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Elizabeth C. Leary
TOWN CLERK

EAST HAVEN

ENACTMENT OF A RESOLUTION

At a Special Meeting of The East Haven Town Council held Monday, March 14, 2005, the following resolution as introduced at a Public Hearing February 1, 2005, was enacted by the Full Council March 14, 2005, and approved by the Mayor on March 22, 2005.

Whereas, on May 3, 1994 this Council enacted a resolution designating the Town of East Haven as a rehabilitation area and establishing criteria for the eligibility of real property for assessment increase deferral, which resolution terminated on December 31, 1997; and

Whereas, on June 2, 1998, this Council enacted a resolution continuing the designation of the areas identified in said resolution as rehabilitation areas, and extended the termination date of said rehabilitation program to December 31, 2003, and

Whereas, a copy of said resolution enacted on June 2, 1998 is attached hereto and designated a Schedule 1; and

Whereas, a copy of said resolution enacted on May 3, 1994 is attached hereto and designated as Schedule A; and

Whereas, it is desirable and in the best interests of the Town of East Haven to continue to designate the areas identified in said resolution as rehabilitation areas; and to expand the designation of rehabilitation areas as provided for herein.

Now, Therefore, Be it resolved: that in accordance with Section 12-65c through 12-65e of the Connecticut General Statutes, as amended, the Town Council hereby continues the rehabilitation areas, which designation shall be in accordance with all of the criteria, conditions and procedures set forth in said resolutions, all of which are incorporated herein by reference, to further expand said rehabilitation areas to include the south side of Tyler Street, between French Avenue and Thompson Avenue.

Be it further resolved that the rehabilitation program as set forth in this resolution shall become effective on the date of publication of notice of adoption hereof by the East Haven Town Council, as required by statute, and shall remain in effect until December 31, 2009.

Joseph M. Maturo, Jr.
Approved by Joseph Maturo, Jr., Mayor

Roberta A. DeLuca
Submitted by Roberta A. DeLuca, Clerk

Elizabeth C. Leary
Received by Elizabeth Leary, Town Clerk

3/22/05
Date

3/22/05
Date

MAR 23 2005
Date

**RESOLUTION DESIGNATING THE TOWN OF EAST HAVEN AS A
REHABILITATION AREA AND ESTABLISHING CRITERIA FOR THE ELIGIBILITY
OF REAL PROPERTY FOR ASSESSMENT INCREASE DEFERRALS**

WHEREAS, the Town of East Haven seeks to assist property owners undertaking the substantial rehabilitation of retail, commercial and office structures, including existing apartment buildings, industrial, or structures converted to elderly units; and

WHEREAS, in order to create incentives to make commercial/retail areas clean and attractive, to create a positive town image, to foster the creation of new jobs, and to promote a healthier business environment, the Town wishes to provide for the fixing of real property tax assessments during periods of rehabilitation and for deferral of increases in assessment attributable to such rehabilitation;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Section 12-65c through 12-65e of the Connecticut General Statutes, as amended, the Town Council of the Town of East Haven hereby designates the Town of East Haven, as defined by its legal boundaries, as a Rehabilitation Area.

BE IT FURTHER RESOLVED THAT:

A parcel of real estate shall be considered to be within a Rehabilitation Area if it has frontage upon, or a primary means of access from, any of the streets or portions thereof designated above. Subject to the requirements of Sections 12-65c through 12-65e of the Connecticut General Statutes, the Town Council may from time to time designate additional areas of Rehabilitation Areas for the purpose of this resolution.

Structures and properties within a Rehabilitation Area may be eligible for the fixing of assessments during periods of rehabilitation and for the deferral of increases and assessments attributable to such rehabilitation in accordance with the terms of this resolution. In the event of any conflict between the terms of this resolution and the provisions of Section 12-65c through 12-65e of the Connecticut General Statutes, as amended from time to time, the provisions of said statutes shall control.

I. CRITERIA FOR ELIGIBILITY

A. USE

1. In order to be eligible for assessment fixing and deferral, the rehabilitation of a property must result in its use for retail, industrial, commercial, or office use. In addition, the rehabilitation of existing apartment buildings, or the conversion of existing structures to elderly use shall be eligible. Other uses, including but not limited to residential structures not specifically described in this Section, are not eligible.

