

Town of Trumbull
Tax Partnership Screen Committee

Meeting Agenda
Monday, April 21, 2025 – 7:00 P.M.
Trumbull Town Hall – Zoom Videoconference

- I. Approval of April 1, 2025 Meeting Minutes**
- II. Discussion of Application**
- III. New Business**
- IV. Next Meeting**

Zoom Videoconference:

Webinar Link:

<https://us06web.zoom.us/j/82329050974?pwd=Nj7dRifwJtDFQn1bdAiUm9Vj86ZAPa.1>

Webinar ID: 850 3576 8998

Password: 873641

Join by telephone: (646) 931-3860 or (877) 853-5257 (Toll Free)

Webinar ID: 850 3576 8998

Rina Bakalar

From: Gold, Lindy <Lindylee.Gold@ct.gov>
Sent: Tuesday, January 7, 2025 4:04 PM
To: First Selectman; Rina Bakalar
Subject: Kubtec

Importance: High

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Gentlepeople:

Our DECD client, Kubtec , has made application to the Town of Trumbull for tax abatement assistance to help mitigate a portion of a large investment for their company relocation from Stratford to Trumbull. We have worked with this company almost since its inception and have witnessed their expansion of facilities and workforce over the course of almost 20 years.

They are an example of conscious capitalism with a culture that is as excellent and unusual as their technology.

Their x-ray equipment is recognized worldwide as superior for breast cancer surgery and for neo natal diagnosis and procedures. Their generosity to the communities in which they operate has been honored. As an aside, after building a facility in Stratford, it was decimated by a fire on a Sunday. By Monday, they had set up temporary rental space and continued to operate with no layoffs. They proceeded to build a beautiful new facility during that time. Although Stratford has tried to make every effort and offer every possible incentive to retain them, It was just not feasible. We were pleased to be able to participate in the team that brings them to Trumbull.

They deserve your support in this move. It is certain that they will contribute to the vitality and tax rolls of Trumbull for many years to come. I would be pleased to provide any further information or testimony that may be required to support their application.

Sincerely,
Lindy Lee Gold

Lindy Lee Gold
Senior Specialist
State of Connecticut Department of Economic and Community Development
450 Columbus Boulevard

Town of Trumbull, Connecticut

Re: 75 Merritt Boulevard

KUB Technologies, Inc.

111 research Drive

Stratford, CT 06615

Dear Vicki Tesoro, Rina Bakalar, and the Town Council,

We much appreciated your time last week and thank you for your tax abatement offer. It would be a pleasure if you could come and visit us at our current HQ in Stratford and see our operations.

Some of the questions from last week were in reference to the difference in the costs of building in Stratford or purchasing in Trumbull. Please see the attached Schedule 1 clarifying the estimated cost differences over 20 years. It is worth noting that we are seeing increases in costs in the construction industry, and our actual differences, when accounting for construction and leasehold improvements over time, might be greater than stated in the schedule.

As you can see from the attached exhibits, the cost of owning and operating 75 Merritt building would be significantly higher over the 20 years. In part to mitigate these costs, we are ready to invest in our expansion plans over time, as well as invest into making the building more efficient (inclusive of solar). As we are preparing to make our decision, we would like you to consider two possible counter proposals:

1. 15-year 100% freeze
2. 10-year 100% freeze, plus an additional 10 years freeze with a declining scale, for a total of 20 years.

The goal is to offset our total investment and provide enough runway for our expansion and building improvements. We would pick up paying current property taxes, and instead of a declining building, we would ensure the building retains its current value and increases in value over time. Personal property taxes would be in addition to the net property taxes, as we move our assets and invest in our expansion.

We hope we can come to mutual agreement on either of the proposed two options, as we believe that we can reinvigorate the area. Our new HQ would serve not only as production and office space,

but be a hub for vital research and training, event space for customers and partners. As a recent member of BioCT, we would also extend event space and provide an opportunity to collaborate for other manufacturers in our space, in Connecticut.

