CITY OF DOVER ORDINANCE #2008-20

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

That Chapter 102 - Taxation, Article VI - Exemptions; Tax Appeals Committee, Section 102-183 (b) - Tax Exemption for Senior Citizens, be amended by inserting the blue text and deleting the text in red strikeout, as follows:

Sec. 102-183. Tax exemption for senior citizens

(1) Owner resides alone. If the income of a property owner who resides a lone exceeds the sum of ~~$15,000~~ $15,851 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The income limit shall increase each year at the same rate used by the Federal Social Security Administration and effective before the tax exemption application deadline.

(2) Spouses reside together. If the income of a property owner and spouse who reside together exceeds the sum of ~~$21,000~~ $22,192 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The income limit shall increase each year at the same rate used by the Federal Social Security Administration and effective before the tax exemption application deadline.

(3) Exclusions from income. In computing income of the property owner in order to determine entitlement for the deduction, social security benefits; rail road pensions and Federal Civil Service Retirement shall not be considered as income.

BE IT FURTHER ORDAINED THAT Chapter 102 - Taxation, Article VI - Exemptions; Tax Appeals Committee, Section 102-183 - Tax Exemption for Senior Citizens, be amended by inserting a new Section 102-184 - Tax Exemption for Disabled Citizens, as follows:

Sec. 102-184 Tax exemption for disabled citizens

Individuals who are determined to be disabled under the law applicable to the Social Security Administration are qualified to apply for the property tax exemption.

ADOPTED: *

S:\ClerksOffice\Attachments and Exhibits\Committee Attachments\2008\03-31-2008 SPECIAL LF&A\03-31-2008-1 2008-20 Chapter 102 - Taxation - Exemptions.wpd

Actions History

March 24, 2008 - Introduced at Legislative, Finance, and Administration Committee

Draft

Cost/benefit analysis of the City of Dover support of the CDEDC over the last 10 years.

Since an direct impact of the programs of the CDEDC on the City of Dover are, in some instances somewhat difficult to quantify, we have taken the Property Tax generated by buildings located at the Kent County AeroPark as one way to measure with certainty what benefits Dover receives and has received over time from the activities of the CDEDC. The AeroPark was developed under the leadership of the CDEDC (formerly Forward Central Delaware) with funds from the US Economic Development Administration, State of Delaware and Land donated by Levy Court. The CDEDC was the catalyst and did most of the work in administering the construction of the park as well as building the infrastructure and marketing the park. In 1990 the first speculative building was constructed and attracted Discover Card to Dover. The city of Dover did not contribute financially to the construction of the park, located within City Limits. But since this is a measurable activity, we are using it to demonstrate its positive effects. The numbers stated below reflect simply the property taxes collected by the city of Dover. They do not measure income generated from the sale of electric, water and sewer to the entities in the park. Income to the city from this park dates back to FY 1989 however only the last 10 years are listed. There is also no consideration for the number of jobs created at the park since its inauguration in 1989 (**the main reason for building the park**). Currently there are about 450 jobs at the park. The Sunroc building will eventually be occupied again but it is impossible to project how many jobs will result.

This also does not reflect the addition of a 250,000 gallon water tower, built in 1993 at a cost of $ 670,000 and turned over to the city.

Property Tax Income to the City of Dover from buildings located at the Park.

1998	$ 20,657
1999	$ 23,557
2000	$ 26,457
2001	$ 32,256
2002	$ 33,004
2003	$ 35,944
2004	$ 38,902
2005	$ 33,417
2006	$ 34,167
2007	$ 34,167

Total: $ 312,568

Contributions to the CDEDC by the City of Dover

1998	$ 10,000
1999	$ 10,000
2000	$ 10,000

2001 $ 10,000
2002 $ 20,000
2003 $ 10,000
2004 $ 12,000
2005 $ 15,000
2006 $ 15,000
2007 $ 16,000

Total: 128,000

During the same time period a total of **$ 222,035.00** was raised from the private sector towards the budget of the CDEDC.

We are currently working on the sale of two lots at the AeroPark that will be used to build two 20,000 SF building, generating additional tax revenue and utility sales.

