



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

## **Business Development Committee**

May 24, 2023

8:00 AM

### **Main Meeting Room, Town Hall**

## **SPECIAL MEETING AGENDA**

Call to Order

- 1) Minutes of April 25, 2022
- 2) Business Development Assistance Application, Ensign-Bickford Aerospace & Defense

Adjournment



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

## **Business Development Committee** **Special Meeting** **Minutes**

Monday, April 25, 2022 at 9:00am  
Main Meeting Room, Town Hall

### **Call to Order**

The meeting was called to order at 9:00am. Members Maria Capriola (ex-officio), Eric Wellman, Tom Earl, Bill Ethier, and Dave Ryan were present. Staff members in attendance included Melissa Appleby, Deputy Town Manager; Tom Fitzgerald, Management Specialist; George McGregor, Director of Planning and Community Development; and Francine Beland, Assessor. Gus Jasminski and Dave Kametz of Ensign-Bickford Aerospace and Defense, and Sarah Nielsen, Executive Director of the Simsbury Main Street Partnership, were also present.

### **1) Minutes of May 6, 2019**

Mr. Ryan made a motion to approve the minutes of May 6, 2019 as presented. Mr. Wellman seconded the motion. All were in favor and the motion passed.

### **2) Business Development Assistance Application, Ensign-Bickford Aerospace & Defense**

Ms. Capriola gave a brief background of why the group was meeting today. EBAD had paid a local permit fee of \$15,848<sup>1</sup> for Phase II of their expansion and were looking for a 50% refund totaling \$7,924. Mr. Jasminski provided a status update on the project such as the renovations and added equipment.

Mr. Ethier had Mr. Jasminski clarified that the full value of the permits has already been paid and they were seeking a 50% refund. This was confirmed.

Mr. Ryan made the motion to grant the 50% refund request in the amount of \$7,924. Mr. Ethier seconded the motion.

Discussion occurred. Mr. Ethier inquired if Phase II was part of the original application 3 years ago. It was stated that the previous approved application was in 2019. Mr. Jasminski explained that the project was split into a 2-phase project with items prioritized to the different phases. Mr. Wellman stated he was in favor of this request and that he was thankful for EBAD to continue investing in Simsbury.

The motion passed unanimously with all members voting in favor.

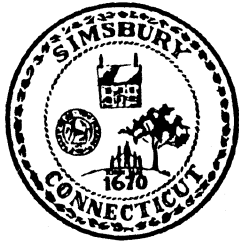
### **Adjournment**

Mr. Wellman made a motion to adjourn the meeting at 9:10am. Mr. Ryan seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,  
Tom Fitzgerald  
Management Specialist

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<sup>1</sup> For permits issued in November 2020 and December 2020



# Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

Maria E. Capriola - Town Manager

## MEMORANDUM

**To:** Business Development Incentive Committee  
**From:** Maria Capriola, Town Manager  
**Cc:** Nicholas Boulter, Interim Town Manager; George McGregor, Planning and Community Development Director; Amy Meriwether, Finance Director; Francine Beland, Assessor; Henry Miga, Building Official  
**Date:** May 1, 2023  
**Subject:** Abatement and Permitting Fee Waiver Request, 100 Grist Mill Road - EBAD

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We are in receipt of the attached abatement and permitting fee waiver request from EBAD for renovations of the property located at 100 Grist Mill Road. EBAD has stated that, "The improvements include significant demolition, new offices & conference rooms, updated toilet facilities, new lighting, significant upgrades to the mechanical systems, new production area, expanded parking facilities &, updated landscaping."

### Current Valuation and Property Taxes

EBAD purchased 100 Grist Mill Road on January 4, 2023. They purchased the property for \$2,700,000. The purchase generated \$6,750 in local conveyance tax and \$77 in recording fees to the Town. In its current condition, the property is valued at \$2,400,000 and assessed at \$1,680,000 generating \$62,840 in property tax revenue due to the town for the current Fiscal Year, 22/23. Based on revaluation, the revised valuation in its current condition will be \$2,585,000 and it will be assessed at \$1,809,500, generating \$55,769<sup>1</sup> in tax revenue for Fiscal Year, 23/24.

### Abatement Request

EBAD is estimating the revised market value of 100 Grist Mill upon completion of the renovation to be \$5,500,000. Based on the estimated revised assessment of \$3,850,000, the additional estimated taxable real estate property value will be \$1,265,000. They are also estimating new personal property valued at \$500,000.

EBAD is seeking a ten-year abatement schedule consistent with the abatement that was approved in 2019 on both the real estate and personal property. The previous abatement schedule was only granted for the value of the new growth. The abatement schedule as requested would be as follows:

- 100% reduction in the tax bill for years 1 & 2 (FY 23/24 and FY 24/25)

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<sup>1</sup> Utilizes estimated FY 23/24 town mill rate of 30.82 based upon proposed budget submitted to referendum

- 95% reduction in the tax bill for year 3 (FY 25/26)
- 90% reduction in the tax bill for year 4 (FY 26/27)
- 85% reduction in the tax bill for year 5 (FY 27/28)
- 75% reduction in the tax bill for year 6 (FY 28/29)
- 75% reduction in the tax bill for year 7 (FY 29/30)
- 75% reduction in the tax bill for year 8 (FY 30/31)
- 75% reduction in the tax bill for year 9 (FY 31/32)
- 75% reduction in the tax bill for year 10 (FY 32/33)

If the requested abatement schedule was granted for the real estate, the abatement value is estimated at \$108,777 over ten years, with the personal property abatement valued at \$91,390 over the same ten-year period. In totality the value of the abatements would be \$598,681.

As a reminder, by statute, abatements may be granted for up to ten years, upon approval by the Board of Selectmen. The Town Attorney provided that, “the statute permits town legislative bodies to approve (a) tax fixing agreements of up to 10 years, (b) for office and/or manufacturing facilities, (c) for either new construction or rehabilitation of existing facilities. The law was changed in 2016 to eliminate the threshold values for the proposed improvements. As a result, in the change in the law, tax fixing agreements under Section 12-65b are no longer dependent on the value of the proposed improvements to determine the allowable amount or duration of a tax assessment reduction under the proposed agreement.”

At the time of the application, EBAD does not have an estimate on the value of the manufacturing equipment that will be added. However, as a reminder, state statute exempts manufacturing equipment from local taxation. Therefore, the Town does not have the ability to collect personal property taxes on manufacturing equipment, and no tax revenue will be derived from the addition of manufacturing equipment to the site.

### **Permitting Fee Waiver Request**

EBAD is seeking a 50% fee waiver for building related permits for all of the trades including demolition, mechanical, electrical, and interior finishes associated with the renovation of 100 Grist Mill Road. EBAD has estimated that total permitting fees will be \$35,560; if that estimate is accurate, the value of a 50% fee waiver on local permits would be \$17,780.

