

## **Chapter 3**

### **Article III. Downtown Development District Tax Abatement and Realty Transfer Tax Waiver.**

#### **3-32 Tax Abatement**

- (a) The City shall abate all City property taxes for land and buildings for property on which new residential and/or commercial development occurs under the following conditions:
  - i. The value of the new development is greater than \$25,000 (which shall be based on “eligible expenses” as defined in the Delaware State Housing Authority Guidelines for the DDD Program); and
  - ii. The improvements meet the definition of a Qualified Real Property Investment as defined in 22 *Del.C.* §§ 1901 *et seq.*; and
  - iii. The property is within the DDD boundary as depicted in the DDD Plan dated July, 2018 prepared by AECOM and accepted by the Mayor and City Council at their July 16, 2018, and as may be amended from time to time; and
  - iv. The owner/applicant must not be delinquent on any obligations to the City; and
  - v. The new development is completed in accordance with all City requirements.
- (b) To be qualified as new development, the property must have had a building assessment of \$0 prior to the new development.
- (c) The abatement shall be for a 3-year period beginning the first tax year following completion of the improvements as certified by the City.
- (d) The abatement program described herein shall remain valid for only as long as the City’s DDD program remains certified by the State of Delaware.