CENTRAL DELAWARE
ECONOMIC DEVELOPMENT
C O U N C I L

Approved

Program of Work – FY 2008

The Program of Work is divided into seven areas of activity:

1. **CENTRAL DELAWARE ECONOMIC DEVELOPMENT COUNCIL**
2. **KENT COUNTY AEROPARK DEVELOPMENT AUTHORITY**
3. **SMYRNA BUSINESS PARK**
4. **MILFORD BUSINESS PARK**
5. **PRIVATELY OWNED INDUSTRIAL PARKS/LANDS**
6. **HIGH TECH RESEARCH INCUBATOR AT DSU**
7. **GARRISON OAK TECHNOLOGY PARK**

1. CENTRAL DELAWARE ECONOMIC DEVELOPMENT COUNCIL

A. MARKETING OF KENT COUNTY

1. **Advertising/Promotion**
   Continue the marketing/advertising of Kent County and take advantage of joint advertising opportunities with State and Local agencies.
   Maintain and improve the Central Delaware Economic Development Council Web site at www.cdedc.org with Delaware.net.
   Cooperate with the Delaware Economic Development Office on joint marketing projects, such as coop advertising, telemarketing etc. Maintain Membership in the National Association of Manufacturers Site Selection program.

2. **Conferences and Trade Shows**
   Attend trade shows and conferences based on the marketing program. Whenever possible, cooperate with the Delaware Economic Development Office in attending those shows to maximize impact and reduce expenses.

3. **Foreign Direct Investment**
   Represent Kent County on the Governor's International Trade Council and continue to work with other organizations involved in bringing foreign direct investment to Kent County. Participate with the Delaware Economic Development Office in those Foreign Direct Investment initiatives that have the potential to benefit Kent County. Maintain the CDEDC European Office in Brussels, Belgium.
4. **Prospecting Trips/Host Prospects/Development of Friendship Cities/Counties**
   On an as needed basis and whenever possible, in cooperation with the Delaware Economic Development Office as well as other groups, undertake prospecting trips to targeted companies. Host prospects who are interested in Kent County. Work with the City of Dover and Kent County on friendship agreements and visit/host delegations from foreign countries.
5. **Generate 250 inquiries annually**
   It is the goal of our efforts to generate as many inquiries as possible.
6. **Retention of Existing Companies**
   Continue the Business Retention Team visitation program by working with existing companies to retain them and to encourage them to expand. Visit local companies regularly.

B. FUNDRAISING

1. **Corporate Fundraising**
   Continue fundraising and solicitations from Kent County and Delaware Businesses and Industries, Solicit new contributions.
2. **City of Dover/Kent County Map**
   Produce 20,000 copies of this road map to raise additional funds.
3. **Kent County Municipalities**
   Solicit funds annually from all Kent County communities.
4. **Levy Court**
   Apply for funds from County Government.
5. **State Government**
   Request funds from the State of Delaware.

C. ADMINISTRATIVE/OFFICE OPERATIONS

1. **Inquiries**
   Respond individually to inquiries received.
2. **Community Database/Demographics/Surveys/Reports**

Update the Kent County Profile on a regular basis. Produce annual updates of Kent County demographics through Claritas. produce Reports and Surveys for specific projects as needed.

3. **Re-structuring of the CDEDC**
   Using the approved Kent County Strategic Economic Development Plan as a guideline, provide a new, formal Organization and structure of the CDEDC. This will be a major Goal for the organization as it needs to adapt to a changing Environment and competition in Economic Development.

D. COMMUNICATION/COOPERATION/PUBLIC RELATIONS

1. **Economic Development Leadership Award**
   To highlight economic development and to recognize a Kent County Company, and an individual (or individuals) on an annual basis who have as a volunteer (s), or through their own actions, substantially contributed to the growth of Kent County.
2. **CDEDC – Board of Directors – Membership**
   Encourage representation from all Kent County stakeholders on the CDEDC Board.
3. **Annual Dinner and Economic Development Leadership Award Presentation**
   To hold an annual dinner in March to highlight economic development achievements and recognize a company as well as an individual for their contributions to the economic growth of Kent County.
4. **Annual Program of Work**
   Publish an Annual Program of Work and distribute to all financial sponsors, elected officials as well as the Board of Directors.
5. **Affiliations/Appointments to State Agencies/Program**
   The director is appointed to the Delaware Unemployment Compensation Commission and the Delaware Council on Vocational Technical Education.
6. **Cooperation with other agencies related to our efforts.**
   Cooperate with DEMEP, World Trade Center Delaware and other agencies that may be able to assist reaching our goals.

2. KENT COUNTY AEROPARK

A. Administration
Continue to administer the Kent County AeroPark Development Authority.

B. Marketing
Promote and market the AeroPark to potential tenants in and outside of Kent County.

C. **Existing Companies**
Support as requested the tenants in the Park to ensure that the companies continue to prosper.

D. **Funding**
Seek funding from federal and/or State Government for improvement as needed to accommodate future companies.