As of March, the Planning and Land Use Department has received a permit application to renovate the interior of 100 Grist Mill Road, approximately 41,000 square feet of office space. The value of construction was estimated at \$1,250,000 and the cost of the permit was \$17,500, exclusive of state fees. If a 50% fee waiver was granted on this application, the value of the fee waiver would be \$8,890.

As a reminder, we are only permitted to waive local fees (not including Fire District or Sewer), upon approval by the Board of Selectmen.

### **Job Creation**

EBAD anticipates the renovation of 100 Grist Mill Road will result in the creation of approximately 200 jobs, with those new employees being hired within five years. EBAD provided that, “The job classifications will be manufacturing, engineering and some administration. There is crossover because we have lots of engineers in the manufacturing process.... The starting salaries of all workers is around \$75,000 but the average W2 compensation in Simsbury is significantly above \$100,000.”

EBAD estimates that approximately 18% of their current workforce resides in Simsbury.

### **Review of Application and Next Steps**

Attached please find the application and supporting documentation. Staff has completed its review of the application.

The role of the Business Development Incentive Committee is to review the request, and make recommendation(s) to the Board of Selectmen. The two key policy issues for review by the Committee are:

- 1) Recommend, if any, abatement amount and schedule to the Board of Selectmen
- 2) Recommend, if any, permitting fee waiver amount to the Board of Selectmen

Attached for your reference is the relevant policy.

### **Previously Approved Abatements and Permitting Fee Waivers**

In 2019, an abatement and permitting fee waiver request was approved for EBAD for the renovation of 632-640 Hopmeadow Street. The agreement between the parties was executed in April 2021 and is attached for reference. On January 11, 2021, the estimated value of the agreement was provided as follows:

<b>Fiscal Year</b>	<b>Abatement Per Cent of Addition to Current Value</b>	<b>New Growth Amount</b>	<b>Abatement Amount</b>	<b>Net New Real Estate Tax</b>	<b>Net New Growth on Personal Property</b>	<b>Net New Growth Real and Personal Property Tax</b>
21/22	100%	\$65,126	<b>\$65,126</b>	\$0	\$14,278	<b>\$14,278</b>
22/23	100%	\$65,908	<b>\$65,908</b>	\$0	\$28,242	<b>\$28,242</b>
23/24	95%	\$62,718	<b>\$59,582</b>	\$3,136	\$24,125	<b>\$27,261</b>
24/25	90%	\$63,470	<b>\$57,123</b>	\$6,347	\$20,873	<b>\$27,220</b>
25/26	85%	\$64,232	<b>\$54,597</b>	\$9,635	\$26,116	<b>\$35,750</b>
26/27	75%	\$65,003	<b>\$48,752</b>	\$16,251	\$22,024	<b>\$38,275</b>
27/28	75%	\$65,783	<b>\$49,337</b>	\$16,446	\$22,289	<b>\$38,734</b>
28/29	75%	\$66,572	<b>\$49,929</b>	\$16,643	\$19,372	<b>\$36,015</b>
29/30	75%	\$62,718	<b>\$47,038</b>	\$15,679	\$15,750	<b>\$31,429</b>
30/31	75%	\$63,470	<b>\$47,603</b>	\$15,868	\$14,927	<b>\$30,795</b>
<b>TOTALS</b>		<b>\$645,001</b>	<b>\$544,996</b>	<b>\$100,004</b>	<b>\$207,994</b>	<b>\$307,999</b>

In 2019, EBAD was approved for a 50% permitting fee waiver, but it was only for Phase I expansion work and did not extend to Phase II work. The value of the Phase I local permit

fee waiver was \$15,036 for local permitting fees due to the town of \$30,071.78. At that time, it was noted that requests related to Phase II work would require a separate application.

In 2022, EBAD was approved for a 50% fee waiver for permits issued in November and December of 2020 associated with Phase II work at 632-640 Hopmeadow Street. The total permitting fees, inclusive of state fees was \$16,142.32, with local fees coming to \$15,848. The value of the Phase II local permit fee waiver was \$7,924.

#### Sample Scenario H

100				H				
		<b>Abatement Per</b>	<b>New</b>	<b>Abatement</b>	<b>Net Real</b>	<b>New Growth</b>	<b>Net Real and</b>	
	<b>Fiscal Year</b>	<b>Cent of Addition to</b>	<b>Growth</b>	<b>Amount</b>	<b>Estate</b>	<b>on Personal</b>	<b>Personal</b>	
101		<b>Current Value</b>	<b>Amount</b>		<b>Tax</b>	<b>Property</b>	<b>Property Tax</b>	
102	24/25	100%	\$72,315	\$72,315	\$0	\$13,024	\$13,024	
103	25/26	100%	\$73,183	\$73,183	\$0	\$11,972	\$11,972	
104	26/27	95%	\$69,816	\$66,325	\$3,491	\$10,706	\$14,197	
105	27/28	90%	\$70,654	\$63,589	\$7,065	\$9,502	\$16,567	
106	28/29	85%	\$71,502	\$60,777	\$10,725	\$7,779	\$18,504	
107	29/30	75%	\$72,360	\$54,270	\$18,090	\$7,172	\$25,262	
108	30/31	75%	\$68,170	\$51,128	\$17,042	\$8,474	\$25,516	
109	31/32	75%	\$68,988	\$51,741	\$17,247	\$7,552	\$24,799	
110	32/33	75%	\$69,816	\$52,362	\$17,454	\$7,328	\$24,782	
111	33/34	75%	\$70,654	\$52,991	\$17,663	\$7,881	\$25,544	
112	TOTALS		\$707,458	\$598,681	\$108,777	\$91,390	\$200,167	



# Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

Office of Community Planning and Development

## Appendix A:

### **Town of Simsbury Business Development Assistance Application**

Application should be completed in full, including original signatures, before submitting to the Planning & Community Development at the Simsbury Town Offices, Planning Department, 933 Hopmeadow Street, Simsbury, Connecticut 06070.

