



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

## **Economic Development Commission**

Wednesday, January 22, 2020

5:30 pm

Program Room 2, Simsbury Public Library, 725 Hopmeadow Street

## **REGULAR MEETING AGENDA**

### Call to Order

- Welcome to Diane Madigan (New Zoning Liaison)
- 1) Guest Speakers: Cheryl Cook and Kris Barnett – 350<sup>th</sup> Anniversary Steering Committee
  - 2) Guest Speaker: Mark Scully – Clean Energy Task Force Draft Energy Plan
  - 3) EDC Adopted 2019-2020 Work Plan
    - a) Updated work streams/teams
      - Business Incentives
      - Marketing
      - Business Outreach
      - Support Entrepreneurs
  - 4) Housekeeping Items
    - a) Reports/updates to and from EDC, Planning, Zoning, and Board of Selectmen liaisons
  - 4) Minutes
    - a) December 18, 2019

### Adjournment



# 2019 Simsbury Energy Plan

Clean Energy Task Force



# Introduction

Energy is the lifeblood of life in Simsbury. We use it to heat and cool our homes and business, to run our appliances and to travel to work and play. It is also one of the largest expenditures for our residents and businesses.

In a recent survey of town residents, over 80% of respondents agree or strongly agree that Simsbury should be a leader in promoting energy efficiency and renewable energy in both town buildings and also among residents and businesses.<sup>1</sup> [2017 POCD, p. 94]

The Simsbury Clean Energy Task Force has prepared this Energy Plan to help guide the town toward greater energy efficiency and sustainability. Carrying out this plan will yield many benefits to town residents and businesses, including:

- **Savings:** We estimate that the town can reduce its energy expenditures significantly. And, we can keep more of the money we spend right here in town.
- **Health:** By reducing our reliance on fossil fuels and electrifying heating, cooling and transportation, we will improve air quality, leading to a range of health benefits, including notably lower asthma rates.
- **Comfort:** By making our homes and businesses more energy efficient, they also become more comfortable.
- **Resiliency:** Through greater reliance on local energy generation and a more modern electric grid, the town can weather storms, outages and natural catastrophes longer and more safely.

In 2018, the State of Connecticut's set a goal of producing 40% of its electric power through renewables by 2030. This energy plan aims to achieve this goal for Simsbury as well. Our ultimate goal is to get to 100% renewable energy for Simsbury and the state by 2050.

<sup>1</sup>2017 Plan of Conservation and Development, p. 94]



Simsbury High School Principal Andrew O'Brien showcases the new 15 kW solar array atop the school

We recognize that it will be difficult to achieve this vision. But, it is both achievable – even with today's technology – and realistic – as other cities and states have set similar aspirations and timelines. By fostering a culture of conservation throughout the entire community and by making the right choices, Simsbury can address energy and climate change challenges in a meaningful way. Now is the time for the Town to lead by example and launch our community into an affordable, resilient, and clean energy future.

Simsbury Clean Energy Task Force  
June 2019

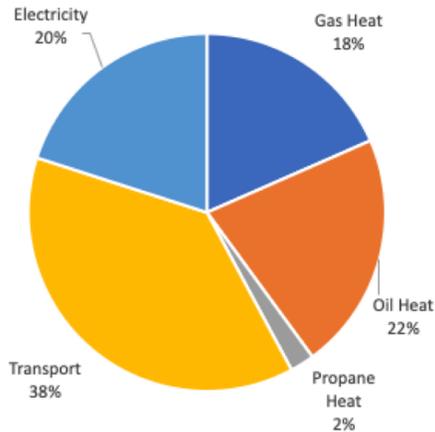
# Simsbury's Energy by the Numbers

We estimate that in 2018, Simsbury:

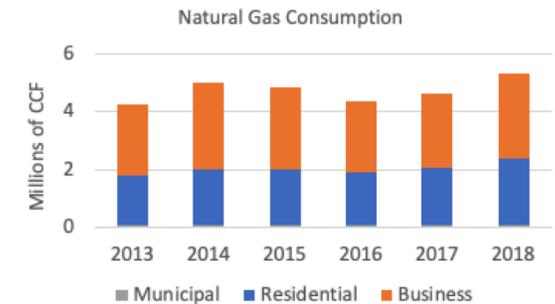
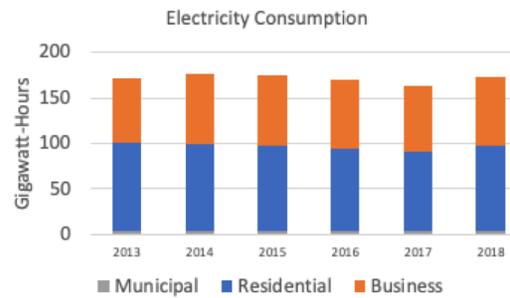
- spent \$78.5 million on energy, or \$3,230 per person.
- consumed the energy equivalent of 844,594 megawatt-hours, or 35 per person.
- generated 228,783 tons of greenhouse gases (GHG), or 9.4 tons per person.

These amounts include the entire town (i.e., residents, businesses, the Town of Simsbury and the Board of Education), and they include heating, transportation and electricity. These figures are shown in detail in the appendix to this report.

As seen in the graph below, 40% of the town's energy is spent on heating, split fairly evenly between natural gas and oil. Another 38% goes to transportation and 20% to electricity. (Source: Simsbury Clean Energy Task Force Analysis)

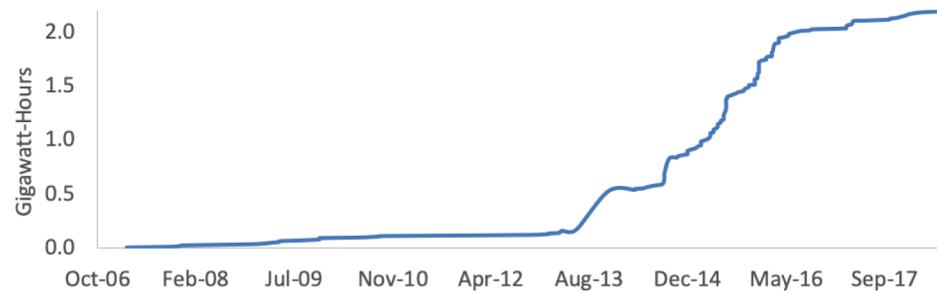


Both electricity and natural gas consumption declined slightly between 2014 and 2016, but have increased since 2017. Natural gas usage has increased by 21% in just two years. (Source: Enerize CT)



Simsbury has roughly 175 solar arrays in town, capable of producing roughly 2.3 gigawatt-hours of electricity each year, or 1.4% of current consumption. Roughly half of these arrays were added in 2014, when Simsbury conducted a "Solarize" campaign. (Source: CT Green Bank) We estimate that the town could locally site 120 gigawatt-hours of solar energy, including the Tobacco Valley Solar Project, currently under construction.

## Annual Solar Energy Production

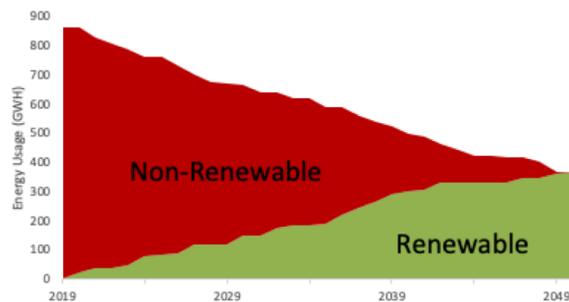


# Simsbury aims to use 100% renewable energy by 2050

The path to 100% renewable energy comprises two complementary actions:

- Overall energy consumption must be decreased dramatically by a combination of energy efficiency and electrification of heating, cooling and transportation.
- Electricity consumed in town must come from clean, renewable sources.

