

## CITY OF DOVER ORDINANCE #2012-07

### **BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:**

That the City of Dover Code of Ordinances be amended by inserting a new Appendix E - Commercial Building Redevelopment, as follows:

#### APPENDIX E - COMMERCIAL AND INDUSTRIAL BUILDING REDEVELOPMENT

##### ARTICLE I. - INTENT.

The city council has deemed it to be in the best interests of the residents of the city and in furtherance of their health, safety, and welfare to promote the renovation and utilization of commercial and industrial buildings on the city's principal commercial corridors. In order to promote the business growth and reutilization of vacant commercial buildings along these corridors, city council has determined that incentives in the forms of tax abatements, impact fee waivers, and building permit waivers should be offered.

##### ARTICLE II. - ELIGIBILITY.

###### Section 1. - Eligible project.

*Eligible project* shall mean the renovation and establishment of a business in an existing commercial or industrial building or tenant space which:

- (a) Is a minimum of 5,000 square feet of floor area;
- (b) The fair market value of the materials to be used in and the labor to be performed on the project exceeds the sum of \$15,000.00;
- (c) Is for commercial, industrial, or office use;
- (d) The establishment of a new business is proposed; and
- (e) Conforms to the intent of this ordinance.

Construction or renovation of accessory buildings as defined in Appendix B - Zoning, Article 12 - Definitions, of the Dover code of ordinances shall not be eligible for redevelopment incentives. Construction or renovation which constitutes ordinary replacement or routine maintenance shall not qualify as an eligible project. Construction of new buildings shall not qualify as an eligible project.

###### Section 2. - Redevelopment incentive ineligibility.

An otherwise eligible project shall be ineligible for redevelopment incentives if:

- (a) An application for a building permit for the project was filed prior to the effective date of this ordinance; or
- (b) Construction or renovation commenced prior to the effective date of this ordinance;
- (c) Issuance of the certificate of occupancy and/or the completion and finalization of the building permit occurs before the application for redevelopment incentives is received;

- (d) Construction or renovation commenced prior to the issuance of a building permit by the city of Dover;
- (e) Applications for incentives provided in this ordinance shall be subject to the provisions of Chapter 1 - General Provisions, Section 1-13 - Denial of permits or approvals for failure to comply with requirements for payment, actions, or filings.

### ARTICLE III - INCENTIVES.

#### Section 1. - Waiver of fees.

Renovations meeting the eligibility requirements shall be eligible for the following incentives:

- (a) Partial waiver of permit fees. Fifty percent of the fees for building, plumbing, mechanical, and fire protection permits shall be waived for eligible projects. Sign permit fees shall not be waived.
- (b) Partial waiver of impact fees. For projects where renovation will constitute an increase in equivalent dwelling units (EDU's) and require payment of impact fees, fifty percent of the City's portion of the water and sewer impact fees shall be waived. The Kent County impact fees and administrative charges shall not be waived.

#### Section 2. - Tax abatement.

Eligible projects shall receive property tax waivers for a period not to exceed ten years so that improvements to the properties made in accordance with the intent of this ordinance will not be taxed for a period of time not to exceed ten years from the date of the making of the improvements. The said ten-year period will commence with the date of issuance of a building permit. The property tax waiver shall apply only to the improvements and not to the property value assessed prior to the improvements.

### ARTICLE IV. - ADMINISTRATION.

The city manager and his staff shall develop the administrative procedures necessary to implement this ordinance. The city manager and his staff shall promulgate reasonable standards to be used in determining whether an eligible project shall receive redevelopment incentives and, if so, which incentives shall be granted. Administrative staff shall review applications for redevelopment incentives and grant incentives to eligible projects. Applicants shall be notified in writing of the action taken on their applications.

### ARTICLE V. - APPEALS.

Applicants denied redevelopment incentives shall have the right to appeal the decision to the city council within 30 days from the date of mailing of the formal notification. Such appeal shall be in writing, signed by the owner of the property in question, and filed with the city clerk.

ARTICLE VI. - SEVERABILITY AND EFFECTIVE DATES.

Section 1. - Severability.

Should any section or provision of this ordinance be declared to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the ordinance as a whole or any part thereof other than the parts so declared to be unconstitutional or invalid.

Section 2. - Effective dates.

This ordinance shall be effective as of April 15, 2012. The provisions of this ordinance shall no longer apply after December 31, 2015.

ADOPTED: APRIL 9, 2012

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SYNOPSIS

The proposed ordinance would allow a partial waiver of building permit fees and city impact fees, as well as tax abatement on improvements, for redevelopment of vacant commercial and industrial buildings.

(SPONSORS: STAFF)

Actions History:

- Apr. 9, 2012 - Final Reading by City Council
- Mar. 12, 2012 - First Reading by City Council
- Feb. 27, 2012 - Considered by the Legislative, Finance, and Administration Committee