2. In addition to complying with the restrictions set forth in this Section, the proposed rehabilitation must be compatible with the plan of development of the Town of East Haven and any applicable zoning or other land use regulations, and in compliance with

such state building and health codes and local housing code requirements as may apply. The agreement fixing and deferring the assessment shall specify the use to which the property shall be put upon completion of rehabilitation.

B. INITIAL CONDITION OF PROPERTY

1. To be eligible for fixing of assessments and deferral of increased assessments attributable to rehabilitation pursuant to this resolution, a property or structure thereon must fail to comply in some manner with at least one of the following prior to rehabilitation:

(i.) The State Building Code, as adopted under Section 19-395 of the Connecticut General Statutes, as amended; or

(ii.) The State Fire Safety Code, as adopted under Section 9-40 et seq. of the Connecticut General Statutes, as amended; or

(iii.) The State Public Health Code under regulations adopted pursuant to Section 13-13 of the Connecticut General Statutes, as amended; or

(iv.) The Housing Code of the Town of East Haven, as adopted under Section 47a-52 and Chapter 352 of the Connecticut General Statutes, as amended.

C. EXTENT AND NATURE OF IMPROVEMENTS.

1. In order to be eligible for assessment fixing and deferral pursuant to this resolution, all of the following conditions must be met:

(i.) A property must be rehabilitated and improved to the extent that such work will result in a minimum increase of fifteen percent (15%) in the current assessment, as determined by the Assessor.

(ii.) Rehabilitation and improvements must correct all noncompliance with the codes described in Section (I) B.

(iii.) Properties must be rehabilitated and improved in conformity with the plan of development of the Town of East Haven and all applicable zoning or other land use regulations.

(iv.) If the property is designated as a "Certified Historical Structure" as defined by Federal Regulations (36 CFR 1208) the proposed rehabilitation shall meet all of the standards of rehabilitation set forth in such regulations.

D. OTHER CONDITIONS OF ELIGIBILITY

1. A property otherwise eligible shall nevertheless be ineligible for assessment fixing or deferral if:

(i.) The structure or property is receiving any tax assessment deferral or abatement due to the proposed rehabilitation pursuant to any other program or agreement offer by the Town; or

(ii.) The structure of property is receiving any subsidies or grants from the federal or state government or any agency thereof which includes, provides for, or contemplates the payment of local property taxes; or

(iii.) There are delinquent real property taxes due to the Town of East Haven with respect to the property, unless the owner of the property either pays the delinquency in full before commencing rehabilitation or establishes and agrees to a schedule of payment of the arrearage approved by the tax collector. The fixing or deferral of assessments made under this resolution shall terminate effective upon the due date of any payment not made in accordance with such a schedule; or

(iv.) The owner of the subject property is delinquent in any other real or personal property tax payments due to the Town of East Haven, unless the owner of the property either pays the delinquency in full before commencing rehabilitation or establishes and agrees to a schedule of payment for the arrearage approved by the tax collector. The fixing or deferral of assessments made under this resolution shall terminate effective upon the due date of any payment not made in accordance with such a schedule.

II. PROCEDURES FOR OBTAINING AND EXECUTION OF ASSESSMENT FIXING AND DEFERRAL

A. APPLICATION

1. Property owners desiring a fixing of assessment and deferral of increases in assessment due to rehabilitation must file an application with the Assessor's Office of the Town of East Haven. Such application shall be on a form prescribed by the Assessor and shall include the following:

(i.) one set of preliminary architectural drawings or blue prints for rehabilitation;

(ii.) one set of outline specifications;

(iii.) a copy of a building permit or proposed permit application;

(iv.) a sworn statement regarding the current or delinquent status of property tax payments due with respect to the subject property and other real and personal property owned by the applicant with the Town of East Haven;

(v.) a statement of tax obligations from the Tax Collector concerning all such properties.

2. Such application shall be filed with the Assessor, who shall make a determination as to the eligibility of the property for assessment fixing and deferral, as well as the terms of any such deferral.