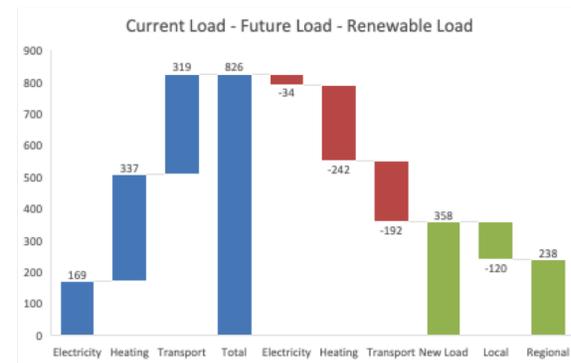
These complementary actions are visible in the declining overall consumption and increasing renewables in the chart below.



The key elements of this energy plan are:

1. Reduce our energy usage by improving the efficiency of our buildings, both public and private.
2. Transition heating and cooling to high-efficiency heat pumps.
3. Promote the responsible development of renewable energy in town, including residential rooftop solar, community shared solar, commercial solar and solar carports. For remaining energy needs, pursue regional solutions and advocate for a cleaner grid.
4. Promote public transportation and the transition to electric vehicles through various measures, including planning for sufficient charging opportunities.
5. In collaboration with Eversource, modernize the local electric grid to enable higher levels of renewable energy

The chart below is another way of visualizing Simsbury's path to 100% renewable energy. The blue bars on the left side of this graph represent the town's current energy usage, expressed in a common unit: gigawatt-hours. The red bars represent the potential reduction in energy usage through efficiency and electrification, resulting in a vastly reduced energy load. The green bars represent the sources of local and regional renewable energy to meet this need.



## Energy Reduction Targets

As seen in these two graphs, Simsbury aims to reduce energy consumption by over half in roughly thirty years. Because these reductions will be accomplished in part through “fuel switching” (e.g., from gasoline to electric vehicles), we do not set reduction targets for each fuel type. In fact, we expect electricity usage to more than double over this period.

Simsbury's 2050 energy target can be achieved through modest annual reductions of 2.8% per year. **Based on our initial analysis, we are selecting a 3% annual reduction target for all town sectors: residents, businesses and municipality. Over a five-year period, the targeted reduction is therefore just under 16%.** As our analysis of the town's energy usage develops, we may differentiate this target by sector and year. Together with the Dept. of Public Works, the Clean Energy Task Force will monitor town energy usage using existing online monitoring tools and update this analysis annually.

# Energy Efficiency in Buildings

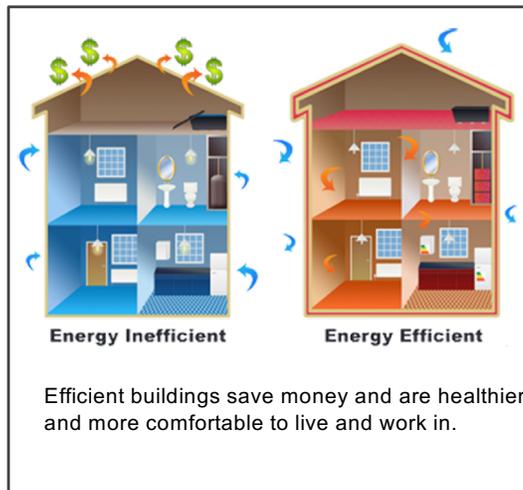
Energy efficiency is sometimes referred to as the “first fuel” because it offers the possibility of reducing energy consumption before turning to expensive and complex energy generation. Efficiency also offers some of the highest investment returns in reduced energy costs over many years. A range of programs and incentives exist for both residential and commercial buildings to make measures such as weatherization, insulation and building controls more achievable and profitable. Savings estimates vary widely, but it is realistic to expect reductions in energy usage of 25-50%. Before looking to increased generation of electricity and expansion of natural gas lines, the town should look for ways to educate and incentivize residents, businesses and the municipality to first reduce energy needs through common sense efficiency measures.

## Progress to date:

- Purchased streetlights and converted to LED
- Insulation of several town-owned properties occupied by low- and moderate-income residents
- Small Business Energy Advantage (SBEA) energy upgrades in town buildings
- Energy upgrade to Water Pollution Control Authority (WPCA)
- 24% of households and 21% of businesses participated in Energize CT Efficiency programs

## Benefits:

- Savings for residents and businesses
- Reduced need for energy production
- More comfortable and healthy living and work environments
- Greater resiliency during extreme weather
- Lower CO2 and greenhouse gas emissions
- Creates local jobs



## Actions:

- Monitor and benchmark energy usage in buildings over multiple years, separately for town, schools, residents and businesses.
- Conduct inventory of efficiency upgrade status of public buildings.
- Create schedule of efficiency upgrades in town properties.
- Offer information session on energy services available to low- and moderate-income residents
- Evaluate feasibility of municipal efficiency upgrade performance contract or bond.
- Conduct residential HES audit campaign.
- Restart Small Business Energy Advantage (SBEA)
- Promote C-PACE financing of commercial projects
- Explore town efficiency incentives through building and/or tax codes
- Analyze interval energy usage on town buildings and develop plan to reduce peak demand

## 2024 Goals:

- 50% of residential homes conduct HES audit; 25% carry out energy retrofits
- 25% of town businesses conduct energy audits; 20% implement efficiency measures
- New building/tax codes for new construction

## 2039 Goals:

- 80% of residences and businesses conduct energy audits and implement efficiency measures

# Heating and Cooling

Heating and cooling account for almost half of the energy use in a typical U.S. home. In Simsbury, the vast majority of homes heat with oil (~70%) or natural gas (~23%). Air-source heat pumps offer an opportunity for homeowners to lower their energy costs, and at the same time reduce greenhouse gas (GHG) emissions. Long used for cooling in warm climates, heat pumps are now able to provide efficient heating in cold climates even at outdoor temperatures as low as -15 °F.

Air-source heat pumps are capable of not only heating in the winter (by extracting heat from outside air) but also cooling in the summer (by extracting cold from outside air.) Heat pumps use the same technology as a refrigerator or air conditioner.

Heat pumps can be used alongside existing heating systems to address specific needs and lower costs.

## Progress to date:

- Multiple municipal installations
- Prominent commercial application of large-scale heat pumps

## Benefits:

- Lower heating and cooling costs
- Comfort – With advances in controls, heat pumps can maintain very constant temperatures.
- Safety – Because heat pumps are electrically powered, there is no risk of combustion gas leaks.
- Improved air quality – Heat pumps filter indoor air all year and dehumidify it in the summer,
- Room-by-room control
- Reduced greenhouse gas emissions

## Actions:

- Create schedule of upcoming HVAC upgrades on town buildings, including schools.
- Ensure heat pumps are considered in town building upgrades.
- Carry out town-wide campaign to educate about and promote heat pumps
- Work with town staff and zoning and planning commissions to promote heat pumps in new construction.
- Publicize examples of heat pump installations, both new and retrofits, for town buildings, households and businesses.



An illustration of a ductless mini-split system.

## 2024 Goals:

- 10% of homes (800) using heat pumps

## 2039 Goals:

- 90% of homes using heat pumps

# Renewable Energy

Simsbury currently derives approximately 1.4% of its electricity from roughly 175 solar arrays in town, including both households, businesses and public buildings. As prices for solar panels continue to decline, ever more households and businesses will seek to lower their energy costs by going solar.

The Clean Energy Task Force has helped to promote solar by conducting a “Solarize” educational campaign and working with town officials to put solar arrays on several town buildings. In fact, almost half of the town’s arrays were installed during the 2014 Solarize campaign. There is more we can do, including educational campaigns, solar arrays on public buildings, schools and over parking lots, promoting Community Shared Solar, and more.

We also need to have a public discussion about how to promote solar responsibly and sustainably. For example, which lands and buildings should we preserve due to their aesthetic, historic or agricultural value?

