

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

20 Year Comparison

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

*Does not include solar investment

** Minimum for Stratford, could be negotiated further

Option 1 20 Year Comparison

Stratford
50,000

Sq. Ft.

Buildings 8,693,491
Capital Improvements 1,000,000

Difference

2,069,009

Net Building 9,693,491

20 Year Costs

Electricity* 1,850,000
Gas 425,000
Water 75,000
Internet 600,000
R&M 900,000

7,925,000

Net Costs 3,850,000

113,278

Tax Payments (Net of Incentives) 4,726,068

10,107,287

Net Difference

(50,356)

Tax Abatement Value** 752,513

*Does not include solar investment

** Minimum for Stratford, could be negotiated furth

vs.	75 MBB 100,000	Difference
	3,712,500	
	8,050,000	
	11,762,500	2,069,009
	4,625,000	2,775,000
	1,062,500	637,500
	187,500	112,500
	900,000	300,000
	5,000,000	4,100,000
	11,775,000	7,925,000
	3,826,233	(899,836)
		9,094,173

1,939,161 (1,186,649)

Option 2 20 Year Comparison

Sq. Ft.

Buildings
Capital Improvements

Net Building

20 Year Costs

Electricity

Gas

Water

Internet

R&M

Net Costs

Tax Payments (Net of Ince

Net Difference

Tax Abatement Value**

*Does not include solar in

** Minimum for Stratford,

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Stratford 50,000	vs.	75 MBB 100,000	Difference
8,693,491		3,712,500	
1,000,000		8,050,000	
9,693,491		11,762,500	2,069,009
1,850,000		4,625,000	2,775,000
425,000		1,062,500	637,500
75,000		187,500	112,500
600,000		900,000	300,000
900,000		5,000,000	4,100,000
3,850,000		11,775,000	7,925,000
4,726,068		4,048,406	(677,662)
			9,316,347

752,513	1,597,353	(844,840)
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could be negotiated further

		'24	Min Est. Capital Investment*	Cumulative Capital Investment	Assessment Level	Net Assessment	Projected Abatement
Year	Year	Assesement					
	2024	3,670,660		-		3,670,660	
1	2025	3,670,660	1,500,000	1,500,000	70%	4,720,660	36,414
2	2026	3,670,660	500,000	2,000,000	70%	5,070,660	52,948
3	2027	3,670,660	500,000	2,500,000	70%	5,420,660	68,652
4	2028	3,670,660	350,000	2,850,000	70%	5,665,660	80,704
5	2029	3,670,660	250,000	3,100,000	70%	5,840,660	90,352
6	2030	3,670,660	200,000	3,300,000	70%	5,980,660	87,117
7	2031	3,670,660	200,000	3,500,000	70%	6,120,660	69,672
8	2032	3,670,660	250,000	3,750,000	70%	6,295,660	65,318
9	2033	3,670,660	400,000	4,150,000	70%	6,575,660	61,958
10	2034	3,670,660	400,000	4,550,000	70%	6,855,660	56,609
11	2035	3,670,660	400,000	4,950,000	70%	7,135,660	49,268
12	2036	3,670,660	400,000	5,350,000	70%	7,415,660	39,937
13	2037	3,670,660	400,000	5,750,000	70%	7,695,660	28,615
14	2038	3,670,660	400,000	6,150,000	70%	7,975,660	15,303
15	2039	3,670,660	400,000	6,550,000	70%	8,255,660	0
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	-
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	-
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	-
19	2043	3,670,660	300,000	7,750,000	70%	9,095,660	-
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	-
Totals			8,050,000				802,868

* Min level projections

Mill Rate	Annual Adjustment	Property Tax Current Level	Additional Property Tax	Net Property Tax	PT With Assessment Freeze	Year
34.68		127,298	-	127,298	127,298	
34.68	0%	127,298	-	127,298	127,298	1
34.68	3%	130,481	-	130,481	127,298	2
34.68	3%	133,743	-	133,743	127,298	3
34.68	3%	137,087	-	137,087	127,298	4
34.68	3%	140,514	-	140,514	127,298	5
34.68	3%	144,027	8,011	152,038	152,038	6
34.68	3%	147,627	16,993	164,620	164,620	7
34.68	3%	151,318	27,311	178,628	178,628	8
34.68	3%	155,101	40,298	195,399	195,399	9
34.68	3%	158,978	55,228	214,206	214,206	10
34.68	3%	162,953	72,100	235,053	235,053	11
34.68	3%	167,027	90,914	257,940	257,940	12
34.68	3%	171,202	111,670	282,872	282,872	13
34.68	3%	175,482	134,368	309,850	309,850	14
34.68	3%	179,869	159,008	338,877	338,877	15
34.68	3%	184,366	166,291	350,657	350,657	
34.68	3%	188,975	173,573	362,549	362,549	
34.68	3%	193,700	180,856	374,556	374,556	
34.68	3%	198,542	188,139	386,681	386,681	
34.68	3%	203,506	195,422	398,928	398,928	
			1,620,180	4,871,977	4,839,346	

