



TOWN OF WETHERSFIELD

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Economic & Community Development

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BUSINESS DEVELOPMENT & EXPANSION PROGRAM

Program Summary

Established as a joint effort by the Wethersfield Economic Development and Improvement Commission (EDIC) and Redevelopment Agency (RDA) in 2022 to provide an incentive to facilitate the development and expansion of businesses. Goal is to stimulate the local economy through job creation and/or retention, increasing tradeable sectors of the economy and/or supplying goods or services that meet a specific community need.

The Town of Wethersfield is supportive of establishing a fund for construction of necessary public infrastructure improvements as well as some of the pre-development costs associate with business development and expansion. This one-time financial assistance reimbursement will provide financial support for public infrastructure improvements, innovation, and qualified pre-development related costs.

Applicants have the opportunity to submit a funding request to the Economic Development and Improvement Commission (EDIC) and the Redevelopment Agency (RDA) and may receive up to \$200,000 in grant funding to be matched by an equivalent amount of private investment. The program is designed to reimburse property owners or tenants for eligible costs. Funding is available to owners not delinquent on real or personal property taxes who are in good standing in the Wethersfield community.

Section 1. Procedural Requirements

1. The Program is managed and administered by Staff from the Economic & Community Development Department.
2. Funding requests are subject to the approval and discretion of the Economic Development and Improvement Commission (EDIC) and the Redevelopment Agency (RDA).
3. Applications will be referred to the appropriate Committees and Commissions for comment and approval. (P&Z, Historic District, etc.)
4. Properties located in the Old Wethersfield Historic District will require approval of a Certificate of Appropriateness by the Historic District Commission.
5. The Economic Development and Improvement Commission's Finance Subcommittee will oversee this program and will review each application to assure that the work proposed will accomplish the goals set by the Commissions. All grants will require majority approval by the EDIC and RDA.

Section 2. Program Guidelines

1. Applicant must be the beneficiary of the proposed infrastructure improvement and is responsible for installation or implementation.
2. The Town of Wethersfield reserves the right to reject all applications and/or request additional documentation from the applicant.
3. Submission of completed application is no guarantee of award. All awards are subject to availability of funds.
4. The total award may not exceed \$200,000 and not more than 50% of the overall project costs will be awarded.
5. Generally, projects having the greatest impact will be given funding priority. Funding will be awarded based upon a scoring system and criteria as determined at the discretion of the EDIC and RDA.

Section 3. Eligibility

1. All Wethersfield commercial property owners or tenants are eligible to apply for the program.
2. If applicant is an existing business operation, the business must be legally licensed and registered with no local, state or Federal tax bulls outstanding.
3. If a tenant applies to the program written permission from the property owner must be submitted.
4. If the applicant is not the owner of the building they must possess a fully executed lease with a minimum of five (5) years remaining in the term from the submittal date of the application.
5. Individuals, partnerships, corporations, nonprofit corporations and other legal entities may apply for assistance. Property owner(s) shall be construed to be any person(s) or legal entity that holds title to the subject property. In the case of multiple owners, the signature of each titleholder is required on all appropriate documents. The Town will verify property ownership and require all persons currently on title to give written consent to all work proposed to be performed on the property prior to initiating such work.
6. Applicants must be in good standing with Wethersfield Tax Collector. Any business, individual, partnership, corporation, property owner, lessor or lessee who will directly benefit from participation in this program, whether or not they are the applicant, must be current and up to date on all taxes with the Town of Wethersfield.
7. Grant funds are available only for structures located in commercial zones and containing compliant commercial uses.

Section 4. Eligible Improvements

1. Pre-Development: Related to preliminary planning/engineering, environmental assessment, environmental clean-up/remediation, and/or market data research and analysis prior to deciding to locate and/or expand to Wethersfield. A maximum of \$5,000 will be awarded per project, with reimbursement subject to the obtaining of a Certificate of Occupancy within one (1) year of application.
2. Innovation: Defined as costs related to Research & Development (R&D) or other pursuit or advancement of innovative practices or technologies.