## Progress to date:

- Total 175 arrays with total capacity of 2.0 MW
- 2014 Solarize campaign: 80 homes, 643kW
- High School Solar Array: 15kW
- Arrays on two town buildings: Public Works and Simsbury Farms skating rink: X kW
- Simsbury ranked #4 in state for impact on solar development
- Large commercial solar farm (i.e., Tobacco Valley Solar) under construction.

## Benefits:

- Reduces and stabilizes electric bills
- Improved public health from decrease in pollution from fossil fuel plants.
- Creates jobs and economic growth
- Presents an educational opportunity, especially with school arrays
- Reduces climate change
- Lowers energy imports
- Helps the state meet its renewable energy and greenhouse gas emission goals

## Actions:

- Explore additional solar arrays on town and school buildings and parking lots
- Pursue Community Shared Solar project
- Engage the community in a discussion of responsible and sustainable solar development
- Conduct educational campaign(s) (e.g., Solarize)
- Review local regulations, permitting process and incentives for renewables
- Adopt a solar policy for new construction
- Advocate for solar access rights in CT
- Adopt Community Choice Aggregation (when enabling state legislation is passed)



The 2014 Solarize Simsbury campaign led to 80 households installing rooftop solar arrays.

## 2024 Goals:

- Double current solar capacity to 4 MW (in addition to Tobacco Valley Solar)
- At least 500 kW installed capacity on town and school buildings and parking lots
- Two additional town-wide solar campaigns
- Two community shared solar projects
- Solar-friendly policy for new construction

## 2039 Goals:

- Total capacity of 50 MW
- Community Choice Aggregation adopted

# Transportation

Transportation is a large source of greenhouse gases in the United States. According to the EPA the increase in emissions coming from transportation increased more over the last 2 decades than any other greenhouse gas source and now accounts for 27% of total emissions.

Decreasing transportation-generated emissions in a community can have an immediate effect on local air quality in a way that other sustainability activities may not. Encouraging people-powered transportation (bikes, walkways), increasing public transportation access, and supporting non-fossil fuel transportation options (electric cars) are all ways to move toward this goal

## Progress to date:

- Silver Bicycle Friendly Community
- Electric Car Charging Stations: two at Town Hall and several at local businesses

## Benefits:

- Improve local air quality and noise levels
- According to the National Association of Realtors (NAR), walkable/bikeable communities are preferred by homeowners (2017)
- Communities with available and easy to use public transportation access show resilience in property values even in times of volatility (NAR, 2013)

## Actions:

- Complete Tariffville Bike Trail Connector
- Electrify town vehicle fleet
- Develop plan for expanding charging infrastructure in town
- Add additional charging stations on municipal properties
- Tax incentives for electric vehicles
- Improve Simsbury's Plug-In Electric Vehicle Readiness Scorecard (US DOE)
- Increase Simsbury residents' awareness and use of local public transportation options
- Conduct no idling campaign



## 2024 Goals:

- Completed assessment and plans for EV charging infrastructure
- Five EVs in town fleet
- One electric school bus

## 2039 Goals:

- Charging stations at key locations across town
- Fully electric town fleet
- Electric school bus fleet

# Microgrids

All of us in Simsbury rely on the electric grid to provide electricity to our homes, businesses and town facilities. Our current grid performs exceptionally well, but was built and designed before the advent of solar panels, allowing individual houses and businesses to generate their own electricity, and batteries, allowing them to store it. Moreover, it is vulnerable to blackouts during major storms and attacks.

If we want to continue to encourage more renewable energy and greater resilience, we need to re-think the grid. A key building block of the future grid will be microgrids, consisting of smaller subsets of power sources, users, wires and controls. Microgrids are capable of operating while connected to the wider grid, or they can “island” or operate separately in the event of a grid outage.

An example of a microgrid could be a collection of key town facilities, a solar array, battery storage and a backup generator. In the future, the grid might consist of a series of interconnected microgrids.

## Progress to date:

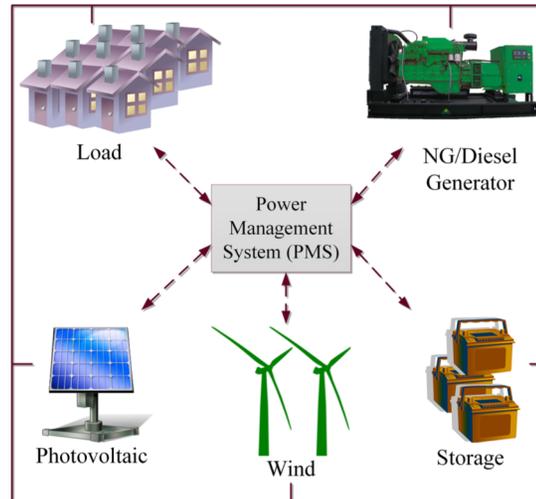
- On two occasions, Simsbury explored the feasibility of creating microgrids in town:
  - One in the center of Simsbury
  - One built around the High School
- On both occasions, for different reasons, the projects did not proceed.
- In the process, though, we gained a great deal of knowledge on microgrids and have potential future projects in store.

## Benefits:

- Enables more renewable energy through integration of storage and smart controls. Electricity can flow in multiple directions.
- Greater resiliency, allowing the microgrid or key facilities (e.g., emergency shelter) to operate even when the broader grid is down.
- As prices of solar and batteries decline, microgrids offer cost savings.
- Gives local residents greater flexibility and control of their energy usage and generation.

## Actions:

- Educate residents and businesses about microgrids.
- Build a pilot microgrid around key municipal facilities.
- Develop a master plan for multiple microgrids in town.
- Explore the integration of Tobacco Valley Solar into a town microgrid.



## 2024 Goals:

- Two microgrids operational in town.

## 2039 Goals:

- 50% of town electricity usage provided through microgrids.

# Simsbury's Energy Action Plan

## Municipal

### 2020

1. Complete schedule of upcoming municipal building HVAC and roof upgrades
2. Issue RfP for solar arrays on school buildings and parking lots
3. Analyze interval energy usage on town buildings and develop plan to reduce peak demand
4. Complete assessment and plans for EV charging infrastructure.
5. Review feasibility of shared solar facility on town land (e.g., landfill)
6. Study the feasibility of hiring an energy manager for town.
7. Conduct annual update on municipal energy usage using the town's energy monitoring toolkit.
8. Explore town efficiency incentives through building and/or tax codes

### 2025

1. Submit five proposals for shared solar facilities on town lands.
2. Purchase five electric vehicles on town fleet.
3. Issue energy efficiency upgrade performance bond.
4. Purchase two town electric school buses.
5. Develop pilot renewable energy microgrid around critical town properties.
6. Consider implementing Community Choice Aggregation
7. Retrofit a town building with a heat pump and monitor results for future installations.

## Residential & Business

### 2020

1. Conduct residential heat pump campaign
2. Consider conducting energy survey of town residents
3. Propose renewable energy/energy efficiency policy for new construction in town
4. Conduct annual update on residential and business energy usage using Clean Energy Task Force benchmarking toolkit
5. Consider a moratorium on new natural gas service in town.

### 2025

1. Conduct residential Home Energy Audit (HES) audit campaign.
2. Restart Small Business Energy Advantage (SBEA)
3. Promote C-PACE financing of commercial projects
4. Engage the community in a discussion of responsible and sustainable solar development
5. Run another Solarize campaign
6. Complete Tariffville Bike Trail Connector
7. Work with town staff and zoning and planning commissions to promote solar, heat pumps and EV-readiness in new construction.