3. **SMYRNA BUSINESS PARK**
Assist the Town of Smyrna in the recruitment of tenants to the Industrial park.

4. **MILFORD BUSINESS PARK**
Assist the City of Milford in the recruitment of tenants to the Industrial park.

5. **PRIVATETLY OWNED KENT COUNTY INDUSTRIAL SITES/PARKS**
Assist all privately owned industrial sites and parks in the recruitment and retention of new tenants.

6. **HIGH TECH RESEARCH TASK FORCE/INCUBATOR**
Continue to support the High Tech Research Incubator at Delaware State University. The Director of the CDEDC is on the Advisory Board.

7. **GARRISON OAK TECHNOLOGY PARK**
Continue to market the park to potential tenants.

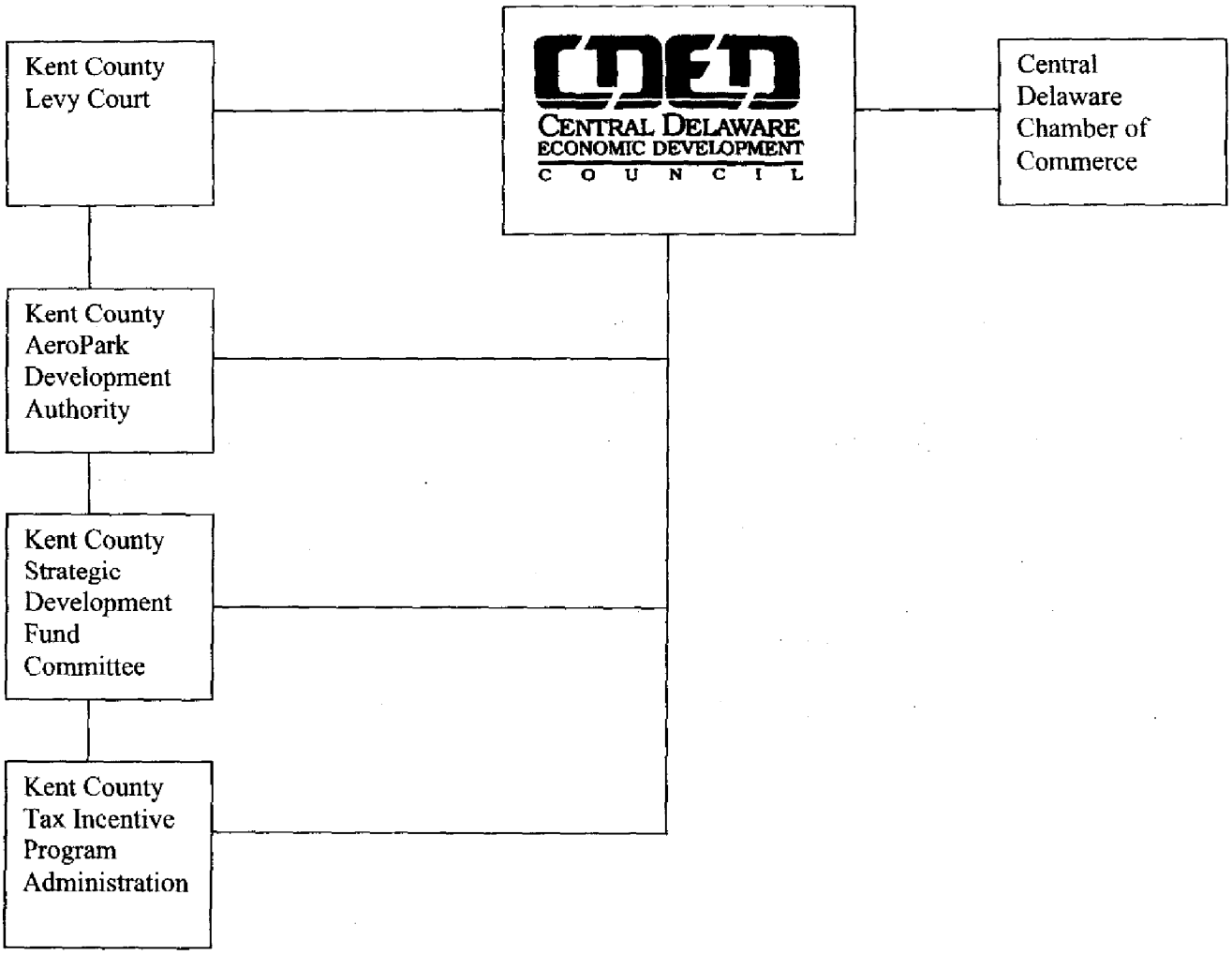
FY 2008 BUDGET

Income

Annual Dinner	$ 8,500
Central Delaware Chamber of Commerce	10,000
Town of Smyrna, City of Milford	3,000
Kent County Levy Court	60,000
City of Dover	20,000
Private Sector Support	30,000
City of Dover/Kent County Map	20,000
Miscellaneous Income/Interest Income	1,000
Total Income	**$ 157,500**