ENSIGN-BICKFORD AEROSPACE & DEFENSE

Applicant Name: \_\_\_\_\_

Name of Authorized Agent:

CHAD THOMPSON

Business's Officers: \_\_\_\_\_

Name of Business: ENSIGN-BICKFORD AEROSPACE & DEFENSE

Property Address: 100 GRIST MILL ROAD

Property is located within Simsbury Center Zone: ☐ Yes ☒ No

Assistance Requested:

☒ Tax Abatement

\$ \_\_\_\_\_  
fixed assessment

☒ Reduction of Fees

\$ 35,650

Number of years: 10

Other Requested Public Incentives (state, federal, other

JOBS CT (STATE)

municipal): REVIEWING FEDERAL PROGRAMS

Description of Business, Including Products & Services: AEROSPACE COMPONENTS AND

MILITARY DEFENSE COMPONENTS INCLUDING ELECTRONIC COMPONENTS

Signature of Applicant: Chad Thompson Date: 12/1/2022

Signature of Agent: \_\_\_\_\_ Date: \_\_\_\_\_

Telephone (860) 658-3245

Facsimile (860) 658-3205

[www.simsbury-ct.gov](http://www.simsbury-ct.gov)

An Equal Opportunity Employer

8:30 - 7:00 Monday

8:30 - 4:30 Tuesday through Friday

**Project Details:**

Acquisition	\$ 2,500,000	8.8 acres	42,000 sq ft existing buildings
New Construction	\$		sq ft of proposed building
Rehabilitation	\$ 5,500,000	42,000	sq ft of existing building
Equipment	\$ 1,500,000		
Personal Property	\$ 500,000		
Total Value	\$ 10,000,000		

Estimate of Duration of Construction Activities: 14 MONTHS

Has the project received approval from the Zoning Commission: ☐ Yes ☒ No

If applicable, date of approval: / /

Employment Details:	Present #	Future #	Temp. Construction Jobs #
Full Time Employees	425	625	75
Part Time Employees			

Proposed Project Type (Select all that apply):

- |   |   |
|---|---|
| <input type="checkbox"/> Corporate Headquarters and Satellite Offices       | <input checked="" type="checkbox"/> Existing Simsbury Business Expansion  |
| <input checked="" type="checkbox"/> Research and High Technology Facilities | <input type="checkbox"/> Wholesale/Warehouse  |
| <input type="checkbox"/> Manufacturing Facilities                           | <input type="checkbox"/> Affordable Housing Unit  |
| <input type="checkbox"/> Historical Preservation                            | <input type="checkbox"/> New or Existing Recreational Business  |
| <input type="checkbox"/> Appropriate Entrepreneurial Business               | <input type="checkbox"/> Green/Sustainable Improvements   |
| <input type="checkbox"/> Mixed Used Business                                | <input type="checkbox"/> Re-Development of Properties in Certain Neighborhoods (Tariffville, Downtown, North Village) |

Statement of Benefits to Town: ADDITIONAL EMPLOYMENTS WILL HELP LOCAL BUSINESS (FOOD SERVICE, BANKING, RETAIL, AUTO, ETC.), ADDITIONAL RESIDENTIAL OCCUPANCY (HOMES & APPARTMENTS), BUSINESS TRAVELLERS TO FACILITY WILL USE HOTELS AND LOCAL DINING, CONVERTING UNDER UTILIZED ASSET TO FULL TAX POTENTIAL

Estimate of local taxes to be paid per year for as long as the requested incentive lasts:

*Internal Use Only*

<input type="checkbox"/> Planning Director	_____	Date: _____
<input type="checkbox"/> Finance Director	_____	Date: _____
<input type="checkbox"/> Town Manager	_____	Date: _____
<input type="checkbox"/> Town Assessor	_____	Date: _____

## Application Checklist

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- ☐ Business Plan
- ☐ Appraisal
- ☐ Construction Plan
- ☐ Other

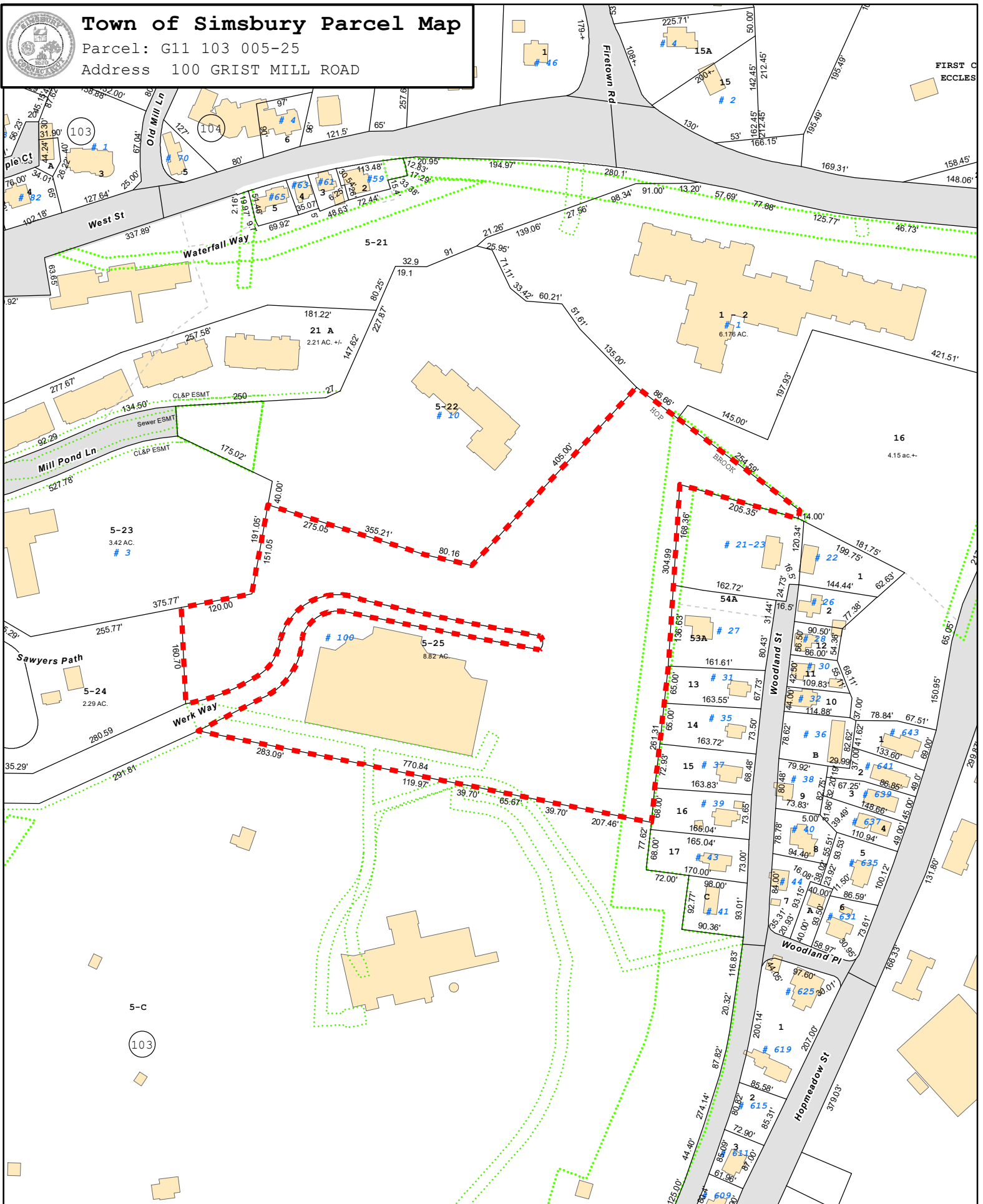
*Please Note: The Town Manager, Business Development Committee and Board of Selectmen reserve the right to request supplemental documentation which supports the request. It is recommended that documents, such as business plan, appraisals, construction proposals, etc., are included with the application in order for the request to be fully reviewed.*



# Town of Simsbury Parcel Map

Parcel: G11 103 005-25

Address 100 GRIST MILL ROAD



1 inch = 200 feet

0 100 200 300 400 Feet

Disclaimer: This map is for informational purposes only. All information is subject to verification by any user. The Town of Simsbury and its mapping contractors assume no legal responsibility for the information contained herein.