# Additional Resources

## Energy Efficiency in Buildings

“A Citizen’s Guide to Reducing Energy Waste”, Environment America  
[https://environmentamerica.org/sites/environment/files/resources/AME\\_Fact-Sheet\\_EE\\_Sept2018\\_PRINTv1a.pdf](https://environmentamerica.org/sites/environment/files/resources/AME_Fact-Sheet_EE_Sept2018_PRINTv1a.pdf)

## Heating and Cooling

“Exploring Climate Solutions: Renewable Thermal Technologies: Heat Pumps”  
[https://www.ct.gov/deep/lib/deep/climatechange/gc3\\_webinar\\_series/heat\\_pumps\\_4\\_8\\_16.pdf](https://www.ct.gov/deep/lib/deep/climatechange/gc3_webinar_series/heat_pumps_4_8_16.pdf)

## Solar Energy

“Ten Ways Your Community Can Go Solar”, Environment America  
[https://environmentamerica.org/sites/environment/files/resources/AME\\_Solar-booklet\\_Mar2019\\_Overview\\_PRINTv1a\\_0.pdf](https://environmentamerica.org/sites/environment/files/resources/AME_Solar-booklet_Mar2019_Overview_PRINTv1a_0.pdf)

## Transportation

<https://www.plugshare.com/location/89998>  
<https://www.simsbury-ct.gov/culture-parks-recreation/pages/simsbury-silver-bicycle-friendly-community>  
[https://www.afdc.energy.gov/uploads/publication/guide\\_ev\\_projects.pdf](https://www.afdc.energy.gov/uploads/publication/guide_ev_projects.pdf)  
<http://waytogoct.org/simsbury/>

## Microgrids

[Meet the microgrid, the technology poised to transform electricity](http://www.microgridknowledge.com)  
[www.microgridknowledge.com](http://www.microgridknowledge.com)  
<http://www.clean-coalition.org/our-work/community-microgrids/>



# Appendix: Simsbury's 2018 Energy Consumption

		Unit	Municipal	Residential	Business	Total	Per Capita
Current Energy Used	Natural Gas	CCF	78,489	2,322,416	2,909,256	5,310,161	
	Oil	Gallons	7,155	3,869,658	600,774	4,477,587	
	Propane	Gallons	28,595	663,854	0	692,449	
	Transport	Gallons	61,186	8,352,441	1,145,539	9,559,166	
	Electricity	MWH	4,240	94,059	71,053	169,353	
Current Energy in Gigawatt-Hours	Natural Gas	MWH	2,300	68,047	85,241	155,588	6
	Oil	MWH	290	157,071	24,386	181,747	7
	Propane	MWH	765	17,769	0	18,535	1
	Transport	MWH	2,044	279,055	38,272	319,372	13
	Electricity	MWH	4,240	94,059	71,053	169,353	7
	Total	MWH	9,640	616,002	218,952	844,594	35
Current Greenhouse Gas Emissions	Natural Gas	GHG - tons	460	13,598	17,034	31,091	1.3
	Oil	GHG - tons	80	43,340	6,729	50,149	2.1
	Propane	GHG - tons	182	4,214	-	4,395	0.2
	Transport	GHG - tons	600	81,854	11,226	93,680	3.9
	Electricity	GHG - tons	1,239	27,475	20,755	49,468	2.0
	Total	GHG - tons	2,559	170,481	55,743	228,783	9.4
Current Energy Expenditure	Natural Gas	\$	98,112	2,903,020	3,636,570	6,637,701	273
	Oil	\$	20,034	10,835,042	1,682,168	12,537,244	516
	Propane	\$	85,785	1,991,561	-	2,077,346	85
	Transport	\$	171,321	23,386,836	3,207,508	26,765,665	1,101
	Electricity	\$	763,280	16,930,707	12,789,512	30,483,500	1,254
	Total	\$	1,138,532	56,047,166	21,315,757	78,501,455	3,230

## Notes:

Natural gas and electricity figures provided by Energize CT. Municipal data is provided by the Dept. of Public Works. Oil and propane figures are estimated using data from the Simsbury Grand List and U.S. Census Bureau American Community Survey.

Conversion factors for each fuel type to MWH are:

- 1 CCF Natural Gas = 0.0293 MWH
- 1 Gallon Heating Oil = 0.04059 MWH
- 1 Gallon Propane = 0.02677 MWH
- 1 Gallon Gasoline = 0.03341 MWH

Greenhouse gas emission rates are:

- 1 CCF Natural Gas = 0.005855 tons GHG
- 1 Gallon Heating Oil = 0.01120 tons GHG
- 1 Gallon Propane = 0.006348 tons GHG
- 1 Gallon Gasoline = 0.00980 tons GHG
- 1 MWH Electricity = 0.0000292 tons GHG

Costs per unit of fuel are:

- \$1.25 per CCF natural gas
- \$2.80 per gallon heating fuel
- \$3.00 per gallon propane
- \$2.80 per gallon gasoline
- \$0.18 per KWH electricity

**2019-2020 EDC Work Plan - ADOPTED**

Work Stream	Task	Person/People
Business Incentives	Complete research on business incentives. Provide recommendations/update Business Incentive Policy.	Peter Van Loon, Tom Earl Staff: Maria Capriola
Marketing	Complete marketing materials refresh for tourism, real estate, and business recruitment purposes.	Brooke Freeman, Charmaine Seavy Staff: Sarah Nielsen
Marketing	Assist with promoting 350 <sup>th</sup> Anniversary events.	Charmaine Seavy, <b>To be Determined</b> Staff: Lisa Karim
Business Outreach	Conduct business outreach. Collect and track feedback.	Bob Crowther, Charmaine Seavy Staff: Mike Glidden
Business Outreach	Assist with gathering feedback on wayfinding signage needs (type, location, etc).	<b>To be Determined (2)</b> Staff: Sarah Nielsen
Support Entrepreneurs	Support infrastructure for entrepreneurs. Promote access to business resources, information, and infrastructure.	Peter Van Loon, Ron Jodice Staff: Andrew Sherman
Support Entrepreneurs	Develop a plan for co-working space.	Peter Van Loon, Ron Jodice Staff: Andrew Sherman



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

## Statement of Purpose for the Simsbury Business Incentive Program

In an ongoing effort to attract, retain and expand local businesses, the Town of Simsbury has adopted an incentive and abatement program. Created in accordance with Connecticut General Statutes 12-65b and 12-65h, the program allows the Town to enter into written agreements with owners and/or lessees of certain real property where targeted businesses are located or could be properly located in accordance with adopted plans in certain locations in Simsbury.

The decision to approve a request for tax abatement or any benefit described in this Policy is within the sole and exclusive discretion of the Simsbury Board of Selectmen. The filing of an application under this Policy or any recommendation of the Business development Committee or any other Town Agency is not binding on the Board of Selectmen and creates no rights for the applicant or any obligation for the Town.

*This Business Incentive Program is completely separate from the statutorily required local land use approval process.*



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

**TOWN OF SIMSBURY  
BUSINESS DEVELOPMENT INCENTIVE POLICY**  
*Adopted by the Simsbury Board of Selectmen on February 11, 2002*  
*Revised Date: June 22, 2015*  
*Revised Date: August 13, 2018*  
*Revised Date: November 26, 2018*

## **Effective Date**

This policy shall remain in effect until revised or rescinded and replaces the revised policy effective June 22, 2015. The Town reserves the right to amend this policy as necessary.

**WHEREAS**, The Board of Selectmen of the Town of Simsbury seeks to encourage the growth and expansion of resident businesses as well as the initial location of specific types of businesses within the Town of Simsbury; and

**WHEREAS**, to help accomplish this goal the Town of Simsbury, acting through its Board of Selectmen, hereby establishes a process to take advantage of available economic development incentives as found permissible by the Connecticut General Statutes, and

**WHEREAS**, the Town may offer qualified applicants temporary tax abatement pursuant to CGS § 12-65b. and § 12-65h., and

**WHEREAS**, the Town may also offer applicants other incentives as included herein if the proposed new development or expanded existing development are deemed to be in the best interests of the Town as described in this Policy, and

**WHEREAS**, the Town acting through the Business Development Committee (BDC) will review specific business development incentives on a case-by-case basis and will base the decision to grant any incentives to any specific project applicant on the requirements of this adopted policy and the overall best interests of the Town based on the required application materials, and

**WHEREAS**, in the event of unusual or extraordinary circumstances presented in writing by the applicant, the Business Development Committee may recommend to the Board of Selectmen approval of the waiver, if requested in writing by the applicant, of any requirement contained in the Policy so long as the development is found to be consistent with the stated goals and objectives of Simsbury's adopted economic development plans.