Expenses

Accounting/Audit Expenses	1,300
Advertising/Promotion	17,500
Trade Shows, Conferences, Client Expenses	5,000
Annual Dinner	6,000
Dues/Subscriptions	1,500
City of Dover/Kent County Map Printing	11,000
Miscellaneous Expenses	2,000
Office Equipment	2,000
Office Supplies/Printing/Stationery	3,000
Group Health Insurance	12,200
Payroll Taxes	5,500
Phone/Fax/Toll Free Line	5,000
Postage	1,500
Rent	12,000
Salaries, IRA	69,500
Travel/Public Relations	2,000
Workmen's Compensation Insurance	500
Total Expenses	**$ 157,500**



Kent County AeroPark Authority. Created by ordinance in 1986 to oversee the development of the county owned industrial park. The Director of the CDEDC serves as director of the Authority. The 8 Members are appointed by Levy Court. Needs 6 members present to conduct business. Members represent the county geographically. Currently 1 seat unfilled. Meets when there is business to conduct. Ordinance specifies that all funds generated by the sale/lease of land at the park be used for county wide economic development efforts. Currently has about $ 175,000 in interest bearing account. Currently has an offer for 7 acres at $ 55,000 per acre. The Authority makes only recommendations to Levy Court who has final say.

Kent County Strategic Fund Committee. Started in 1998 with a state revenue sharing program, $ 368,400 was set aside to create this special fund. Director of CDEDC provided the basis for the ordinance and guiding its organization and is administering the committee on behalf of the county. The committee consists of representative from the major towns in the County as well as DEDO and the Chairman of the Chamber of Commerce. The purpose of the fund is: Retention and expansion of existing firms, recruitment of new firms and assist in the formation of new business. Funds were used for a Smyrna Contracting Company (minority owned) and Client Logic ($ 37,500 over 5 years) and Eastern Shore Environmental. Recently the committee recommended a grant of $ 100,000 for the training of new employees at Kraft. Committee only makes recommendations to Levy Court who has final say.

Kent County Tax Incentive Program. Developed and also administered by the Director of the CDEDC, this program originated in 1986. Its purpose was to create an incentive for new and expanded job creation by abating property taxes (Kent County portion only) over a 9 year period starting at a 90 % reduction in the first year declining 10 % each subsequent year for qualifying industries. The program is designed to only reduce taxes on new investment and therefore does not "cost" anything. It is a commonly used tool in economic development. In 1996 it was expanded to include large scale development projects such as hotels that create significant new jobs and capital investment. The director of the CDEDC annually ensures that those companies that were approved by Levy Court to receive the benefit continue to qualify for the benefit by maintaining employment levels. Levy Court approves the incentive based on the recommendation and investigation by the Director of the CDEDC.

CITY OF DOVER
ORDINANCE #2008-23

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

That Chapter 106 - Traffic and Vehicles, Division 5 - Parking Authority, be deleted in its entirety.

BE IT FURTHER ORDAINED:

That Appendix C - Downtown Redevelopment, Article II - Definitions, be amended by adding a new Section 4 as follows:

> Section 4. Downtown Dover Partnership – The Downtown Dover Partnership shall be established for the purpose of fostering redevelopment within the target area.

BE IT FURTHER ORDAINED:

The Appendix C - Downtown Redevelopment, Article III - Eligibility, Section 2. [Development incentive eligibility.] be amended by deleting the text shown in red strikeout and adding the text shown in red bold as follows:

> In order to be eligible for development incentives, the owner of an eligible project must agree to contribute ten percent of the total value of the incentives received to the Downtown Dover ~~Development Corporation~~ **Partnership** for reinvestment in downtown Dover.

ADOPTED: *

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SYNOPSIS

The proposed ordinance would dissolve the Parking Authority and establish the Downtown Dover Development Partnership. It would also require that the contribution of ten percent of the downtown incentives be given to the Downtown Dover Partnership.

Actions History

March 24, 2008 – Introduced in Legislative, Finance, and Administration Committee

Draft