Map Produced: December 2022

# Town of Simsbury, CT

# Property Listing Report

Map Block Lot

**G11 103 005-25**

Building # 1

Unique Identifier

**30568993**

### Property Information

Property Location	100 GRIST MILL ROAD
Mailing Address	640 HOPMEADOW STREET SIMSBURY CT 06070
Land Use	Office Building
Zoning Code	I-2
Neighborhood	0191

Owner	ENSIGN-BICKFORD AEROSPACE & DEFENSE CO
Co-Owner	
Book / Page	1008/0224
Land Class	Commercial
Census Tract	4663000
Acreage	8.82

## Valuation Summary

(Assessed value = 70% of Appraised Value)

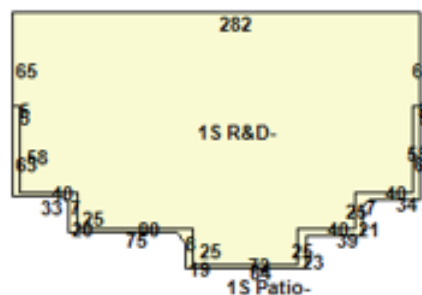
Item	Appraised	Assessed
Buildings	1422232	995560
Outbuildings	85184	59630
Land	892584	624810
Total	2400000	1680000

### Utility Information

Electric	No
Gas	No
Sewer	No
Public Water	No
Well	No



G11-103-005-25 03/15/2012



## Primary Construction Details

Year Built	1989
Building Desc.	Commercial
Building Style	
Stories	1
Exterior Walls	B. V. Solid
Exterior Walls 2	
Interior Walls	Dry Wall
Interior Walls 2	
Interior Floors 1	Carpet
Interior Floors 2	

Heating Fuel	<b>Gas</b>
Heating Type	<b>FHA</b>
AC Type	<b>Central</b>
Bedrooms	<b>0</b>
Full Bathrooms	<b>0</b>
Half Bathrooms	<b>0</b>
Extra Fixtures	<b>37</b>
Total Rooms	<b>0</b>
Bath Style	<b>NA</b>
Kitchen Style	
Occupancy	<b>0</b>

Livable Area (ft)	40706
Building Use	Light
Building Condition	Avg/Fair
Frame Type	Average
Building Grade	0
Fireplaces	0
Wood Stoves	0
Attic Access	
Roof Style	
Roof Cover	Compo_Build

Bsmt Area	<b>0</b>
Fin Bsmt Area	<b>0</b>
Fin Bsmt Quality	
Bsmt Access	
Bsmt Gar	<b>0</b>
Bsmt Sump Pump	<b>No</b>

Report Created On

**2/14/2023**



# Town of Simsbury, CT

Property Listing Report

Map Block Lot

G11 103 005-25

Building # 1

Unique Identifier

30568993

## Detached Outbuildings

Type	Description	Area (sq ft)	Condition	Year Built
Fencing	Fencing	1600	Good	2014
Paving	Paving	44000	Average	1989

## Attached Extra Features

Type	Description	Area (sq ft)	Condition	Year Built
Mezzanine	Unfinished Mezzanine	2048	Avg/GD	1989
Patio	Comm Concrete/Masonry	2611	VG	1989

## Sales History

Owner of Record	Book/ Page	Sale Date	Sale Price
ENSIGN-BICKFORD AEROSPACE & DEFENSE CO	1008_0224	1/4/2023	2700000
GRIST MILL PARTNERS LLC	0743_0390	8/30/2007	3765963
ENSIGN-BICKFORD REALTY CORPORATI	0294_0600	11/25/1985	0





# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

Office of Planning & Community Development

## Memorandum

**TO:** Maria Capriola, Town Manager

**FROM:** George K. McGregor, AICP, Director

**DATE:** February 14, 2023

**SUBJECT:** EBAD Abatement and Fee Waiver Request for 100 Grist Mill

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Pursuant to your request regarding whether or not the above reference is consistent with the Town's Plan of Conservation and Development (POCD), I offer the following:

The Town Fee Waiver and Tax Abatement Program Guidelines include the following targeted business related to the EBAD proposal.

### ***3. Types of Businesses Targeted by This Policy***

- *Corporate headquarters and satellite offices*
- *Research and high technology facilities*
- *Advanced technology manufacturing facilities (only applies to job creation and real estate growth, does not apply to personal property growth)*

The proposed project at 100 Grist Mill, to renovate and occupy 41,000 sq.ft. of office space, is consistent with the types of businesses targeted under this economic development initiative. I note that the address has been vacant for a number of years.

100 Grist Mill is currently Zoned Industrial and is designated on the future Land Use Map and the Economic Development Plan Map as an *Industrial Zone*.

Goal 9.1 of the POCD states that the Town will “*promote economic development in Simsbury in order to provide jobs, goods and service, and net tax revenue.*” Further, the plan expresses support for economic development activities which are consistent with the POCD.

On balance, the EBAD project planned for 100 Grist Mill is consistent with the Town Plan of Conservation and Development.

**TOWN OF SIMSBURY**  
**FIXED ASSESSMENT AGREEMENT**

THIS AGREEMENT made effective as of April \_\_, 2021 (the "Effective Date"), by and among **Town of Simsbury**, Connecticut, a governmental body organized under the laws of the State of Connecticut, 933 Hopmeadow Street, Simsbury, Connecticut, 06070 ("**Town**"), **Dyno Nobel and its subsidiary, Simsbury Hopmeadow Street, LLC** ("**Owner**"), and **Ensign Bickford Aerospace and Defense ("EBAD")** both having an address of 632 Hopmeadow Street, Simsbury, Connecticut 06070.