**NOW THEREFORE BE IT RESOLVED**, that the following program of incentives is hereby adopted and shall be implemented as indicated hereafter:



# Town of Simsbury

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SIMSBURY, CONNECTICUT 06070

## **THE TYPES OF BUSINESSES or INDUSTRIES TARGETED BY THIS POLICY:**

The Business Development Incentive Policy Program will be used to target the following types of high quality businesses that generate substantial tax revenue to the Town of Simsbury:

1. Corporate headquarters and satellite offices
2. Retail uses
3. Campus-style office development
4. Research and development and high technology and information technology facilities, especially those which are environmentally sustainable.
5. Manufacturing facilities as defined in Chapter 588 of CGS. (CGS 12-81, Subdivision 72 defines mfg. facilities.)
6. Existing Simsbury business expansion as defined in §12-65b(b). including office use, retail use, permanent residential use, transient residential use, manufacturing use, warehouse, storage or distribution use, structured multilevel parking use necessary possibly in connection with a mass transit system, information technology, recreation facilities, transportation facilities, or mixed- use development as defined in Section 8-13m. In order to be eligible the business use must be consistent with the list of types of businesses or industries targeted by this Policy (on Page 3).
7. Mixed Use Development which contains at least 25% of its floor area designated for commercial use if combined with a specific plan for the timely, acceptable, sequential development of the entire site and located in the Simsbury Town Center Code area, and existing area zoned for business use, an approved Planned Area Development (PAD) Zone or in an established Village District.
8. New or existing recreational or entertainment businesses which are in keeping with an adopted goal or plan.

## **The Town is interested in attracting sustainable businesses which will:**

1. Generate additional tax revenue through real estate and/or personal property taxes
2. Provide lasting employment opportunities.
3. Provide high quality goods and services
4. Improve the aesthetics of the community or a particular area of the community so designated for such development.
5. Occupy, use and/or preserve a historic site.
6. Provide desirable recreational and entertainment opportunities.

## **The following types of enterprises shall receive priority in consideration for recommendation for abatement or incentives as outlined in this policy:**

1. Those within targeted locations as identified in this Policy, the current Comprehensive Plan or adopted Economic Development Plan.
2. Those proposing a project that forwards a stated goal or objective which will bring about a substantial, positive impact on the Grand List.
  - a. For new businesses a substantial impact will be defined as contributing at least an additional one and one-half (1.5) million dollars in real estate value to the grand list.



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- b. For those businesses that are expanding and meet the above criteria as defined and contributing a minimum *increase* of one (1) million dollars in real estate value to the grand list or an *increase* of 50% of the current real estate value, whichever is greater.

## TAX ABATEMENT SCHEDULE\*

Minimum Investment	Period of Abatement Not More than
(1) Not less than \$3 Million	10 years
(2) \$500,000 - \$2,999,999	2 years
(3) Equal to 50% of the increase in the assessment	3 years
(4) For retail businesses: To be set by Ordinance	To be set by Ordinance

\* Maximum abatement possible, may not be granted for all applications. Percentage abatement applies to the increase in assessment. (example: 50%/40%/30%)

\* Varies based on specifics of application and determination of positive contribution to town.

## BUSINESS DEVELOPMENT INCENTIVE GUIDELINES:

### Overview and Background:

- A. The objective of offering a tax abatement or business development incentive as stated in the Purpose above is to encourage the attraction or expansion of specific types of businesses through the establishment of a public/private partnership, which results in growth expansion consistent with the Town of Simsbury's adopted plans, codes or regulations.
- B. Any proposed abatements or incentives are subject to final approval by the Board of Selectmen after referral to the BOS by the Business Development Committee.
- C. The Board of Selectmen, in adopting these incentive guidelines hereby establishes the following objectives consistent with adopted plans and sound economic growth.

### The project must:

1. Provide a clear benefit to the Town as determined by:
  - a. Staff review of application facts and completeness, based on program policy, objectives and guidelines, and
  - b. Recommendation of the Business Development Committee, and
  - c. Approval of the Board of Selectmen.
2. Create substantial, long term tax base growth.



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3. Provide stimulation of the local economic conditions for existing businesses, and the development of future related or unrelated industry groups.
4. Accomplish community goals as stated in the current Comprehensive Plan, Plan of Conservation and Development or adopted economic development plan.
5. Must have a solid financial base and growth potential as determined by the Director of Finance.
6. Have parent or subsidiaries of businesses which are the subject of or connected to such applications which must have a satisfactory record of environmental compliance as may be documented, or not, by Connecticut Department of Energy and Environmental Protection (DEEP).

## **BUSINESS DEVELOPMENT INCENTIVE MINIMUM REQUIREMENTS:**

1. The proposed project is a permitted use, or may be permitted by the Zoning Commission through a process established in the Simsbury Zoning Regulations. If rezoning is required, the abatement/incentive may be conditional.
2. Delinquency in any fees or taxes that have not been waived and that are otherwise due to the Town of Simsbury from the applicant or any related entity shall render the applicant and application ineligible.
3. If the end user of the proposed facility is a lessee, tax benefits must be clearly reflected in the lease as accruing to the Applicant entity for at least the term of the abatement period.
4. Applicant must not be in violation of any law, regulation or agreement with town, state or federal government, notwithstanding any tax lien with governmental forbearance.
5. Applicants must be committed to make a significant investment in new or renovated real property in Simsbury.
6. Applicant's project must provide new employment opportunities or enhancement to the tax base or encourage technological innovation and/or investment and address a goal(s) or objective identified in the Town's adopted plans.
7. A statement is to be provided by the applicant as to the ownership structure of the real property, personal property and operating company including information as to the ownership of any applicable subsidiary companies.
8. There is a firm commitment to remain in the Town beyond the length of the abatement or other incentive period, if applicable.
9. All tax obligations to the Town by the applicant must be current except in the case when the applicant is seeking approval to purchase existing tax liens.
10. The project should meet goals and objectives identified in the adopted Plan of Conservation and Development and the adopted 1995 Economic Development Strategic Plan as it may be amended.
11. An agreement entered into pursuant to this Policy shall not be subject to assignment, transfer, or sale without the written consent of the Simsbury Board of Selectmen.
12. After approval of an application by the Board of Selectmen and approval of a final site plan by the Simsbury Zoning Commission, construction shall commence within twelve (12)



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months and shall be completed within twenty-four (24) months unless otherwise extended by the Board of Selectmen in its sole discretion.

13. In the event that the applicant, during the period of its participation in this program:

- a. relocates its business from Simsbury,
- b. becomes delinquent in taxes or fees,
- c. closes its operation, or
- d. declares bankruptcy,

then any tax abatement or incentive benefit enjoyed by the applicant under this program shall be forfeited and the applicant shall be required to pay back all taxes that would have been assessed had the applicant not participated in the program.

14. If benefits were obtained fraudulently, the town may pursue any recourse allowed by law including prosecution and obtaining penalty fees.

## **TYPES OF ASSISTANCE AVAILABLE:**

### **Tax Abatement:**

The assessment of the real property and all improvements to be constructed thereon may be reduced for a period of time and under the conditions set forth in the above information chart.

