000.00) or more, the entire increase in the assessment may be deferred each year for a period not to exceed seven (7) years;
 - 2. For proposed construction or improvements which value five hundred thousand dollars (\$500,000.00) or more, up to two million nine hundred ninety nine thousand nine hundred ninety nine dollars (\$2,999,999.00), the entire increase in the assessment may be deferred each year for a period not to exceed two (2) years;
 - 3. For proposed construction or improvements which value fifty thousand dollars (\$50,000.00) or more, up to four hundred ninety

nine thousand nine hundred ninety nine dollars (\$499,999.00), fifty (50%) of the increase in the assessment may be deferred each year for a period not to exceed three (3) years.

- C. The assessment deferral agreement shall provide that such construction or improvements shall be completed by a date fixed in such assessment deferral agreement. In the event that on the date so fixed for completion the planning department has denied certification that the construction or improvements have been performed in accordance with the eligibility criteria as set forth in this section and in accordance with the terms of the assessment deferral agreement, or at any time if the EDC determines that the owner or lessee or the property is in default under the terms of said agreement, and has failed to cure said default after notice and an opportunity to do so, the agreement shall terminate. In the event of such termination, the owner or lessee of the property, as herein provided, shall be liable for any increase in taxes for which he would have been liable in the absence of such agreement. The agreement shall further provide that a property owner or lessee, as herein provided, may apply to the planning department for an extension of time in which to complete the construction or improvements which, for good cause shown, the planning department may approve, but in no event shall such extension of time exceed a period of one (1) year.
- D. The assessment deferral agreement shall further provide that the agreement is contingent upon the following conditions:
1. That, in addition to the certification requirement of, §98-30 subsection C., the property shall be subject to inspection and certification by the building inspector and health director, as being in conformance with such provisions of the state building and health codes and local housing codes as may apply, and by the zoning enforcement officer and/or planning officer to ensure conformance with the zoning regulations and site plan approval, as required;
 2. The assessment deferral shall continue only as long as the use of the property remains a use authorized by §98-27 subsection A.;
 3. That the assessment deferral shall cease if there is any delinquency in the payment of taxes on the property; and
 4. That the assessment deferral shall cease upon the sale or transfer of the improvements unless the new owner or lessee, as the case may be, of such property shall enter into a new contract with the Town incorporating all the terms of the agreement with the former owner or lessee, as herein provided.

5. That the assessment deferral shall cease upon a change of use or substantive deviation from the assessment deferred project as approved for the construction or improvements unless, prior to said change of use or substantive deviation taking effect, the owner, lessee or successor in interest applies for and obtains approval of the Selectmen for the continuation of said assessment deferral, subject first to review and report by the EDC.

§ 98-30 **Miscellaneous provisions.**

- A. The assessor shall have the sole responsibility for determining the cost and value of the construction or improvements subject to a deferral of assessment increases hereunder.
- B. A copy of any assessment deferral agreement entered into pursuant to the provisions of this section shall be forwarded to the assessor, who shall adjust her records accordingly.
- C. The planning department shall forward a copy of its certification that the construction or improvements has been completed in accordance with the assessment deferral agreement to the assessor. In the event that the planning department denies such certification, it shall send a copy of its denial to the assessor, who shall readjust her tax records in accordance with the provisions of this section.
- D. Any agreement entered into under the provisions of this Article VIII shall be recorded on the land records of the Town.
- E. The planning department is authorized to establish written procedures and technical specifications for the administration of this Article VIII regarding design and construction of the improvements per the deferral agreement.
- F. Properties upon which construction or improvements commenced prior to the adoption of this section, but which have not yet received a certificate of occupancy, may be eligible for the benefits set forth in this section, provided that they meet the requirements of and apply in accordance with the provisions of this Article VIII.