**RECITALS**

- A. Owner owns the property located at 632 (640) Hopmeadow Street, Simsbury, Connecticut known as the Ensign Bickford ("the Property") and leases it to EBAD.
- B. Owner and EBAD have applied to the Town for a tax abatement and fee waiver to assist it in developing the Property in a manner that will result in job growth and capital investment in the Town of Simsbury.
- C. Town has adopted a Policy, in accordance with Section 12-65b of the Connecticut General Statutes, as amended, (the "Policy"), which provides for a written agreement fixing the assessment of real property and improvements thereon.
- D. Under the Policy, the assessed value of the real property and improvements thereon may be fixed for a period of up to ten (10) years if the cost of the new improvements is not less than Three Million Dollars (\$3,000,000).
- E. Owner and EBAD have provided Town information regarding the estimated value of a proposed building renovation and personal property investment totaling \$10.6 Million ("The Project Plan"). Of that amount, EBAD estimates \$7.6 Million in new personal property additions and a \$3 Million increase in real estate valuation based on the planned renovation to the real property. As of December 31, 2019, EBAD incurred investment of \$2.075 million in real property site renovations for the Project plan build-out and \$715,000 of personal property in the form of new taxable equipment. For calendar year 2020 EBAD completed further investment of \$410,000 in personal property in the form of new taxable equipment. These investment amounts exclude other indirect expenses such as computers and work aids.
- F. The Simsbury Business Development Committee and Board of Selectmen have determined that the Property qualifies for a fixed assessment of up to ten (10) years under the Policy and desires to offer a ten (10) year assessment schedule on

the Property and a partial fee waiver as an inducement for Owner and EBAD to develop and renovate the Property within Town.

- G. The Board of Selectmen of the Town has adopted a resolution authorizing Town to enter into this Agreement.
- H. The parties now desire to enter into this Agreement to effect a Fixed Graduated Assessment of the Property Improvements resulting from the Project Plan.

NOW, THEREFORE, in consideration of the mutual promises contained herein, Town and Owner and EBAD hereby agree as follows:

### **ARTICLE 1 - DEFINITIONS**

Capitalized terms used and not defined herein shall have the definitions ascribed to them as set forth below:

Section 1.1 - Commencement Date. The term "Commencement Date" shall mean the date the Grand List is executed and confirmed by Town Assessor immediately following the date when both the final certificate of occupancy for the Property has been issued and the Owner and EBAD have completed the conditions included in Sections 3.1 and 3.2 of this Agreement.

Section 1.2 - Property. The term "Property" shall mean the premises generally and collectively known as 632 (640) Hopmeadow Street, Simsbury, Connecticut (Assessor ID number 3056880), based on the Fixed Assessment and the Fixed Assessment Increase for the Property including the land, buildings, structures, foundations, fencing, curbing, light standards, walkways, access drives, landscaping, external facade and parking areas owned by the Owner, but otherwise exclusive of any personal property and motor vehicles of any Business located on the Property. The Property shall be renovated in conformity with the Town of Simsbury Zoning Regulations and Building Codes.

Section 1.3 - Fixed Assessment: The term "Fixed Assessment" shall refer to Town's authority, under Connecticut General Statutes section 12-65b and the Policy, to fix the assessment on the Property, which shall be equal to assessed value of the improvements to the Property as set forth in Section 2.1 below. The incremental increase in the fair market value and assessment of the Property shall be determined by the Assessor in accordance with law.

Section 1.4 - Fixed Assessment Period. The term "Fixed Assessment Period" shall refer to the earlier of (a) a full ten (10) assessment year period that shall begin on the first day (July 1) of the first tax year (expected to be 2021 based on the October 1, 2020 Grand List) following the Commencement Date and ending on the last day of the tenth tax year following the Commencing Date (expected to be June 30, 2031), subject to the provisions

of Section 2.1 hereof, or (b) At the completion of such ten (10) year period, the Fixed Assessment Period shall automatically expire.

Section 1.5 - Investment in Property. The term "Investment In Property" shall mean all costs incurred by Owner and EBAD in carrying out the Project Plan, including development, renovation and reconstruction of that portion of the Real Property which is to be developed including the cost of materials, labor, fixtures, and all other hard costs capitalized as part of the Property, excluding land cost.

## **ARTICLE 2 - TAX MATTERS**

Section 2.1 - Assessment of the Property. Town and Owner agree that the incremental assessment of the Real Property resulting from the development of a portion of the Property according to the Project Plan shall be fixed during the Fixed Assessment Period. During the Fixed Assessment Period, the Town shall establish the Fixed Assessment of the Real Property at an amount equal to:

For the first two assessment dates of October 1, 2020 and October 1, 2021, the assessment at 70% of value shall be \$1,756,100, and thereafter it shall be the lesser of \$1,756,100 or the proportion that the Increment bears to the total value of the building in the first year of the Fixed Assessment Period, which is 24.15% of the total building value.

Subject to the provisions of Section 2.2 of the agreement, during the Fixed Assessment Period, Owner shall make or cause to be made and Town agree to accept as full payment:

- (i) zero percent (0%) of the incremental new tax normally due on the assessed value of the Property for year one of the Fixed Assessment Period,
- (ii) zero percent (0%) of the incremental new tax normally due on the assessed value of the Property for year two of the Fixed Assessment Period,
- (iii) five percent (5%) of the incremental new tax normally due on the assessed value of the Property for year three of the Fixed Assessment Period,
- (iv) ten percent (10%) of the incremental new tax normally due on the assessed value of the Property for year four of the Fixed Assessment Period, and
- (v) fifteen percent (15%) of the incremental new tax normally due on the assessed value of the Property for year five of the Fixed Assessment Period,
- (vi) twenty-five percent (25%) of the incremental new tax normally due on the assessed value of the Property for year six of the Fixed Assessment Period,
- (vii) twenty-five five (25%) of the incremental new tax normally due on the assessed value of the Property for year seven of the Fixed Assessment Period.

- (viii) twenty-five percent (25%) of the incremental new tax normally due on the assessed value of the Property for year eight of the Fixed Assessment Period,
- (ix) twenty-five percent (25%) of the incremental new tax normally due on the assessed value of the Property for year nine of the Fixed Assessment Period,
- (x) twenty-five five (25%) of the incremental new tax normally due on the assessed value of the Property for year ten of the Fixed Assessment Period.

This Agreement does not include any taxes levied by the fire district or other taxing entity. The assessment value of the Fixed Assessment as of the Effective Date, any personal property, and any motor vehicles shall be determined by the Assessor in the normal course pursuant to state and local laws.

Section 2.2 Minimum Incremental New Tax Payments. During the Fixed Assessment Period, Owner and EBAD agree to pay for each tax year the ad valorem real estate tax payment for the Property on the Fixed Assessment as set forth in Section 2.1 above. Owner and EBAD shall be responsible for the payment of these real estate taxes and shall make or shall cause such payment to be made no later than the applicable due dates of the tax billing or otherwise shall be subject to penalty interest for late payment. The minimum net new real estate and personal property tax payable based on the fixed assessment for each year of the Fixed Assessment Period shall be as follows:

Fiscal Year	Net New Real Estate Tax	Minimum Net Real and Personal Property Tax
21/22	\$0	\$14,278
22/23	\$0	\$28,242
23/24	\$3,136	\$27,261
24/25	\$6,347	\$27,220
25/26	\$9,635	\$35,750
26/27	\$16,251	\$38,275
27/28	\$16,446	\$38,734
28/29	\$16,643	\$36,015

29/30	\$15,679	\$31,429
30/31	\$15,868	\$30,795

If the actual Net Real and Personal Property Tax incremental revenues received by the Town from EBAD or the Owner resulting from the new development fall below the estimated Net Real and Personal Property Taxes stated herein, the real estate assessment percentages in Section 2.1 shall be adjusted accordingly to compensate for the tax shortfall. The assessed value of the Property is determined each year and is based on the assessed value of the property on the grand list on October first of the prior year. The Fixed Assessment of the Property may change during a revaluation year or if additions or modifications are made to the building.

