

Example Economic Effect Questions That Could Feasibly Appear on a Conversion Permit Application

Note: This document is simply intended to help illustrate the streamlined options that the Economic Effect Work Group is presenting to the RAC by putting the options in the form of example conversion permit application questions. These questions are in no way intended to suggest to either the RAC or DNREC how conversion permit questions should be framed or asked. Moreover, these questions make two assumptions: (1) “Existing or previous use” (for “economic effect” purposes) means the same thing as “most recent heavy industry use” (for “net economic improvement” purposes), and (2) the economic metrics used for “economic effect” are the same as those used for “net economic improvement.”

Instructions: Please answer all the questions below to the best of your ability. Some questions may ask you to provide quantitative information. You may be able to get the information you need from the Delaware Department of Labor (<https://dol.delaware.gov>) or the Delaware Division of Revenue (<https://revenue.delaware.gov>). If you do not know exact answers to these questions, please provide best faith estimates with justification as to why you provided the answers you did.

For Sections 1 and 3, you will be asked to specify the geographic boundary to which your answers apply. Please note whether the information you are providing applies only to the proposed permit area or to one or more tax parcels that encompass the proposed permit area. If you are providing tax parcel information, please provide the tax parcel ID number, as used by the county or municipality.

Commented [ITY1]: Or footprint of the heavy industry use site

Commented [ITY2]: Or footprint of the heavy industry use site

SECTION 1: Previous or Existing Use / Most Recent Heavy Industry Use

1.1 Does the information provided in this section apply only to the proposed permit area? (Yes/No)

Commented [ITY3]: Or footprint of the heavy industry use site

If no, please specify the geographic area you are using to report information under this section, including tax parcel numbers, as used by the jurisdictional county or municipality.

1.2 Is there currently heavy industry use or a bulk product transfer facility in the proposed permit area? (Yes/No)

Commented [ITY4]: Or within the footprint of the heavy industry use site

If yes, go to question 1.3. If no, go to question 1.5.

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1.3 Provide employment/income information in the table below for the heavy industry use or bulk product transfer facility currently in the proposed permit area. Please use the most recent year available.

Commented [ITY5]: Or within the footprint of the heavy use industry site

Calendar year for which information is being provided: _____

Job Class/Occupation	Average Annual Salary	Number of Employees
TOTAL		

Supplemental Question: If employment attributable to the proposed project varies on a seasonal or periodic basis, explain the variation from information provided in the table above.

1.4 What are the current annual taxes paid for the heavy industry use activity or bulk product transfer facility in the proposed permit area? Please use the most recent year available.

Commented [ITY6]: Or within the footprint of the heavy use industry site

Calendar year for which information is being provided: _____

Tax Category	Amount
Gross receipts tax	
Property tax (please specify county or municipality): _____	
State corporate income tax	
State personal income tax	
Other taxes (please specify): _____	

If you have completed questions 1.3 and 1.4, you do not need to complete question 1.5. Proceed to Section 2.

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1.5 For properties that do not currently support heavy industry uses, please refer to the Economic Effect Baseline Report and identify the heavy industry use site and, if possible, particular parcels, to which the proposed project applies.

OR

1.5 For properties that do not currently support heavy industry uses, what are the annual property taxes paid in the proposed permit area or parcels that intersect the permit area? Please specify the county or municipality.

County / Municipality:

Amount:

OR

1.5 For properties that do not currently support heavy industry uses, please provide employment, wages, and taxes paid during the most recent year of operations of the most recent heavy industry use.

Commented [ITV7]: Or within the footprint of the heavy use industry site

Commented [LG8]: Or average annual over a specified period of time
Or the range of values over a specified period of time.

SECTION 2: Site Preparation and Construction for the Proposed Additional or Alternative Heavy Industry Use or Bulk Product Transfer Facility

2.1 Estimate your total investment costs in the proposed project. Costs may include demolition, remediation, construction, capital costs, etc. (you may also wish to share total investment costs).

2.2 Estimate employment/income information in the table below for workers that will be required for site preparation or construction for the proposed heavy industry use activity or bulk product transfer facility.

Job Class/Occupation	Average Weekly Salary	Expected Number of Weeks of Employment	Number of Employees
TOTAL			

2.3 To justify the estimates you provided in the table above, please provide data or a case study example of at least one similar development in the United States that demonstrates how the estimates you provided are within reasonable range. This could be another example of a successful development by your company or another entity.

2.4 Do you have a policy or plan for employing Delaware residents or residents of the Local Community¹ (e.g., local hiring preference) for site preparation and construction? (Yes/No)

If yes, please state your policy or plan in detail below or include it as an attachment to this application.

2.5 Do you have a policy or plan for sourcing supplies and services from within the State of Delaware (e.g., local contract or purchasing preferences) for site preparation and construction? (Yes/No)

If yes, please state your policy or plan in detail below or include it as an attachment to this application.

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3.6 Estimate the annual taxes you anticipate paying for the proposed heavy industry use activity or bulk product transfer facility. Please note any anticipated tax incentives, credits, or carryforwards/carrybacks that would reduce these estimates and the time period over which they would apply.

Tax Category	Amount
Gross receipts tax	
Property tax (please specify county or municipality): _____	
State corporate income tax	
State personal income tax	
Other taxes (please specify): _____	

3.7 Do you anticipate utilizing net operating loss carryforward or carryback provisions to lower your Delaware state corporate income taxes for the proposed project? Information on these provisions is summarized at <https://revenue.delaware.gov/frequently-asked-questions/corporate-income-tax-faqs/>. (Yes/No)

If yes, state how this will impact the annual state corporate income tax value you provided in question 3.6. Please answer in terms of the approximate amount and number of years you anticipate carrying forward or carrying back a net operating loss.

3.8 Delaware offers a number of incentive programs and tax credits to businesses (<https://business.delaware.gov/incentives/> lists some examples). Which incentive programs or tax credits do you anticipate or have your been granted? Please provide information on what you have been (or anticipate being) granted (including amount and duration of this credit).

3.9 Do you anticipate investing in community benefit agreements, workforce development programs, or educational programs for the state or the local communities? (Yes/No)

If yes, please provide details on your anticipated investment (including amount and timeframe).

SECTION 4: Net Economic Improvement as Compared to the Most Recent Heavy Industry Use

4.1 Comparing the information you provided in Sections 1 to those under Section 3, do you believe this proposed project provides a net economic improvement to the State of Delaware? Please justify your answer.

4.2 Is there additional information you would like to provide that demonstrates how the proposed project provides a net economic improvement to the State of Delaware and/or the Local Community¹?