ADD
B. DECISION BY ASSESSOR

1. The Assessor shall approve or reject an application within ninety (90) days after the submission of a complete application. Such approval or rejection shall be in writing. In the event of approval, the notice of approval shall include a description of the terms of deferral. In the event of a rejection, the notice of rejection shall include an explanation of the reasons for such rejection. Notwithstanding anything contained in this Section, an application upon which the Assessor fails to take action within said 90 day period shall be deemed rejected unless the applicant agrees in writing to an extension of the time for action.

C. ADMINISTRATIVE APPEAL

1. An applicant whose application has been denied shall have the right to appeal to the Assessment Deferral Appeals Committee (the "Committee"). Such appeal shall be made in writing within 15 days after the mailing of notice of rejection by the Assessor, or within 15 days after the expiration of the 90 day period set forth in Section II (B) should the Assessor fail to take action, as the case may be. The filing of an appeal with the Assessment Deferral Appeals Committee shall be deemed a request for action to the legislative body within the meaning of Section 12-65f of the Connecticut General Statutes. Said Committee shall, within 65 days after the filing of an appeal, either deny the appeal and application, or uphold the appeal by approving the application subject to such conditions, reductions, or limitations as the Committee may determine. The Committee shall not uphold an appeal unless it determines that the Assessor's rejection of the application was based on an error in-fact, relating to the eligibility of the applicant or the property under the criteria contained in this resolution. Failure of the Committee to take action within 65 days after the filing of the appeal shall be deemed a denial of the appeal and application. Any person aggrieved by any decision or action, or failure to take action by the Committee shall have the rights set forth in Section 12-65f of the Connecticut General Statutes.

2. In the event of the approval of an application by the Assessor or the Committee, the fixing of assessments and deferral of increases assessments shall be made pursuant to an agreement between the owner, person, or firm having an interest in the subject real property and the Town of East Haven. The Mayor of the Town of East Haven is hereby authorized to execute such agreements pursuant to applications so approved on behalf of the Town. Such an agreement shall be void unless rehabilitation work commences no later than 180 days after the date of agreement. Approval of an application may be revoked by the Assessor if the owner, person, or firm having an interest in the subject real property fails or refuses to execute the required agreement within 30 days after it has been tendered by the Town.

III. PERIODS OF FIXED ASSESSMENT, DEFERRED ASSESSMENT, AND RATES OF ASSESSMENT DEFERRAL

A. PERIOD OF FIXED ASSESSMENT

1. Assessment of a property with an approved application shall be fixed pursuant to Section 12-65e of the Connecticut General Statutes during the period of rehabilitation or construction specified in the agreement between the property owner and the Town.
2. The period of rehabilitation or construction is defined as the period commencing on the date of the agreement and ending on the date, determined in the discretion of the assessor, by which the property's physical and structural components, useful life, and reputation shall be rehabilitated, any perceived stigmas relating to vacancy shall be reduced, mitigated, and/or eliminated, all construction shall be substantially completed, and all necessary permits and C/O's shall be obtained from the proper authorities. Said date shall be projected by the assessor as of the date of the agreement but, shall in no case extend beyond 7 years from the date an application is approved.
3. All fixed assessments will be based on current Assessor figures, which reflect the condition of the structure or property at the beginning of the project.
4. For the purposes of determining the appropriate period of rehabilitation or construction, a participant shall submit to the assessor cost schedules, project timelines, and any other proof relating to the reputation or physical condition of the property to justify the length of the period of rehabilitation.

B. PERIOD OF DEFERRED ASSESMENT AND RATES OF DEFERRAL

1. Upon termination of the period of such rehabilitation or construction, any increase in assessment attributable to such rehabilitation or construction shall be deferred for an "assessment deferral period," specified in accordance with the following schedule, contingent upon the continued use of the property for the purposes specified in the agreement and contingent upon the property continuing to meet the eligibility criteria of this resolution:

(i.) With respect to projects for which the total costs of improvement are greater than fifty-thousand dollars (\$50,000.00) but less than five-hundred thousand dollars (\$500,000.00), the following schedule shall apply: For the first year following completion of rehabilitation or construction, the entire increase shall be deferred; thereafter 50% of the increase shall be assessed against the property each year until 100% of such increase has been so assessed.

