

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

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&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)
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*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

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)
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*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	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)
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*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Option 2 20 Year Comparison

Sq. Ft.	Stratford 50,000	vs.	75 MBB 100,000	Difference
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)
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*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Year	Year	'24 Assesment	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
	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%	4,720,660	36,414	34.68	0%	127,298	-	127,298	127,298
2	2026	3,670,660	500,000	2,000,000	70%	5,070,660	52,948	34.68	3%	130,481	-	130,481	127,298
3	2027	3,670,660	500,000	2,500,000	70%	5,420,660	68,652	34.68	3%	133,743	-	133,743	127,298
4	2028	3,670,660	350,000	2,850,000	70%	5,665,660	80,704	34.68	3%	137,087	-	137,087	127,298
5	2029	3,670,660	250,000	3,100,000	70%	5,840,660	90,352	34.68	3%	140,514	-	140,514	127,298
6	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
7	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
8	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
9	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
10	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
11	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
12	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
13	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
14	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
15	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
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	-	34.68	3%	184,366	166,291	350,657	350,657
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	-	34.68	3%	188,975	173,573	362,549	362,549
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	-	34.68	3%	193,700	180,856	374,556	374,556
19	2043	3,670,660	300,000	7,750,000	70%	9,095,660	-	34.68	3%	198,542	188,139	386,681	386,681
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	-	34.68	3%	203,506	195,422	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
1	1	100%	36,414	36,414
2	1	100%	49,766	52,948
3	1	100%	62,207	68,652
4	1	100%	70,916	80,704
5	1	100%	77,137	90,352
6	1	90%	82,114	87,117
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
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

1,490,820 802,868

Other Costs	Estimates	10 RD	111 RD	vs. 75 MBB	
	Sq Ft	30,000	20,000	100,000	Diff
	Electricity	55,500	37,000	231,250	+ 138,750
	Gas	12,750	8,500	53,125	+ 31,875
	Water	2,250	1,500	9,375	+ 5,625
	Internet	15,000	15,000	45,000	15,000
	R&M	20,000	25,000	250,000	+ 205,000
	Net	<u>105,500</u>	<u>87,000</u>	<u>588,750</u>	+ 396,250 7,925,000

1.85 1.85
0.43 0.43
0.08 0.08

Year	Year	'24 Assessment	Min Ex. 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
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%	4,720,660	36,414	34.68	0%	127,298	-	127,298	127,298
2	2026	3,670,660	500,000	2,000,000	70%	5,070,660	53,828	34.68	3%	131,117	-	131,117	127,298
3	2027	3,670,660	500,000	2,500,000	70%	5,420,660	70,263	34.68	3%	135,051	-	135,051	127,298
4	2028	3,670,660	350,000	2,850,000	70%	5,665,660	83,666	34.68	3%	139,102	-	139,102	127,298
5	2029	3,670,660	250,000	3,100,000	70%	5,840,660	93,490	34.68	3%	143,276	-	143,276	127,298
6	2030	3,670,660	200,000	3,300,000	70%	5,980,660	102,789	34.68	3%	147,574	-	147,574	127,298
7	2031	3,670,660	200,000	3,500,000	70%	6,120,660	112,218	34.68	3%	152,001	-	152,001	127,298
8	2032	3,670,660	250,000	3,750,000	70%	6,295,660	123,029	34.68	3%	156,561	-	156,561	127,298
9	2033	3,670,660	400,000	4,150,000	70%	6,575,660	137,727	34.68	3%	161,258	-	161,258	127,298
10	2034	3,670,660	400,000	4,550,000	70%	6,855,660	152,567	34.68	3%	166,096	-	166,096	127,298
11	2035	3,670,660	400,000	4,950,000	70%	7,135,660	166,120	34.68	3%	170,248	-	170,248	127,298
12	2036	3,670,660	400,000	5,350,000	70%	7,415,660	180,329	34.68	3%	174,504	-	174,504	127,298
13	2037	3,670,660	400,000	5,750,000	70%	7,695,660	194,645	34.68	3%	178,867	-	178,867	127,298
14	2038	3,670,660	400,000	6,150,000	70%	7,975,660	209,070	34.68	3%	183,339	-	183,339	127,298
15	2039	3,670,660	400,000	6,550,000	70%	8,255,660	223,606	34.68	3%	187,922	-	187,922	127,298
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	-	34.68	3%	192,620	166,291	358,911	358,911
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	-	34.68	3%	197,436	173,573	371,009	371,009
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	-	34.68	3%	202,371	180,856	383,228	383,228
19	2043	3,670,660	300,000	7,750,000	70%	9,095,660	-	34.68	3%	207,431	188,139	395,570	395,570
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	-	34.68	3%	212,616	195,422	408,038	408,038
Totals			8,050,000				1,939,161				904,281	4,270,969	3,026,233