Abatement Scale	Assessment Freeze Scale	Additional Property Tax	Abated Property Tax	Other Costs	Estimates	10 RD
1	100%	36,414	36,414		Sq Ft	30,000
1	100%	49,766	52,948			
1	100%	62,207	68,652			
1	100%	70,916	80,704		Electricity	55,500
1	100%	77,137	90,352		Gas	12,750
1	90%	82,114	87,117		Water	2,250
1	80%	87,090	69,672		Internet	15,000
1	70%	93,311	65,318		R&M	20,000
1	60%	103,264	61,958			
1	50%	113,217	56,609		Net	<u>105,500</u>
1	40%	123,170	49,268			
1	30%	133,124	39,937			
1	20%	143,077	28,615			
1	10%	153,030	15,303			
1	0%	162,983	0			
						1.85
						0.43
						0.08
		1,490,820	802,868			

111 RD vs. 75 MBB

20,000	100,000	Diff		
37,000	231,250	+	138,750	
8,500	53,125	+	31,875	
1,500	9,375	+	5,625	
15,000	45,000		15,000	
25,000	250,000	+	205,000	
<u>87,000</u>	<u>588,750</u>	+	396,250	7,925,000

1.85

0.43

0.08

		'24	Min Est. Capital Investment*	Cumulative Capital Investment	Assessment Level	Net Assessment	Projected Abatement
Year	Year	Assesement					
	2024	3,670,660		-		3,670,660	-
1	2025	3,670,660	1,500,000	1,500,000	70%	4,720,660	36,414
2	2026	3,670,660	500,000	2,000,000	70%	5,070,660	53,828
3	2027	3,670,660	500,000	2,500,000	70%	5,420,660	70,263
4	2028	3,670,660	350,000	2,850,000	70%	5,665,660	83,066
5	2029	3,670,660	250,000	3,100,000	70%	5,840,660	93,490
6	2030	3,670,660	200,000	3,300,000	70%	5,980,660	102,789
7	2031	3,670,660	200,000	3,500,000	70%	6,120,660	112,218
8	2032	3,670,660	250,000	3,750,000	70%	6,295,660	123,029
9	2033	3,670,660	400,000	4,150,000	70%	6,575,660	137,727
10	2034	3,670,660	400,000	4,550,000	70%	6,855,660	152,567
11	2035	3,670,660	400,000	4,950,000	70%	7,135,660	166,120
12	2036	3,670,660	400,000	5,350,000	70%	7,415,660	180,329
13	2037	3,670,660	400,000	5,750,000	70%	7,695,660	194,645
14	2038	3,670,660	400,000	6,150,000	70%	7,975,660	209,070
15	2039	3,670,660	400,000	6,550,000	70%	8,255,660	223,606
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	-
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	-
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	-
19	2043	3,670,660	300,000	7,750,000	70%	9,095,660	-
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	-
Totals			8,050,000				1,939,161

* Min level projections

Mill Rate	Annual Adjustment	Property Tax Current Level	Additional Property Tax	Net Property Tax	PT With Assessment Freeze	Year
34.68		127,298		127,298		
34.68	0%	127,298	-	127,298	127,298	1
34.68	3%	131,117	-	131,117	127,298	2
34.68	3%	135,051	-	135,051	127,298	3
34.68	3%	139,102	-	139,102	127,298	4
34.68	3%	143,276	-	143,276	127,298	5
34.68	3%	147,574	-	147,574	127,298	6
34.68	3%	152,001	-	152,001	127,298	7
34.68	3%	156,561	-	156,561	127,298	8
34.68	3%	161,258	-	161,258	127,298	9
34.68	3%	166,096	-	166,096	127,298	10
34.68	3%	170,248	-	170,248	127,298	11
34.68	3%	174,504	-	174,504	127,298	12
34.68	3%	178,867	-	178,867	127,298	13
34.68	3%	183,339	-	183,339	127,298	14
34.68	3%	187,922	-	187,922	127,298	15
34.68	3%	192,620	166,291	358,911	358,911	
34.68	3%	197,436	173,573	371,009	371,009	
34.68	3%	202,371	180,856	383,228	383,228	
34.68	3%	207,431	188,139	395,570	395,570	
34.68	3%	212,616	195,422	408,038	408,038	
			904,281	4,270,969	3,826,233	