Thank you in advance for your time and consideration,

Dan Babajanyan

CFO

Exhibit 1 | 5-year assessment freeze, plus 10-year freeze with a declining scale

20 Year Comparison		Stratford	vs.	75 MBB	Difference
Sq. Ft.		50,000		100,000	
Buildings		8,693,491		3,712,500	
Capital Improvements		1,000,000		8,050,000	
Net Building		9,693,491		11,762,500	2,069,009
20 Year Costs					
Electricity*		1,850,000		4,625,000	2,775,000
Gas		425,000		1,062,500	637,500
Water		75,000		187,500	112,500
Internet		600,000		900,000	300,000
R&M		900,000		5,000,000	4,100,000
Net Costs		3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)		4,726,068		4,839,346	113,278
Net Difference					10,107,287
Tax Abatement Value**		752,513		802,868	(50,356)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Exhibit 2 | 15-year assessment freeze

20 Year Comparison		Stratford	vs.	75 MBB	Difference
Sq. Ft.		50,000		100,000	
Buildings		8,693,491		3,712,500	
Capital Improvements		1,000,000		8,050,000	
Net Building		9,693,491		11,762,500	2,069,009
20 Year Costs					
Electricity*		1,850,000		4,625,000	2,775,000
Gas		425,000		1,062,500	637,500
Water		75,000		187,500	112,500
Internet		600,000		900,000	300,000
R&M		900,000		5,000,000	4,100,000
Net Costs		3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)		4,726,068		3,826,233	(899,836)
Net Difference					9,094,173
Tax Abatement Value**		752,513		1,939,161	(1,186,649)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Exhibit 3 | 10-year assessment freeze, plus 10-year assessment freeze with a declining scale

20 Year Comparison		Stratford	vs.	75 MBB	Difference
Sq. Ft.		50,000		100,000	
Buildings		8,693,491		3,712,500	
Capital Improvements		1,000,000		8,050,000	
Net Building		9,693,491		11,762,500	2,069,009
20 Year Costs					
Electricity		1,850,000		4,625,000	2,775,000
Gas		425,000		1,062,500	637,500
Water		75,000		187,500	112,500
Internet		600,000		900,000	300,000
R&M		900,000		5,000,000	4,100,000
Net Costs		3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)		4,726,068		4,048,406	(677,662)
Net Difference					9,316,347
Tax Abatement Value**		752,513		1,597,353	(844,840)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Exhibit 1 | 5-year assessment freeze, plus 10-year freeze with a declining scale

20 Year Comparison

	Stratford	vs.	75 MBB	Difference
Sq. Ft.	50,000		100,000	
Buildings	8,693,491		3,712,500	
Capital Improvements	1,000,000		8,050,000	
Net Building	9,693,491		11,762,500	2,069,009
20 Year Costs				
Electricity*	1,850,000		4,625,000	2,775,000
Gas	425,000		1,062,500	637,500
Water	75,000		187,500	112,500
Internet	600,000		900,000	300,000
R&I	900,000		5,000,000	4,100,000
Net Costs	3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)	4,726,068		4,839,346	113,278
Net Difference				10,107,287
Tax Abatement Value**	752,513		802,868	(50,356)

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Exhibit 2 | 15-year assessment freeze

20 Year Comparison

	Stratford	vs.	75 MBB	Difference
Sq. Ft.	50,000		100,000	
Buildings	8,693,491		3,712,500	
Capital Improvements	1,000,000		8,050,000	
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Net Costs	3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)	4,726,068		3,826,233	(899,836)
Net Difference				9,094,173
Tax Abatement Value**	752,513		1,939,161	(1,186,649)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Exhibit 3 | 10-year assessment freeze, plus 10-year assessment freeze with a declining scale

20 Year Comparison

	Stratford	vs.	75 MBB	Difference
Sq. Ft.	50,000		100,000	
Buildings	8,693,491		3,712,500	
Capital Improvements	1,000,000		8,050,000	
Net Building	9,693,491		11,762,500	2,069,009
20 Year Costs				
Electricity	1,850,000		4,625,000	2,775,000
Gas	425,000		1,062,500	637,500
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Tax Payments (Net of Incentives)	4,726,068		4,048,406	(677,662)
Net Difference				9,316,347
Tax Abatement Value ^{**}	752,513		1,597,353	(844,840)

^{*}Does not include solar investment

^{**} Minimum for Stratford, could be negotiated further

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	Stratford	vs.	75 MBB	Difference
Sq. Ft.	50,000		100,000	
Buildings	8,693,491		3,712,500	
Capital Improvements	1,000,000		8,050,000	
Net Building	9,693,491		11,762,500	2,069,009
20 Year Costs				
Electricity*	1,850,000		4,625,000	2,775,000
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Net Costs	3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)	4,726,068		4,839,346	113,278
Net Difference				10,107,287
Tax Abatement Value**	752,513		802,868	(50,356)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Option 1 20 Year Comparison