The period of reduced assessment shall commence with the Grand List immediately following the issuance of a final certificate of occupancy for the new or expanded construction and upon the execution of an agreement satisfactory to the Town Attorney that will set the terms and conditions of the abatement/incentive based on the established parameters.

### **Waiving or Reduction of Any Town Permit Fees for targeted businesses and industries:**

The BDC Committee may recommend to the Board of Selectmen waiver of up to 50% of any Town permit fees or a smaller portion of such fee upon request and determination that such a fee waiver would encourage the development or expansion of quality businesses especially those of the targeted industries. The Board of Selectmen may upon recommendation of the BDC agree to waive a portion up to 50% of the entire fee as it may determine necessary to encourage the desirable development. The development must have been determined to meet the applicable desirable criteria as outlined herein. The Town and the applicant shall enter into an agreement which will set forth the terms and conditions based upon the established guidelines. The agreement shall be approved by the Town Attorney. Waiver of sewer fees should be directed towards the Water Pollution Control Authority.

### **Infrastructure Rebate Program:**

An applicant who is applying for a complying new or expanded existing business development that meets the criteria herein may also apply for a partial rebate for infrastructure which is located in the public right of way and approved by the appropriate Town Departments, Town Engineer, and the Board of Selectmen for the construction of infrastructure which the Town Engineer determines will serve a valid public purpose, be in the best long term interest of the Town and may also, in certain developments, clearly contribute to the creation of a more walkable, sustainable community. Note that only improvements that are public and are constructed in the public right of way are eligible for



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any potential rebate. Parking facilities, for example, which are available to the public may be determined to be eligible for this program.

The percentage rebate which may be applied to any given development under this infrastructure rebate program is to be determined and recommended by the Town Engineer. The maximum percentage of rebate is to be 50% of the cost as determined acceptable by the Town Engineer. Certification of actual cost shall be made to the satisfaction of the Town Engineer. The actual approval of the infrastructure rebate including percentage shall be determined by the Board of Selectmen and also be based on available funding.

## Application Requirements and Procedures:

1. Applications shall be made to the Director of Planning and Community Development.
2. Applications shall be reviewed by the Town Manager.
3. Applications shall be referred to the Director of Finance and Town Assessor.
4. Applications shall contain at least the information specified herein as required by this policy.
5. For purposes of reviewing these Applications, there is established a **Business Development Committee (BDC)**. The Committee shall consist of five (5) members and one (1) alternate member appointed by the Board of Selectmen to two year terms. The Town Manager will serve as an ex-officio non-voting member of the Committee with full participation rights. The Town Manager will serve as the administrative chair and will make recommendations for Committee appointments to the Board of Selectmen. The five (5) members and one (1) alternate member of the Committee shall be as follows:
  - 1 member of the Board of Selectmen and 1 alternate member of the Board of Selectmen
  - 1 member of the Board of Finance
  - 1 member of the Zoning Commission
  - 1 member of the Economic Development Commission (EDC)
  - 1 member at large, who is an elector of the community with expertise related to economic and business development

Should a BDC member who is an elected official or EDC member resign from their post, not be re-elected, or be re-appointed prior to the BDC term expiring, they would not be able to continue to serve because they are in a BDC slot reserved for a designated board or commission.

6. The Town Manager shall refer applications that meet the minimum requirements as set forth in this document to the BDC for consideration and recommendation to the Board of Selectmen.
7. Upon receipt of a complete application the BDC shall report the findings and recommendations of the Committee to the Board of Selectmen for action.



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## **APPLICATION PROCEDURE:**

### **STEP 1:**

Applicant submits a written report, application and Economic Development Impact Statement to the Director of Planning, who will then suggest to the BDC, a Business Development Incentive, based on the report, the development's direct and indirect economic and fiscal impacts and compliance with the overall Business Development Policy.

The applicant's request should include at least the following types of information:

1. Specific Assistance Requested and rationale for the request.
  - a. Tax assessment reduction specifics on a year to year basis, estimated as closely as possible.
  - b. Waiving or reduction of any Town permit fee, specifying the amount of requested waiver
  - c. Any infrastructure rebate request specifically the amount of request with all construction details.
2. Description of the project including an estimate of the number of jobs to be created and their wages.
3. Description of the applicant's business including a listing of its officers.
4. Description of the application and its products or services.
5. An estimate of the value of the proposed improvements.
6. An estimate of employment provided, full-time and part-time.
7. An anticipated project construction schedule.
8. Identification of any other public incentives, financial or otherwise, which have been requested and are included in the project financing.
9. A statement of the benefits to the Town for granting an incentive including an estimate of local taxes to be paid on a year to year basis for as long as the requested incentive lasts.
10. All other information requested by the BDC and /or per the Minimum Criteria/Information of this policy.

### **STEP 2:**

1. The Town Manager shall refer the application to the Business Development Committee (BDC) for review and recommendation to the Board of Selectmen.
2. The BDC shall review and discuss the application. Questions of fact shall be answered by the applicant or the appropriate town staff.

### **STEP 3:**

The BDC shall make a recommendation to the BOS on the application.

### **STEP 4:**

Upon preliminary approval by the Board of Selectmen, the Town Manager will work with the applicant, and the Town Attorney to draft a legal contract that assures that all provisions of the



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Business Development Incentive program as preliminarily approved by the BOS will be met. Contract details will be on a case by case basis depending on the project specifics.

## **STEP 5:**

In order for the incentives to become official, the Board of Selectmen must approve the final Business Development Incentive(s) in contract form by majority vote.

## **STEP 6:**

The BOS shall also authorize the Town Manager to sign the proposed contract once approved as to form by the Town Attorney.



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## Appendix A:

### Town of Simsbury Business Development Assistance Application

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

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

Name of Authorized Agent: \_\_\_\_\_

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

\_\_\_\_\_

Name of Business: \_\_\_\_\_

Property Address: \_\_\_\_\_

Property is Located within Simsbury Center Zone:                       Yes                       No

Assistance Requested:

Tax Abatement                       Reduction of Fees                       Infrastructure Rebate

\$ \_\_\_\_\_                      \$ \_\_\_\_\_                      \$ \_\_\_\_\_

Number of years: \_\_\_\_\_                      Number of years: \_\_\_\_\_                      Number of years: \_\_\_\_\_

Other Requested Public Incentives (state, federal, other municipal): \_\_\_\_\_

\_\_\_\_\_

Description of Business, Including Products & Services: \_\_\_\_\_

\_\_\_\_\_

Signature of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

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

**Project Details:**

Acquisition \$ \_\_\_\_\_ acres \_\_\_\_\_ sq ft existing buildings  
New Construction \$ \_\_\_\_\_ sq ft of proposed building  
Rehabilitation \$ \_\_\_\_\_ sq ft of existing building  
Equipment \$ \_\_\_\_\_  
Personal Property \$ \_\_\_\_\_  
Total Value \$ \_\_\_\_\_

Estimate of Duration of Construction Activities: \_\_\_\_\_  
\_\_\_\_\_

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

If so, date of approval: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Employment Details:	Present #	Future #	Temp. Construction Jobs #
Full Time Employees	_____	_____	_____
Part Time Employees	_____	_____	_____

Proposed Project Type (Select all that apply):

- |  |   |
|--|---|
| <input type="checkbox"/> Manufacturing             | <input type="checkbox"/> Professional Office                    |
| <input type="checkbox"/> High Technology           | <input type="checkbox"/> Wholesale/Warehouse                    |
| <input type="checkbox"/> New Retail in Center Zone | <input type="checkbox"/> Residential Development in Center Zone |
| <input type="checkbox"/> Mix Use/ Other:           |   |

Statement of Benefits to Town: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Estimate of Local Taxes to be Paid on Year-to-Year basis for as long as the requested incentive lasts:

\_\_\_\_\_  
\_\_\_\_\_

*Internal Use Only*

Planning Director \_\_\_\_\_ Date: \_\_\_\_\_

Finance Director \_\_\_\_\_ Date: \_\_\_\_\_

[ ] **Town Manager** \_\_\_\_\_ **Date:** \_\_\_\_\_

*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.*

## WAYS TO IMPROVE SIMSBURY'S TAX ABATEMENT POLICY

### 1. MEASUREMENT RECOMMENDATIONS

Town should provide an Independent Economic and Fiscal Impact Analysis before the award of the abatement

Town should develop a high quality evaluation of the tax incentive to measure the actual economic impact at the conclusion of the abatement and report its conclusions

### 2. ACCOUNTABILITY RECOMMENDATIONS

Require performance contracts and regular reporting (annual) on compliance with provisions – e.g. wages, schedule, etc.