* Min level projections

[illegible]

Estimates **111 RD vs. 75 MBB**

Sq Ft	20,000	100,000	Difference
Electricity	37,000	240,500	+ 203,500
Gas	8,500	55,250	+ 46,750
Water	1,500	9,750	+ 8,250
Internet	15,000	45,000	+ 30,000
R&M	25,000	275,000	+ 250,000
Net	87,000	625,500	+ 538,500

1.85
0.43
0.08

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Year	Year	'24 Assessment	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
2024		3,670,660		-		3,670,660		34.68		127,298		127,298	
1	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
2	2026	3,670,660	500,000	2,000,000	70%	5,070,660	52,948	34.68	3%	130,481	-	130,481	127,298
3	2027	3,670,660	500,000	2,500,000	70%	5,420,660	68,652	34.68	3%	133,743	-	133,743	127,298
4	2028	3,670,660	350,000	2,850,000	70%	5,665,660	80,704	34.68	3%	137,087	-	137,087	127,298
5	2029	3,670,660	250,000	3,100,000	70%	5,840,660	90,352	34.68	3%	140,514	-	140,514	127,298
6	2030	3,670,660	200,000	3,300,000	70%	5,980,660	98,842	34.68	3%	144,027	-	144,027	127,298
7	2031	3,670,660	200,000	3,500,000	70%	6,120,660	107,419	34.68	3%	147,627	-	147,627	127,298
8	2032	3,670,660	250,000	3,750,000	70%	6,295,660	117,330	34.68	3%	151,318	-	151,318	127,298
9	2033	3,670,660	400,000	4,150,000	70%	6,575,660	131,066	34.68	3%	155,101	-	155,101	127,298
10	2034	3,670,660	400,000	4,550,000	70%	6,855,660	144,897	34.68	3%	158,978	-	158,978	127,298
11	2035	3,670,660	400,000	4,950,000	70%	7,135,660	110,853	34.68	3%	162,953	12,017	174,969	174,969
12	2036	3,670,660	400,000	5,350,000	70%	7,415,660	106,499	34.68	3%	167,027	25,975	193,002	193,002
13	2037	3,670,660	400,000	5,750,000	70%	7,695,660	100,154	34.68	3%	171,202	41,876	213,078	213,078
14	2038	3,670,660	400,000	6,150,000	70%	7,975,660	91,818	34.68	3%	175,482	59,719	235,201	235,201
15	2039	3,670,660	400,000	6,550,000	70%	8,255,660	81,491	34.68	3%	179,869	79,504	259,373	259,373
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	68,179	34.68	3%	184,366	99,774	284,141	284,141
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	53,374	34.68	3%	188,975	121,501	310,477	310,477
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	37,076	34.68	3%	193,700	144,685	338,385	338,385
19	2043	3,670,660	300,000	7,750,000	70%	9,095,660	19,284	34.68	3%	198,542	169,325	367,867	367,867
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	0	34.68	3%	203,506	195,422	398,928	398,928
											949,799	4,201,595	4,048,406

Totals

- Min level projections

Year	Abatement Scale	Assessment Scale	Additional Property Tax	Abated Property Tax
1	1	100%	36,414	36,414
2	1	100%	49,766	52,948
3	1	100%	62,207	68,652
4	1	100%	70,916	80,704
5	1	100%	77,137	90,352
6	1	100%	82,114	98,842
7	1	100%	87,090	107,419
8	1	100%	93,311	117,330
9	1	100%	103,264	131,066
10	1	100%	113,217	144,897
11	1	90%	123,170	110,853
12	1	80%	133,124	106,499
13	1	70%	143,077	100,154
14	1	60%	153,030	91,818
15	1	50%	162,983	81,491
16	1	40%	168,179	68,179
17	1	30%	53,374	53,374
18	1	20%	37,076	37,076
19	1	10%	19,284	19,284
20	1	0%	0	0
			1,668,732	1,597,353

Estimates	10 RD	vs.	75 MBB
Sq Ft	30,000		100,000
Electricity	55,500		240,500
Gas	12,750		55,250
Water	2,250		9,750
Internet	15,000		45,000
R&M	20,000		275,000
Net	105,500		625,500
Abatement	660,965		144,897
Net Difference			
	1.85		
	0.43		
	0.08		
	738,500		4,378,500

Estimates	111 RD	vs.	75 MBB
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
			538,500

	Diff
Electricity	185,000
Gas	42,500
Water	7,500
Internet	30,000
R&M	255,000
Net	520,000
	516,067
	1,036,067