	Stratford	vs.	75 MBB	Difference
Sq. Ft.	50,000		100,000	
Buildings	8,693,491		3,712,500	
Capital Improvements	1,000,000		8,050,000	
Net Building	8,693,491		11,762,500	2,069,009
20 Year Costs				
Electricity*	1,850,000		4,625,000	2,775,000
Gas	425,000		1,062,500	637,500
Water	75,000		187,500	112,500
Internet	600,000		900,000	300,000
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Net Costs	3,850,000		11,775,000	7,925,000
Tax Payments (Net of Incentives)	4,726,068		3,826,233	(899,836)
Net Difference				9,094,173
Tax Abatement Value**	752,513		1,939,161	(1,186,649)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Option 2 20 Year Comparison

	Stratford	vs.	75 MBB	Difference
Sq. Ft.	50,000		100,000	
Buildings	8,693,491		3,712,500	
Capital Improvements	1,000,000		8,050,000	
Net Building	9,693,491		11,762,500	2,069,009
20 Year Costs				
Electricity	1,850,000		4,625,000	2,775,000
Gas	425,000		1,062,500	637,500
Water	75,000		187,500	112,500
Internet	600,000		900,000	300,000
R&M	900,000		5,000,000	4,100,000
Net Costs	3,850,000		11,775,000	7,925,000
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Net Difference				9,316,347
Tax Abatement Value**	752,513		1,597,353	(844,840)

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Year	Year	'24 Assessment	Mio Est. Capital Investment*	Cumulative Capital Investment			Assessment Level	Net Assessment	Projected Abatement	Mill Rate	Annual Adjustment	Property Tax Current Level	Additional Property Tax	Net Property Tax	PT With Assessment Freeze
				Capital Investment	Assessment Level	Net Assessment									
2024	2024	3,670,660	-	-	-	3,670,660	-	-	34.68	-	-	127,298	-	127,298	127,298
1 2025	2025	3,670,660	1,500,000	1,500,000	70%	4,720,660	36,414	34.68	0%	127,298	-	-	127,298	127,298	127,298
2 2026	2026	3,670,660	500,000	2,000,000	70%	5,070,660	52,948	34.68	3%	130,481	-	-	130,481	127,298	127,298
3 2027	2027	3,670,660	500,000	2,500,000	70%	5,420,660	68,652	34.68	3%	133,743	-	-	133,743	127,298	127,298
4 2028	2028	3,670,660	350,000	2,850,000	70%	5,665,660	80,704	34.68	3%	137,087	-	-	137,087	127,298	127,298
5 2029	2029	3,670,660	250,000	3,100,000	70%	5,840,660	90,352	34.68	3%	140,514	-	-	140,514	127,298	127,298
6 2030	2030	3,670,660	200,000	3,300,000	70%	5,980,660	87,117	34.68	3%	144,027	8,011	152,038	152,038	152,038	152,038
7 2031	2031	3,670,660	200,000	3,500,000	70%	6,120,660	69,672	34.68	3%	147,627	16,993	164,620	164,620	164,620	164,620
8 2032	2032	3,670,660	250,000	3,750,000	70%	6,295,660	65,318	34.68	3%	151,318	27,311	178,628	178,628	178,628	178,628
9 2033	2033	3,670,660	400,000	4,150,000	70%	6,575,660	61,958	34.68	3%	155,101	40,298	195,399	195,399	195,399	195,399
10 2034	2034	3,670,660	400,000	4,550,000	70%	6,855,660	56,609	34.68	3%	158,978	55,228	214,206	214,206	214,206	214,206
11 2035	2035	3,670,660	400,000	4,950,000	70%	7,135,660	49,268	34.68	3%	162,953	72,100	235,053	235,053	235,053	235,053
12 2036	2036	3,670,660	400,000	5,350,000	70%	7,415,660	39,937	34.68	3%	167,027	90,914	257,940	257,940	257,940	257,940
13 2037	2037	3,670,660	400,000	5,750,000	70%	7,695,660	28,615	34.68	3%	171,202	111,670	282,872	282,872	282,872	282,872
14 2038	2038	3,670,660	400,000	6,150,000	70%	7,975,660	15,303	34.68	3%	175,482	134,368	309,850	309,850	309,850	309,850
15 2039	2039	3,670,660	400,000	6,550,000	70%	8,255,660	0	34.68	3%	179,869	159,008	338,877	338,877	338,877	338,877
16 2040	2040	3,670,660	300,000	6,850,000	70%	8,465,660	-	34.68	3%	184,366	166,291	350,657	350,657	350,657	350,657
17 2041	2041	3,670,660	300,000	7,150,000	70%	8,675,660	-	34.68	3%	188,975	173,573	362,549	362,549	362,549	362,549
18 2042	2042	3,670,660	300,000	7,450,000	70%	8,885,660	-	34.68	3%	193,700	180,856	374,556	374,556	374,556	374,556
19 2043	2043	3,670,660	300,000	7,750,000	70%	9,095,660	-	34.68	3%	198,542	188,139	386,681	386,681	386,681	386,681
20 2044	2044	3,670,660	300,000	8,050,000	70%	9,305,660	-	34.68	3%	203,506	195,422	398,928	398,928	398,928	398,928
Totals			8,050,000			802,868					1,620,180	4,871,977	4,839,346		