3. Public Infrastructure: Defined as components of physical facilities which are a component of a shared system that provides a public service, the examples of allowable public infrastructure improvements include, but are not limited to:
 - a. Water and sewer line extensions including upgrades to the property or building exterior
 - b. Gas, electric, and communication line extensions including upgrades to the property or building
 - c. Public sidewalks and walkways
 - d. Road improvements including driveway connections to adjacent parcels
 - e. Installation of traffic control devices including curb cuts
 - f. Street lighting and other streetscape improvements
 - g. Storm water system improvements
 - h. Utility upgrades including underground installation
 - i. Demolition and associated cleanup
 - j. Historic restoration
 - k. Permanent landscaping elements (*define*)
 - l. Parking lot improvements are eligible for funding under this program only in select cases that result in a safer and more aesthetically pleasing environment, and are part of a larger project that includes improvements to a building façade and subject to the discretion of the Commission,
 - m. Other permanent improvements as determined at the discretion of the Commission necessary for the project.

Section 5. Ineligible Improvements

1. The following types of improvements are not eligible for reimbursement through this program:
 - a. Ordinary maintenance or repair that does not involve a significant change of existing design, use or value of building
 - b. Interior Improvements (*define- i.e. not equipment*)
 - c. Signage
 - d. Window replacement
 - e. Permit Fees
 - f. Temporary, portable or non-permanent improvements
 - g. Improvements that have been completed or in progress prior to grant approval
2. Properties that are not current with property taxes are not eligible for the Program.
3. Property that has received Business Development & Expansion funds within the past five (5) years (unless change of use is significant enough to warrant change)
4. Properties used exclusively for residential use.

Section 6. Mixed Use Buildings

1. Mixed use buildings are eligible for funding under this program but are subject to a different reimbursement schedule when compared to buildings that are entirely (100%) occupied by commercial uses.

Section 7. Local Contractors

1. Whenever possible, applicants are strongly encouraged to use local contractors to complete all tasks associated with façade improvement projects. This will not only help garner local support to continue this program, but more importantly will help boost the local economy.

Section 8. Program Benefits

1. This program provides participants the opportunity to receive a reimbursement in the form of a grant upon the acceptable completion of the project.
2. Grant recipients are required to provide a documented and paid invoices of eligible project construction costs.
3. The minimum grant that is eligible for this program is \$20,000.
4. The maximum grant available to any one specific project shall not exceed \$200,000.
5. No grant repayment is required if all terms of the grant are successfully fulfilled.

Section 9. Reimbursement Terms and Conditions

1. Any reimbursement made by the Town under this program shall not be made until all of the work as approved has been completed, all of the improvements have been inspected and approved by the Economic & Community Development Department, and other Town code officials and all payments for said work have been made to all contractors, material suppliers and vendors. Upon receipt of all required payment documentation The Town will reimburse the applicant the funds the project is eligible for.
2. The applicant is responsible for payment of all contractors. The Town will not pay the contractors directly.
3. The grant is assigned under the terms that the property owner continues to own the renovated property for a period of 5 years from the date of the receipt of the reimbursement.
4. These grants do not have to be repaid to the Town provided that the property owner continues to own the property for five (5) years and all other conditions of the grant have been satisfied. The grant will be prorated and forgiven in equal percentage increments on a monthly basis such that at the end of five years there will be a zero balance and the grant is forgiven.
5. If an owner sells the property within the first two (2) years after the grant has closed, the entire grant amount is due immediately upon closing.
6. If the owner sells the property after two (2) years and before the end of the fifth (5) year after the grant closing, the remaining prorated share of the grant is due and payable upon the sale of the property.
7. The grant may not be assigned unless the assignment is made to a business that had occupied the building at the time the grant was closed and the EDIC and RDA approve of the assignment.
8. The project will be secured by a mortgage on the real estate.
9. Additionally, the grant recipient agrees to maintain the property in good condition and not to remove or significantly alter the improvements funded through the program unless otherwise approved by the Economic & Community Development Department for a period of five (5) years.

Section 10. Construction Schedule

1. All work for which applicant requests reimbursement must be started within six (6) months of grant commitment and completed within one (1) year of grant commitment, except that the EDIC in its discretion may extend such timeframes for good cause. When it can be demonstrated that circumstances clearly beyond the applicant's control prohibit completion in one (1) year, the EDIC may grant a one-time six (6) month extension upon a written request of an applicant.
2. Failure to complete the project in compliance with the timeframes noted above may result in the cancellation of the funding commitment by the EDIC and RDA.