Require staff to conduct a risk assessment of the proposed project – e.g. investor's track record, financial backers, etc.

Require staff/applicant to demonstrate that the tax abatement was necessary to retain/recruit the business

Have the Board of Selectman require the recipient of tax abatement to report in person on its progress on an annual basis

### 3. TRANSPARENCY RECOMMENDATIONS

Have information on town website showing all aspects of tax abatement agreement

Require the abatements be accounted for in the budget process

Include a sunset provision requiring that it be renewable only by a deliberative process

### 4. LANGUAGE CLARIFICATION

Highlight that not all businesses that ask for abatement will receive one and that abatements are only given to the increased value of the project

Expand application – applicant should describe its products and services in detail including sales volume and revenues

### 5. POLICY CONSIDERATIONS

Add a limit on the number of total value of incentives

**Install a performance based – earn as you go system meaning that employers won't reap town incentives until they create a certain number of jobs or make a certain level of investment**

Work with surrounding communities to develop anti-poaching agreements

Add a sustainable design preference – alternative energy and green technology

Limit the total abatement amount to no more than 50% of the total new taxes during the fixed period (shared cost)

## **Business Incentive Policy – To Attract and Retain Businesses**

The Town of Simsbury is committed to attract and retain businesses. Incentives must be more than just fee waivers and tax abatements, as important as they are.

The town is committed to the policy and actions listed below to attract and retain businesses

**1. Avoid Tax Increases / Keep overall tax burden low**

The town and education budget must be managed to avoid increases while improving our services. Taxes are high in Simsbury. Concurrently, we must expand our tax base

**2. Streamline permitting and zoning practices**

Some changes have been made and others are being discussed. / Implement suggestions received from local businesses to simplify and make transparent all permitting and zoning requirements.

**3. Invest in Simsbury's quality of life offerings – e.g schools, safety, infrastructure – roads**

We have an excellent school system and continually improve it; we are performing a school building analysis now to improve school structures and environment. We must maintain the quality of our school system while also ensuring public safety, services and transportation infrastructure.

**4. Business retention – stay in touch with businesses – surveys, meetings, chamber of commerce, etc.**

We must continue EDC outreach to ensure the concerns and needs of our businesses are addressed by town government. Such efforts are increasing marketing budget, promoting state programs such as the Small Business Incentive Program, the Grow Ct. Rebate Program, etc.

**5. Make infrastructure improvements – e.g. fiber optics**

Ensure that infrastructure; transportation, technological, and building infrastructure is both maintained and improved by proper stewardship of town resources, engagement of state government and collaboration with local and state businesses.

**6. Supporting Entrepreneurs and Current Town businesses**

- Continue to highlight our current support, e.g. Public Library, EDC outreach.
- Expand outreach to include assigning ombudsmen from EDC or other Simsbury residents directly to businesses interested in moving to Simsbury or eager to stay in town.
- EDC lead effort to develop a business incubator for entrepreneurs.

**7. Providing affordable/appropriate housing**

Continue to support the development of apartments and other housing options attractive to singles and young families. The many new and varied housing projects in town are examples to repeat.

## **SIMSBURY FEE WAIVER AND TAX ABATEMENT PROGRAM**

The goal of economic development is to improve the quality of life for community residents by retaining and expanding existing businesses and attracting appropriate new businesses. Simsbury's Fee Waiver and Tax Abatement Program supports 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 a historic site, providing desirable recreational and entertainment opportunities.

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

Corporate headquarters and satellite offices  
Research and high technology facilities  
Manufacturing facilities  
Existing Simsbury business expansion  
Mixed-use development of a building or site  
New or existing recreational or entertainment businesses  
Retail stores

### **Types of Assistance Available**

**Tax abatement** – the assessment of real property may be reduced for a period of time

#### Abatement Schedule

- A. For New Business, the town will use the following table as a guide. The minimum required investment shall be based upon the actual capital investment in taxable real property improvements, excluding land cost and personal property.

Minimum Taxable Real Property Improvement (market value)	Maximum Average % Abated Over Term	Maximum Term
Over \$3 million	50 %	5 years
\$500,000 to \$3 million	40%	3 years

B. For Existing Business, the town will use the following table as a guide. The minimum required investment shall be based upon the actual capital investment in taxable real property improvements, excluding land cost and personal property.

Minimum Taxable Real Property Improvement (market value)	Maximum Average % Abated Over Term	Maximum Term
Over \$3 million	50 %	7 years
\$500,000 to \$3 million	50%	3 years

**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.

**Infrastructure Rebate Program** – partial rebate for infrastructure that is located in the public right of way

## **Application Requirements and Procedures**

### **Step 1**

Applicant submits a Business Development Assistance Application, supplied by the town, to the Director of Planning, who will recommend

to the Business Development Committee and the Town Manager, a Business Development Incentive based on the application.

During this process the Director of Planning shall authorize an independent **Economic and Fiscal Impact Analysis** before making a recommendation to the Business Development Committee and Town Manager. This analysis should include quality of life enhancements/costs (e.g. noise, pollution, congestion, environmental impact, aesthetics). The recommendation shall be within the limits of the Tax Abatement Schedule and Permit Fee Schedule.

### **Step 2**

The Business Development Committee, in consultation with the Town Manager, will review the application and recommendation and resolve any issues with the applicant and appropriate town staff.

### **Step 3**

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

### **Step 4**

Upon preliminary 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 Business Development Incentive Program will be met. These provisions should include: yearly reporting of requirements in the Tax Abatement Schedule and the achievement of the goals outlined in the Independent Economic and Fiscal Analysis Document.

### **Step 5**

In order for the incentive to become official 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.

## **Transparency**

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

All abatements must be accounted for in the budget process.

Include a sunset provision must be part of the of the abatement contract, requiring that it be renewable by a deliberative decision rather than by default.

### **Accountability**

Required - performance contracts and regular reporting by the applicant on compliance with provisions on employment and wages, construction, schedule/timing and any other performance measures. Annual reporting and verification through independent sources should be used.

## **SIMSBURY FEE WAIVER AND TAX ABATEMENT PROGRAM**

The goal of economic development is to enhance the community by adding new jobs, providing goods and services, and by increasing the grand list. ~~to improve the quality of life for community residents by retaining and expanding existing businesses and attracting appropriate new businesses.~~ Simsbury encourages and promotes the appropriate economic development of the community. Simsbury's Fee Waiver and Tax Abatement Program supports the town's economic development.

The specific goals of the Simsbury Fee Waiver and Tax Abatement Program is to provide the Town a tool to encourage a new or existing business to invest in the community. ~~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 a historic site, providing desirable recreational and entertainment opportunities.~~

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

Corporate headquarters and/or satellite offices  
Research and high technology facilities  
Manufacturing facilities  
~~Existing Simsbury business expansion~~  
Mixed-use development of a building or site  
New or existing recreational or entertainment businesses  
Retail stores

### **Types of Assistance Available**

**Tax abatement** – the assessment of real property may be reduced for a period of time

Abatement Schedule

A. For a new business, the town will use the following table as a guide. The minimum required investment shall be based upon the actual capital investment in taxable real property improvements, excluding land cost and personal property.