* Min level projections

Year	Abatement Scale	Assessment Freeze Scale	Additional Property Tax	Abated Property Tax	Other Costs	Estimates	10 RD	111 RD	vs. 75 MBB	Diff
1	1	100%	36,414	36,414		Sq Ft	30,000	20,000	100,000	
2	1	100%	49,766	52,948		Electricity	55,500	37,000	231,250	+ 138,750
3	1	100%	62,207	68,652		Gas	12,750	8,500	53,125	+ 31,875
4	1	100%	70,916	80,704		Water	2,250	1,500	9,375	+ 5,625
5	1	100%	77,137	90,352		Internet	15,000	15,000	45,000	15,000
6	1	90%	82,114	87,117		R&M	20,000	25,000	250,000	+ 205,000
7	1	80%	87,090	69,672						
8	1	70%	93,311	65,318						
9	1	60%	103,264	61,958						
10	1	50%	113,217	56,609	Net		105,500	87,000	588,750	+ 396,250 7,925,000
11	1	40%	123,170	49,268						
12	1	30%	133,124	39,937						
13	1	20%	143,077	28,615						
14	1	10%	153,030	15,303						
15	1	0%	162,983	0						
							1.85	1.85		
							0.43	0.43		
							0.08	0.08		
										1,490,820 802,868

Year	Year	'24 Assesment	Mkt Capital	Cumulative Capital Investment	Assessment Level	Net Assessment	Projected Abatement	Mill Rate	Annual Property Tax	Additional Property Tax	Net Property Tax	PT With Assessment Fees*
	2024	3,670,660				3,670,660		34.68	127,298		127,298	127,298
1	2025	3,670,660	1,500,000	1,500,000	70%	3,670,660	36,414	34.68	127,298	127,298	127,298	127,298
2	2026	3,670,660	500,000	2,000,000	70%	3,670,660	53,928	34.68	131,117	131,117	131,117	131,117
3	2027	3,670,660	500,000	2,500,000	70%	3,670,660	70,263	34.68	135,051	135,051	135,051	135,051
4	2028	3,670,660	350,000	2,850,000	70%	3,665,660	83,066	34.68	139,102	139,102	139,102	139,102
5	2029	3,670,660	250,000	3,100,000	70%	3,646,660	93,490	34.68	143,276	143,276	143,276	143,276
6	2030	3,670,660	200,000	3,300,000	70%	3,598,660	102,789	34.68	147,574	147,574	147,574	147,574
7	2031	3,670,660	200,000	3,500,000	70%	6,120,660	112,218	34.68	152,001	152,001	152,001	152,001
8	2032	3,670,660	250,000	3,750,000	70%	6,205,660	121,029	34.68	156,561	156,561	156,561	156,561
9	2033	3,670,660	400,000	4,150,000	70%	6,575,660	137,727	34.68	161,258	161,258	161,258	161,258
10	2034	3,670,660	400,000	4,550,000	70%	6,855,660	152,567	34.68	166,096	166,096	166,096	166,096
11	2035	3,670,660	400,000	4,950,000	70%	7,135,660	166,120	34.68	170,248	170,248	170,248	170,248
12	2036	3,670,660	400,000	5,350,000	70%	7,415,660	180,329	34.68	174,504	174,504	174,504	174,504
13	2037	3,670,660	400,000	5,750,000	70%	7,695,660	194,645	34.68	178,867	178,867	178,867	178,867
14	2038	3,670,660	400,000	6,150,000	70%	7,975,660	209,470	34.68	183,339	183,339	183,339	183,339
15	2039	3,670,660	400,000	6,550,000	70%	8,255,660	223,616	34.68	187,922	187,922	187,922	187,922
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	-	34.68	192,626	192,626	192,626	192,626
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	-	34.68	197,416	197,416	197,416	197,416
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	-	34.68	202,371	202,371	202,371	202,371
19	2043	3,670,660	300,000	7,750,000	70%	9,105,660	-	34.68	207,431	207,431	207,431	207,431
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	-	34.68	212,616	212,616	212,616	212,616
	Totals		8,050,000			1,939,161			904,281	4,270,969	4,270,969	4,270,969