(ii.) With respect to projects for which the total costs of improvement are greater than five-hundred thousand dollars (\$500,000.00) but less than one-million dollars (\$1,000,000.00), the following schedule shall apply: For the first year following completion of rehabilitation or construction, the entire increase shall be deferred; thereafter 33.33% of the increase shall be assessed against the property each year until 100% of such increase has been assessed.

(iii.) With respect to projects for which the total costs of improvement are greater than one-million dollars (\$1,000,000.00) but less than two-million dollars (\$2,000,000.00), the following schedule shall apply: For the first year following completion of rehabilitation or construction, the entire increase shall be deferred; thereafter 25% of the increase shall be assessed against the property each year until 100% of such increase has been so assessed.

(iv.) With respect to projects for which the total costs of improvement are greater than two-million dollars (\$2,000,000.00) but less three-million dollars (\$3,000,000.00), the following schedule shall apply: For the first year following completion of rehabilitation or construction, the entire increase shall be deferred; thereafter 16.67% of the increase shall be assessed against the property each year until 100% of such increase has been so assessed.

(v.) With respect to projects for which the total costs of improvement are greater than three-million dollars (\$3,000,000.00), the following schedule shall apply: For the first year following completion of rehabilitation or construction, the entire increase shall be deferred; thereafter 10% of the increase shall be assessed against the property each year until 100% of such increase has been so assessed.

2. The Assessor^{*} shall use his or her discretion in evaluating any cost schedules or documents submitted by an applicant to justify the costs of improvement in a project. The Assessor^{*} may evaluate any other materials that would prove helpful when establishing the total cost of the project for the purposes of this program.
3. The agreement to fix and defer assessment shall not attach to the property. Absent a waiver by the Town, upon sale or transfer of a property rehabilitated under this program, all benefits conferred under an agreement to fix and defer assessment shall cease. However, if an applicant subsequently wishes to sell a property which has been rehabilitated pursuant to this resolution, and, upon its sale, the property is to continue to be used for the purposes specified in the original agreement to fix and defer assessment, an applicant may submit written notice to the Town requesting that the new owners continue to receive the benefits of any pending agreement. It shall be in the Town's complete discretion regarding whether or not it will honor requests for benefits to continue upon the sale of a property rehabilitated under the program established by this resolution.
4. If there is a general revaluation by the Town of East Haven in the year in which such rehabilitation or construction is completed, and such revaluation results in an increase in assessment on such property, only that portion of the increase resulting from such rehabilitation or construction shall be deferred; and in the event of a general revaluation in any year after the year in which such rehabilitation or construction 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 general revaluation.

5. Should the property owner fail to fulfill any of the terms of the agreement during the period of assessment fixing and deferral, the agreement shall terminate and the property owner shall pay to the Town a penalty equal to all taxes abated to date as the result of the agreement. Said penalty shall be payable in full to the Town within thirty (30) days after written demand for same to the owner, and if not so paid shall begin to accrue interest at the rate provided by statute for delinquent property taxes. Said penalty shall also constitute a lien upon the subject property, notice of which may be filed on the East Haven Land Records by the Tax Collector and which may be foreclosed in the same manner as real property tax liens.

IV. ADMINISTRATION AND PROCEDURES.

A. ASSESSMENT DEFERRAL APPEALS COMMITTEE

1. The Assessment Deferral Appeals Committee shall consist of five members, who are residents of the Town of East Haven, who shall serve for indefinite terms at the pleasure of the Mayor. Said Committee shall meet within 30 days of the appointment of all members by the Mayor for the purposes of organizing.

2. The Assessor is authorized to establish administrative procedures consistent with the terms of this resolution for the filing and review of applications and the execution of agreements pursuant hereto.

IV. EFFECTIVE DATE

1. The rehabilitation program and the provisions set forth in this resolution shall become effective on the date of publication of notice of the adoption hereof by the East Haven Town Council as required by statute.

A handwritten signature in black ink, appearing to be a stylized 'J' or 'K' followed by a flourish.