### **ARTICLE 3 - OTHER TAXES, FFES, REVALUATION**

Section 3.1 - Fire District Tax, Personal Property and Motor Vehicle Taxes. Owner and or EBAD agree to pay full taxes levied by the Simsbury Fire District and on all personal property and motor vehicles or leased motor vehicles of the Owner and/or EBAD by Town during the Fixed Assessment Period. Owner and/or EBAD shall make such payment no later than the applicable due dates of the tax billing or otherwise shall be subject to penalty interest for late payment.

Section 3.2 - Waiver of Fees. The Town agrees to waive fifty percent (50%) of the Town permit fees resulting from the renovation work, including, but not limited to, construction, HVAC equipment, plumbing, electrical, fire sprinkler, and demolition permits. The total of the fees to be waived under this section is not to exceed \$25,000.

Section 3.3 - Assessment and Revaluation. The Owner and/or EBAD shall have the right to appeal any increase in assessment due to a Town-wide property revaluation pursuant to Connecticut General Statutes, sections 12-117a and 12-119, as amended. The assessment of the Land for the period prior to the Commencement Date was determined in the normal course pursuant to state and local laws.

### **ARTICLE 4 - MINIMUM INVESTMENTS**

Section 4.1—Minimum Investment in The Property. Owner and EBAD have planned a renovation of Property as detailed in the Project Plan, in the agreed upon estimated and actual amounts as delineated above in Section E of the Recitals

Section 4.2 - Schedule. No later than October 1, 2020 or at the end of any approved extension period, Owner and EBAD shall furnish Town with a certificate confirming

Owner's and EBAD's satisfaction of the obligations contained in Sections 3.1 and 3.2 hereof. Owner and EBAD, at the request of Town, shall furnish Town with general information substantiating the expenditure of such investment. Town acknowledges that any certification from a third-party architect, managing contractor, engineer, general contractor, vendor or manufacturer, which certifies such investment will satisfy any request by Town for additional evidence verifying the expenditure of such investment. Owner and EBAD shall permit the town at reasonable times and upon reasonable notice during the term of this Agreement to inspect the Property for purposes of confirming that its use continues to comply with one or more of the uses set forth in Section 12-65b of the Connecticut General Statutes and the Ordinance.

Section 4.3 - Failure to Comply. In the event the Owner or EBAD have not provided the anticipated Investment in the Property as set forth in Sections 3.1 and 3.2 above by October 1, 2020 or at the end of any extension periods as provided in Section 3.1 and Section 3.2, the Town shall be entitled to terminate this Agreement. In the event of such termination by Town, then Town and Owner and EBAD shall not have any further obligation under this Agreement and the assessment of the Property shall revert to 70% of its fair market value as determined by the Assessor retroactive to the Commencement Date and the Town shall thereafter have its rights defined in Section 7.2.

## **ARTICLE 5 - OPERATION OF PROPERTY**

Section 5.1 - Operation. During the Fixed Assessment Period and for a period of two (2) consecutive years thereafter, the Owner and EBAD agree that it shall not:

- 5.1.1. Change, suffer or allow the use of the Property to be changed to a use that does not comply with one or more of the uses set forth in Section 12-65b of the Connecticut General Statutes and the Ordinance;
- 5.1.2. Fail to pay the taxes contemplated under this Agreement when due; or
- 5.1.3. Declare bankruptcy.

Section 5.2 - Remedies. In the event the Owner or EBAD is in default under Sections 3.1, 3.2, 3.4, 4.1 and 5.2.1 through 5.2.7, or in material default of any other obligation contained in this Agreement, the Town shall have the right to recover all tax benefits provided to the Owner or EBAD during the Fixed Assessment Period and terminate this Agreement and the Fixed Assessment. In the event that the Owner or EBAD has instituted appropriate administrative or legal proceedings challenging the amount of the statutory assessment of the Property and Land, payment of any and all taxes shall be in accordance with Connecticut General Statutes section 12-117 and other applicable law.

## **ARTICLE 6 - REPRESENTATIONS AND WARRANTIES**

Section 6.1 - Town Representations and Warranties. Town hereby represents and warrants to the Owner and EBAD as follows:

- 6.1.1. This Agreement is in material compliance with Town Charter and with the Connecticut General Statutes, et seq.
- 6.1.2. Town is a municipality duly organized and operating under the laws of the State.
- 6.1.3. Town has the power to enter into this Agreement and to carry out its obligations hereunder.
- 6.1.4. The execution and delivery of this Agreement, the conferral of the Fixed Assessment to Owner and EBAD, the performance of its other obligations contained in this Agreement, the consummation of the other transactions contemplated hereby, and the fulfillment of the compliance with the terms and conditions of this Agreement, by Town are not prevented by or result in a breach of, the terms, conditions or provisions of Town Charter, any statute, law, ordinance or regulation by which Town is bound.
- 6.1.5. This Agreement has been duly authorized by Board of Selectmen, and is a valid and binding obligation of Town, and is enforceable in accordance with its terms against Town.
- 6.1.6. The representative of Town executing this Agreement is in good standing with Town, and is authorized to execute and deliver this Agreement, in such capacity.
- 6.1.7. There is no claim or litigation, or to the best of Town's knowledge, threat of any claim or litigation, against Town with respect to its execution and delivery of this Agreement or otherwise pertaining to the conferral of the Fixed Assessment or any other matter contained in this Agreement.

Section 6.2 - Owner and EBAD Representations and Warranties. Owner and EBAD hereby represent and warrants to Town as follows:

- 6.2.1. Owner and EBAD are qualified and licensed to transact business in the State of Connecticut.
- 6.2.2. Owner is the fee owner of the Property and has the power to enter into this Agreement and to carry out its obligations hereunder.
- 6.2.3. The execution and delivery of this Agreement, the performance of the obligations of Owner and EBAD contained in this Agreement, the

consummation of the other transactions contemplated hereby, and the fulfillment of the compliance with the terms and conditions of this Agreement by Owner and EBAD are not prevented by or result in a breach of, the terms, conditions or provisions of any statute, law, ordinance or regulation by which Owner or EBAD is bound, or any contractual restriction, financing, agreement or instrument of whatever nature to which Owner or EBAD is now a party by which it is bound, nor do they constitute default under any of the foregoing.