Minimum Taxable Real Property Improvement (market value)	Maximum Average % Abated Over Term	Maximum Term
Over \$3 million	50 %	5 years
\$500,000 to \$3 million	40%	3 years

B. For an existing business, the town will use the following table as a guide. The minimum required investment shall be based upon the actual capital investment in taxable real property improvements, excluding land cost and personal property.

Minimum Taxable Real Property Improvement (market value)	Maximum Average % Abated Over Term	Maximum Term
Over \$3 million	50 %	7 years
\$500,000 to \$3 million	50%	3 years

**Waiving or Reducing of any Town Permit Fees** – reduction amount is variable depending on the impact of the 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.

**Infrastructure Rebate Program** – A partial rebate for infrastructure that is located in the public right of way

# **Application Requirements and Procedures**

## **Step 1**

Applicant submits a Business Development Assistance Application, supplied by the town, to the Director of Planning, who will recommend to the Business Development Committee and the Town Manager, a Business Development Incentive based on the application.

During this process the Director of Planning shall authorize an independent **Economic and Fiscal Impact Analysis** before making a recommendation to the Business Development Committee and Town Manager. This analysis should include quality of life enhancements/costs (e.g. noise, pollution, congestion, environmental impact, aesthetics). The recommendation shall be within the limits of the Tax Abatement Schedule and Permit Fee Schedule.

## **Step 2**

The Business Development Committee, in consultation with the Town Manager, will review the application and recommendation and resolve any issues with the applicant and appropriate town staff.

## **Step 3**

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

## **Step 4**

Upon preliminary 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 Business Development Incentive Program will be met. These provisions should include: yearly reporting of requirements in the Tax Abatement Schedule and the achievement of the goals outlined in the Independent Economic and Fiscal Analysis Document.

## **Step 5**

In order for the incentive to become official 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.

## **Transparency**

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

All abatements must be accounted for in the budget process.

The Abatement Contract must include a sunset provision ~~must be part of the of the abatement contract~~, requiring that it be renewable by a deliberative decision rather than by default.

## **Accountability**

Required – The Abatement Contract should include performance measures ~~contracts~~ and regularly ~~scheduled~~ reports by the applicant on compliance to these measures. These could include ~~with provisions on such measures as~~ employment and wages, construction, schedule/timing and any other performance measures. Annual reporting and verification through independent sources should be used.



# Town of Simsbury

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Maria E. Capriola - Town Manager

## MEMORANDUM

**To:** Economic Development Commission  
**From:** Thomas Fitzgerald, Management Specialist  
**Cc:**  
**Date:** January 22, 2020  
**Subject:** Consolidation of Comments on Business Incentive Policy Documents

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EDC members Tom Earl and Peter Van Loon created Business Incentive Policy Documents that were sent out to the whole EDC for their review in late December. The comments were received by Town Manager's Office staff and are paraphrased below:

The draft of the Business Incentive Policy – to Attract and Retain Businesses reads more like a list of goals the Town should have rather than a policy statement.

The mention of the Schools should be removed from the Business Incentive Policy since the BOE is independent of the town.

The Accountability and Performance part in the Draft Fee Waiver and Abatement document should be a part of the final policy.

Documents are well written and to the point, will be a great addition and make the process easier.

These comments can be used for tonight's EDC meeting to help guide discussion on the initial draft Business Incentive Policy and to provide recommendations on where to go for a 2<sup>nd</sup> draft of the policy.



# Town of Simsbury

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## Economic Development Commission Regular Meeting Minutes - DRAFT

Wednesday, December 18, 2019 at 5:30pm  
Simsbury Public Library, Program Room 2 – 725 Hopmeadow Street

### **Call to Order**

The meeting was called to order by Chairman Bob Crowther at 5:30pm. Commission members Peter Van Loon, Ron Jodice, Charmaine Seavy, Tom Earl and Brooke Freeman were present. Ex officio members Maria Capriola (Town Manager), Bill Rice (Planning Commission), and Jackie Battos (Board of Selectmen) were also present. Staff members in attendance included Tom Roy, Director Public Works, Mike Glidden, Director of Planning and Community Development, and Melissa Appleby, Deputy Town Manager.

### **1) Guest Speaker: Cheri Calnan – Sustainability Team Update**

Ms. Calnan provided an overview of the Sustainable CT certification program, which takes a holistic approach to sustainability. She provided an outline of the action items, by category, for which the Town needed to demonstrate proficiency. Ms. Calnan noted that the Town had already done a lot of the work on many of the action items, and that the efforts toward certification really just involved documenting those efforts. The Sustainability Team submitted the application, and we received the Silver designation. This certification is good for three years.

Ms. Calnan reviewed the benefits of the program, the categories and action items, and the resources and support that are available to participating communities. Mr. Roy discussed the 2016 downtown parking study, which was submitted as supporting documentation during the certification process. He reviewed results of that study, which included shared parking arrangements, signage, and other recommendations.

Discussion ensued regarding how this program applies to the EDC. Ms. Calnan noted that there are several action items related to economic development, including supporting local businesses and sustainable workforce development. The group agreed that Sustainable CT should be a guideline for the EDC, and a complement to the work that it is doing.

### **2) Guest Speaker: Andrew Sherman – Library Business Resource Center**

Mr. Sherman introduced himself and provided an overview of his background and experience. He has ten years of experience as a librarian, and previously worked in the IT and banking sectors. Mr. Sherman also provided an overview of the function of the Business Resource Center, which provides support to businesses and offers career development services.

### **3) EDC Adopted 2019-2020 Work Plan**

#### **a) Updated work streams/teams**

- *Business Incentives* – Mr. Van Loon said that he and Mr. Earl reviewed the business incentive policy and made some recommended wording changes. He noted that it reads more like a tax abatement and fee waiver policy as opposed to an incentive policy. The

work team came up with a one-page incentive policy with eight criteria; staff will send this to the full group for review and comment. Feedback is due by January 8.

- *Marketing* – Ms. Capriola said that we are working on getting a draft contract signed with the marketing firm that will be assisting with the project. Once we have a signed contract, we can get going on updating the marketing materials. Ms. Seavy noted that the materials should be comprehensive, such that they can be used by Main Street, Tourism, the Town, realtors, and others.
- *Business Outreach* – Mr. Crowther said that we are working on a roundtable with Senator Witkos and Representative Hampton. This will be coordinated with the Chamber of Commerce and will take place on the morning of Tuesday, February 11. He noted that moving forward, the roundtables will be more industry-specific. He will be connecting with Sarah Nielsen on coordinating a roundtable for the real estate group.
- *Support Entrepreneurs* – Two new items were added to this work stream: support infrastructure for entrepreneurs and develop a plan for co-working space. Mr. Jodice, Mr. Van Loon, and Mr. Sherman will get together and bring forward a strategy to the group.

#### 4) Housekeeping Items

##### a) Liaison Appointment for November 2019-October 2020

- **Design Review**

Mr. Crowther will continue to serve as the liaison to this board.

##### b) Reports/updates to and from EDC, Planning, Zoning, and Board of Selectmen liaisons

Mr. Jodice said that the Zoning Commission is still reviewing the proposed revisions to their regulations. Ms. Capriola noted that the short-term rental work group will start its work in January.

Mr. Rice said that the Planning Commission will potentially undertake an update to the 2017 POCD based on feedback received in the last couple of years, and changes that have occurred. He also said that the Planning Commission and Zoning Commission are planning a joint meeting for February 2020.

#### 5) Minutes

##### a) November 20, 2019

Mr. Van Loon made a motion to approve the minutes as presented. Mr. Jodice seconded the motion. All were in favor and the motion passed.

#### Adjournment

The meeting adjourned at 7:10pm.

Respectfully submitted,

Melissa Appleby  
Deputy Town Manager