* Min level projections.

1.85	738.500
0.43	479.500
0.08	61.000
1.939.161	

Estimates	111 RD	vs.	75 MBBB
Sq Ft	20,000		100,000
Electricity	37,000		240,500
Gas	8,500	+	55,250
Water	1,500	+	9,750
Internet	15,000	+	45,000
R&M	25,000	+	275,000
Net	87,000	+	625,500

1.85
0.43
0.08

Year	Year	Min Est. Capital Investment*	Cumulative Capital Investment*	Assessment Level	Net Assessment	Projected Abatement	Mill Rate	Annual Adjustment	Property Tax Current Level	Additional Property Tax		Net Property Tax	PT With Assessment Freeze
										3,670,660	3,670,660	3,670,660	
2024	2025	3,670,660	1,500,000	70%	4,720,660	36,414	34.68	0%	127,298			127,298	127,298
1	2025	3,670,660	500,000	70%	5,070,660	52,948	34.68	3%	130,481			130,481	127,298
2	2026	3,670,660	500,000	70%	5,421,660	68,652	34.68	3%	133,743			133,743	127,298
3	2027	3,670,660	500,000	70%	5,665,660	80,704	34.68	3%	137,087			137,087	127,298
4	2028	3,670,660	350,000	70%	5,844,660	90,352	34.68	3%	140,514			140,514	127,298
5	2029	3,670,660	250,000	70%	5,986,660	98,842	34.68	3%	144,027			144,027	127,298
6	2030	3,670,660	200,000	70%	6,120,660	107,419	34.68	3%	147,627			147,627	127,298
7	2031	3,670,660	200,000	70%	6,255,660	117,330	34.68	3%	151,318			151,318	127,298
8	2032	3,670,660	250,000	70%	6,575,660	131,066	34.68	3%	155,101			155,101	127,298
9	2033	3,670,660	400,000	70%	6,855,660	144,897	34.68	3%	158,978			158,978	127,298
10	2034	3,670,660	400,000	70%	6,855,660	144,897	34.68	3%	162,953	12,017		174,969	127,298
11	2035	3,670,660	400,000	70%	7,135,660	110,853	34.68	3%	167,027	25,975		193,002	193,002
12	2036	3,670,660	400,000	70%	7,415,660	106,499	34.68	3%	171,202	41,876		213,078	213,078
13	2037	3,670,660	400,000	70%	7,695,660	100,154	34.68	3%	175,201	59,219		235,201	235,201
14	2038	3,670,660	400,000	70%	7,975,660	91,818	34.68	3%	179,869	79,904		259,373	259,373
15	2039	3,670,660	400,000	70%	8,255,660	81,491	34.68	3%	184,366	99,774		284,141	284,141
16	2040	3,670,660	300,000	70%	8,465,660	68,179	34.68	3%	188,975	121,501		310,477	310,477
17	2041	3,670,660	300,000	70%	8,675,660	53,374	34.68	3%	193,700	144,585		338,385	338,385
18	2042	3,670,660	300,000	70%	8,885,660	37,976	34.68	3%	198,542	169,325		367,867	367,867
19	2043	3,670,660	300,000	70%	9,095,660	19,284	34.68	3%	203,506	195,422		398,928	398,928
20	2044	3,670,660	300,000	70%	9,305,660	0	34.68	3%				4,201,595	4,048,406