- 6.2.4. This Agreement has been duly authorized by Owner and EBAD and is a valid and binding obligation of Owner and EBAD and is enforceable in accordance with its terms against Owner and EBAD.
- 6.2.5. The officer of Owner and EBAD executing this Agreement is in good standing with Owner and EBAD and is authorized to execute and deliver this Agreement, in such capacity.
- 6.2.6. There is no claim or litigation, threat of any claim or litigation, against Owner or EBAD with respect to its execution and delivery of this Agreement, the conferral of the Fixed Assessment or any other matter contained in this Agreement.
- 6.2.7. There are no actions, suits or proceedings pending or, threatened against or affecting the Owner or EBAD or before any arbitrator or any governmental body in which there is a reasonable possibility of an adverse decision which could materially affect the ability of Owner or EBAD to perform its obligations under this Agreement.

## **ARTICLE 7 - DEFAULT**

Section 7.1 - Town Default. In the event that Town fails to perform under Section 2.1 of this Agreement and Owner or EBAD furnishes notice to that effect to Town, and Town fails substantially to rectify the same within thirty (30) days after receipt of notice, and such an additional reasonable time period as is necessary to rectify the matter if the nature of such non-compliance cannot be reasonably cured within said thirty (30) day period so long as Town initiates the curing thereof within said thirty (30) day period and thereafter diligently prosecutes such curing, then Town shall be deemed to be in default of this Agreement. In the event of Town's default under this Agreement beyond applicable cure periods, Owner or EBAD shall be entitled to all rights and remedies at law or in equity.

Section 7.2 - Owner Default. In the event that Owner or EBAD fails to perform a covenant or agreement, or to observe a term or condition, contained in this Agreement

and Town furnishes notice to that effect to Owner or EBAD, and Owner or EBAD fails substantially to rectify the same within thirty (30) days after receipt of notice, and such an additional reasonable time period as is necessary to rectify the matter if the nature of such non-compliance cannot be reasonably cured within said thirty (30) day period so long as Owner or EBAD initiates the curing thereof within said thirty (30) day period and thereafter diligently prosecutes such curing, then Owner and EBAD shall be deemed to be in default of this Agreement. In the event of Owner's or EBAD default under this Agreement beyond applicable cure periods, this Agreement shall be null and void and the Owner and EBAD shall reimburse the Town for all tax relief provided to Owner or EBAD, its predecessors and/or its assigns and the Town shall be under no obligation to grant further tax relief hereunder. Further, the Town, in addition to any remedies provided herein, shall be entitled to all rights and remedies at law or in equity, including the right to assess all penalties and to exercise all rights accorded to it as a taxing authority under the Connecticut General Statutes for the non-payment of taxes and the payment of all legal fees and expenses incurred by the Town relating to the Owner's or EBAD default.

## **ARTICLE 8 - MISCELLANEOUS**

Section 8.1 - Notices. All notices and requests required pursuant to this Agreement shall be sent by personal delivery, overnight courier, or certified mail as follows:

To Town:                      Town of Simsbury  
                                     Simsbury Town Hall  
                                     933 Hopmeadow Street  
                                     Simsbury, CT 06070  
                                     Attention: Town Manager

With a copy to:

Robert M. DeCrescenzo, Esq.  
Updike, Kelly & Spellacy, P.C.  
P.O. Box 231277, 100 Pearl Street  
Hartford, CT 06123-1277

To Owner:                      Simsbury Hopmeadow Street, LLC  
                                     c/o Dyno Nobel, Inc.  
                                     2795 E. Cottonwood Pkwy  
                                     Salt Lake City, Utah, 84121

With a copy to:

EBAD                              Ensign-Bickford Aerospace & Defense Company

P.O. Box 7  
Simsbury, CT 06070

or at such other addresses as the parties may indicate in writing to the other by personal delivery, overnight courier, or registered mail, return receipt requested, with proof of delivery thereof. Notices and requirements shall be deemed delivered to the address set forth above (a) when delivered in person on a business day, or (b) on the same business day received if delivered by overnight courier or by registered mail, return receipt requested.

Section 8.2 Successors and Assigns; Assignment. EBAD and/or Owner shall not assign its rights and obligations under this Agreement except with the written consent of the Simsbury Board of Selectmen. All of the terms and provisions of this Agreement shall be binding on and inure to the benefit of all of the successors and assigns of the parties hereto.

Section 8.3 - Amendment. This Agreement sets forth all the promises, inducements, agreements, conditions, and understandings between Owner and EBAD and Town relative to fixing the assessments on the Property and there are no promises, agreements, conditions, or understandings, either oral or written, express or implied, between them related thereto, other than as herein set forth. No subsequent alteration, amendment, change, or addition to this Agreement shall be binding on the parties hereto unless authorized in accordance with law and reduced in writing and signed by them.

Section 8.4 - Counterparts. This Agreement (or any exhibit or addendum to it) may be executed by facsimile or using an e-signature format such as DocuSign, and in counterparts, each of which (including signature pages) will be deemed an original, but all of which together will constitute one and the same instrument.

Section 8.5 - No Admission as to Value. The parties acknowledge and agree that the values placed upon the Property, and/or the Improvements as a result of this Fixed Assessment Agreement shall not now or at any other time be construed as an admission by any party or as evidence of any kind as to the true fair market value of the Property and/or the Improvements.

Section 8.6 - No Further Abatement: Owner and EBAD acknowledge and agree that the Abatement offered pursuant to this Agreement is not binding upon the Town beyond the ten-year Abatement Term agreed to herein.

**[NEXT PAGE IS SIGNATURE PAGE]**

IN WITNESS WHEREOF, this Agreement has been executed by authorized representatives of the parties hereto and is effective as of the aforesaid date.

**TOWN OF SIMSBURY**

By: Maria E. Capriola Date: April 15, 2021  
Maria E. Capriola  
Its Town Manager

**OWNER, DYNO NOBEL**

By: [Signature] Date: 05-04-2021  
Its

**LESSEE, ENSIGN BICKFORD  
AEROSPACE AND DEFENSE**

By: \_\_\_\_\_ Date: \_\_\_\_\_

IN WITNESS WHEREOF, this Agreement has been executed by authorized representatives of the parties hereto and is effective as of the aforesaid date.