Section 11. Application Requirements

1. The application shall be filed with the Economic & Community Development Department. Application may be filed electronically. In addition, one (1) original signed copy shall be postmarked or delivered to Town of Wethersfield Economic and Community Development Department.
2. All applications shall be accompanied by at least two (2), originally signed, letters of reference (names, addresses and telephone numbers included) who have personal and business relationships with the applicant (at minimum one letter from a personal reference and one from a business reference).
3. The applicant may be required to provide all of the following information (depending upon the type of improvements proposed):
 - a. Completed and signed application form.
 - b. Copy of executed lease if applicant is not the owner.
 - c. Letter of consent from property owner if applicant is not owner.
 - d. Building construction and/or site plans detailing proposed improvements, (include written description of improvements).
 - e. Architectural drawings or renderings of the proposed improvements by certified architect.
 - f. Design Review Advisory Committee or Historic District Commission approval, as required.
 - g. List of all improvements that are proposed.
 - h. An itemized estimate of project costs.
 - i. Estimated development/construction schedule.
 - j. Copy of deed to property.
 - k. Copy of mortgage on property.
 - l. Completed tax affidavit.
 - m. Proof of insurance.
4. There is a **\$500 application fee payable to the Town of Wethersfield** which is due and payable upon application to the program. The funds will be deposited in an escrow account until the application is reviewed. Upon approval of the grant the \$500 will be credited to the owner at time of closing. If the applicant does not elect to proceed, any project costs (i.e. staff or legal costs) will be deducted from the application fee and any balance returned to the applicant.
5. Applications that are not complete or in compliance with all steps listed above, may be considered non-responsive.
6. Applicants must complete the Certification and Affirmation included in the application.
7. Applicant must obtain a tax clearance certificate (valid for 90 days) from the Wethersfield Tax Collector for each property.

Section 12. Application Procedures

1. PRE-APPLICATION STAFF REVIEW – Applicant consults with Town Staff to discuss eligibility for Business Development & Expansion Program.

- a. Staff will explain the program and discuss the basic terms program: (Preferably on-site of the project)
- b. Review the client's plans, improvements and discuss eligibility.
- c. Discuss the client's funding sources for the match not covered by this program
- d. Applicant will be introduced to their Project Advocate Liaison(s) for the project and program.

2. FINALIZE PLANS/PRELIMINARY COST ESTIMATE

- a. Applicant provides plans and specifications for property improvements including a preliminary budget estimate for project.

3. DESIGN REVIEW/HDC APPROVAL

- a. Obtains appropriate permits for project which may require (PZC, Inland Wetlands, Historic District Commission).

4. APPLICATION SUBMISSION

- a. The applicant prepares and submits all of the necessary information to Town staff.
- b. Inform the committee that the package is ready for review. Within three weeks of all required information being received, the EDIC Finance Subcommittee will meet and a decision will be rendered.

5. APPLICATION REVIEW

- a. The EDIC Finance Subcommittee meets to review the application and forward recommendation to the full EDIC.
- b. A third-party review of audited financials will occur.
- c. The applicant may be required to attend the EDIC Finance Subcommittee meeting to present plans.
- d. If additional information is needed, application may be tabled by the EDIC Finance Subcommittee at its discretion pending further review.
- e. If EDIC Finance Subcommittee recommends approval, staff prepares a recommendation letter informing the EDIC and RDA of the recommendation.
- f. EDIC and RDA meet to review and vote on application.
- g. If not approved, a letter explaining the decision including guidance for re-applying for funds.

6. FUNDING COMMITMENT

- a. If approved, Town prepares and sends out commitment letter to the client. Commitment letter includes basic terms and payment amounts and amortization details.
- b. Client signs commitment letter and returns it to the grant administrator.
- c. Client agrees to the promotion of the project before the project commences.

7. CLOSING

- a. Requests closing date to be scheduled.
- b. Provides documents required for closing.
- c. Amortization schedule to be provided as well as potential payment instructions to the client.
- d. Schedules closing with Attorney.