**TOWN OF SIMSBURY**

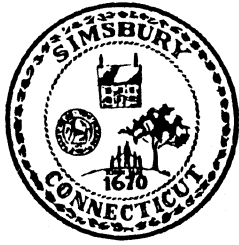
By: Maria E. Capriola Date: April 15, 2021  
Maria E. Capriola  
Its Town Manager

**OWNER, DYNO NOBEL**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Its

**LESSEE, ENSIGN BICKFORD  
AEROSPACE AND DEFENSE**

By: Dorothy Hammett Date: 4-15-2021  
Secretary  
attorney for  
Lessee ✓



# Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

## TOWN OF SIMSBURY

### **Fee Waiver and Tax Abatement Program Guidelines** *Adopted by the Board of Selectmen on February 8, 2021*

#### **1. Purpose**

The goal of economic development is to improve the life of community residents by retaining and expanding existing businesses and attracting new businesses. Simsbury's Fee Waiver and Tax Abatement Program support the town's economic development.

The specific goals of the Simsbury Fee Waiver and Tax Abatement Program include one or more of the following: generating additional tax revenue, lasting employment opportunities, providing quality goods and services, improving the aesthetics of the community, preserving an historic site, providing desirable recreational and entertainment opportunities.

This policy is intended to provide guidelines; it does not prohibit the Board of Selectmen from taking any action it deems appropriate as allowable by statute.

#### **2. Effective Date**

This policy shall be effective immediately and shall remain in effect until revised or rescinded.

#### **3. Types of Businesses Targeted by This Policy**

- Corporate headquarters and satellite offices
- Research and high technology facilities
- Advanced technology manufacturing facilities (only applies to job creation and real estate growth, does not apply to personal property growth)
- Existing Simsbury business expansion
- Mixed-use development of a building or site
- Affordable housing units or housing units developed for underserved populations.
- New or existing recreational or entertainment businesses
- Historical preservation
- Re-development of properties in certain neighborhoods (e.g. Tariffville, downtown, North village)
- Green/sustainable improvements
- Appropriate entrepreneurial businesses

#### **4. Types of Assistance Available**

##### **A. Tax Abatement** – the assessment of real property may be reduced for a period of time

The town may reduce the assessment of real property as allowed by Connecticut General Statutes Chapter 203, Sec. 12-65b, as amended from time to time. Any written agreement entered into under this statute shall normally not be for a period longer than ten years, with a maximum average abated not to exceed a range of 40-60%. The Town

reserves the right to cap the total abatement amount granted. However, these guidelines do not prohibit the Board of Selectmen from taking any action it deems appropriate as allowable by statute.

- B. Waiving or Reducing of any Town Permit Fees** – reduction amount is variable depending on impact of proposed project. The town may waive up to 50% of any town permit fees upon determination that such a fee waiver would encourage the development or expansion of quality businesses, especially those in the targeted industries. The Town reserves the right to cap the total amount of fees waived. Sewer fees and fire code fees are not applicable for this potential reduction in fees.

## **5. Application Requirements and Procedures**

- **Step 1**

Applicant submits a Business Development Assistance Application (supplied by the town) to the Planning Department. The Planning Director will review the application to evaluate its consistency with the most current Plan of Conservation and Development. The Assessor and Finance Director will then complete an analysis regarding the anticipated value of the improvements, and will prepare various abatement scenarios for review.

These departmental analyses are forwarded to the Town Manager for review. The Town Manager will submit scenarios based upon the guidelines established in this Policy to the Business Development Committee (BDC).

The BDC consists of five members and one alternate member appointed by the Board of Selectmen to two year terms. Membership composition is as follows: one member of the Board of Selectmen; one alternate member of the Board of Selectmen; one member of the Board of Finance; one member of the Zoning Commission; one member of the Economic Development Commission; and one member at large, who is an elector of the community with expertise related to economic and business development. The Town Manager serves as an ex-officio non-voting member of the Committee with full participation rights. The Town Manager serves as the administrative chair and makes recommendations for Committee appointments to the Board of Selectmen.

- **Step 2**

The Business Development Committee and Town Manager will review and confer on the application and provided scenarios. The Town Manager, with assistance from staff, will resolve any issues with the applicant.

- **Step 3**

The Business Development Committee and the Town Manager make a final recommendation to the Board of Selectman.

- **Step 4**

Upon approval by the Board of Selectman, the Town Manager will work with the applicant and the town attorney to draft a legal contract that assures that all the provisions of the Tax Abatement Program will be met. The contract will include a provision for verifying that minimum investments or job creation have been met.

- **Step 5**

In order for the incentive to become legal the Board of Selectman must approve the final Business Development Incentive(s) in contract form by majority vote. The Board of Selectman shall then authorize the Town Manager to sign the proposed final contract as approved in form.

*Note: the Fee Waiver and Tax Abatement Program is completely separate from the statutorily required local land use approval process. Response timeframes associated with each step in the process are dependent upon staff workload capacity, as well as the availability of the members of the Business Development Committee and the Board of Selectmen in order to meet in a timely manner within the requirements set forth in the Freedom of Information Act.*

## **6. Transparency**

A portion of the town website shall be dedicated to tax abatement information which would include awards and abatement documents

## **7. Accountability**

Tax abatements will not be granted if the contractually required minimum real estate and/or personal property investment has not occurred. If the tax abatement is linked to job creation and/or retention, the abatement will not be granted until the minimum required new jobs has been verified; annual reporting thereafter will be required to verify that the agreed upon minimum number of new jobs have been retained at their Simsbury location.

## **Economic Development Strategies – To Attract and Retain Businesses**

The Town of Simsbury is committed to the strategies and aspirations listed below.

### **1. Diversification and broadening of tax base to minimize tax increases**

- Increase Grand List value in order to minimize tax increases

### **2. Streamline planning and zoning practices**

- Continue updating land use regulations
- Implement suggestions received from local businesses to simplify and make transparent all permitting and zoning requirements
- Consolidate land use bodies and allow administrative approvals by staff

### **3. Maintain Simsbury's quality of life offerings**

- Maintain excellent school system, attractive parks and trails, library, social services, senior center, well maintained infrastructure

### **4. Business retention – stay in touch with businesses**

- Continue EDC outreach such as surveys, meetings and visits to ensure the concerns and needs of our businesses are addressed by town government
- Partner and collaborate with Chamber of Commerce, Main Street Partnership, and Business and Career Center
- Maintain and update marketing materials to promote Simsbury as a place to live, work and play
- Promote state programs (Small Business Incentive Program, Grow Connecticut Rebate Program, etc.) available to business community

### **5. Make infrastructure improvements**

- Make investments in critical infrastructure: transportation, technological (fiber optics, band width), and building infrastructure. Maintain proper stewardship of town resources

### **6. Support Entrepreneurs and current town businesses**

- Fund and support the Library's Business Resource and Career Center and our partner organizations such as the Chamber and Main Street
- EDC led effort to facilitate co-working spaces for entrepreneurs
- Maintain EDC outreach practices
- Assign ombudsmen from EDC to work directly with businesses interested in moving to Simsbury or eager to stay in town

### **7. Provide diverse housing options**

- Continue to support the development of varied housing options that address the range of needs in our community, including affordable housing units and housing units for underserved populations