Abatement Scale	Assessment Freeze Scale	Additional Property Tax	Abated Property Tax	Estimates	10 RD	vs.
1	100%	36,414	36,414	Sq Ft	30,000	
1	100%	50,009	53,828			
1	100%	62,511	70,263			
1	100%	71,262	83,066	Electricity	55,500	
1	100%	77,513	93,490	Gas	12,750	
1	100%	82,514	102,789	Water	2,250	
1	100%	87,515	112,218	Internet	15,000	
1	100%	93,766	123,029	R&M	20,000	
1	100%	103,768	137,727			
1	100%	113,769	152,567	Net	<u>105,500</u>	
1	100%	123,170	166,120			
1	100%	133,124	180,329			
1	100%	143,077	194,645	Abatement	<u>660,965</u>	
1	100%	153,030	209,070			
1	100%	162,983	223,606	Net Difference		
1		-	-			
1		-	-			
1		-	-		1.85	
1		-	-		0.43	
1		-	-		0.08	
		1,494,424	1,939,161		738,500	

75 MBB			Estimates	111 RD	vs.	75 MBB
100,000		Diff	Sq Ft	20,000		100,000
240,500	+	185,000	Electricity	37,000		240,500
55,250	+	42,500	Gas	8,500		55,250
9,750	+	7,500	Water	1,500		9,750
45,000		30,000	Internet	15,000		45,000
275,000	+	255,000	R&M	25,000		275,000
<u>625,500</u>	+	520,000	Net	<u>87,000</u>		<u>625,500</u>
<u>152,567</u>	-	508,398				
		<u>1,028,398</u>				

1.85
0.43
0.08

4,378,500

Diff

203,500

46,750

8,250

30,000

250,000

538,500

		'24	Min Est. Capital Investment*	Cumulative Capital Investment	Assessment Level	Net Assessment	Projected Abatement
Year	Year	Assesement					
	2024	3,670,660		-		3,670,660	
1	2025	3,670,660	1,500,000	1,500,000	70%	4,720,660	36,414
2	2026	3,670,660	500,000	2,000,000	70%	5,070,660	52,948
3	2027	3,670,660	500,000	2,500,000	70%	5,420,660	68,652
4	2028	3,670,660	350,000	2,850,000	70%	5,665,660	80,704
5	2029	3,670,660	250,000	3,100,000	70%	5,840,660	90,352
6	2030	3,670,660	200,000	3,300,000	70%	5,980,660	98,842
7	2031	3,670,660	200,000	3,500,000	70%	6,120,660	107,419
8	2032	3,670,660	250,000	3,750,000	70%	6,295,660	117,330
9	2033	3,670,660	400,000	4,150,000	70%	6,575,660	131,066
10	2034	3,670,660	400,000	4,550,000	70%	6,855,660	144,897
11	2035	3,670,660	400,000	4,950,000	70%	7,135,660	110,853
12	2036	3,670,660	400,000	5,350,000	70%	7,415,660	106,499
13	2037	3,670,660	400,000	5,750,000	70%	7,695,660	100,154
14	2038	3,670,660	400,000	6,150,000	70%	7,975,660	91,818
15	2039	3,670,660	400,000	6,550,000	70%	8,255,660	81,491
16	2040	3,670,660	300,000	6,850,000	70%	8,465,660	68,179
17	2041	3,670,660	300,000	7,150,000	70%	8,675,660	53,374
18	2042	3,670,660	300,000	7,450,000	70%	8,885,660	37,076
19	2043	3,670,660	300,000	7,750,000	70%	9,095,660	19,284
20	2044	3,670,660	300,000	8,050,000	70%	9,305,660	0

Totals

8,050,000

* Min level projections

Mill Rate	Annual Adjustment	Property Tax Current Level	Additional Property Tax	Net Property Tax	PT With Assessment Freeze	Year	Abatement Scale
34.68		127,298		127,298			
34.68	0%	127,298	-	127,298	127,298	1	1
34.68	3%	130,481	-	130,481	127,298	2	1
34.68	3%	133,743	-	133,743	127,298	3	1
34.68	3%	137,087	-	137,087	127,298	4	1
34.68	3%	140,514	-	140,514	127,298	5	1
34.68	3%	144,027	-	144,027	127,298	6	1
34.68	3%	147,627	-	147,627	127,298	7	1
34.68	3%	151,318	-	151,318	127,298	8	1
34.68	3%	155,101	-	155,101	127,298	9	1
34.68	3%	158,978	-	158,978	127,298	10	1
34.68	3%	162,953	12,017	174,969	174,969	11	1
34.68	3%	167,027	25,975	193,002	193,002	12	1
34.68	3%	171,202	41,876	213,078	213,078	13	1
34.68	3%	175,482	59,719	235,201	235,201	14	1
34.68	3%	179,869	79,504	259,373	259,373	15	1
34.68	3%	184,366	99,774	284,141	284,141	16	1
34.68	3%	188,975	121,501	310,477	310,477	17	1
34.68	3%	193,700	144,685	338,385	338,385	18	1
34.68	3%	198,542	169,325	367,867	367,867	19	1
34.68	3%	203,506	195,422	398,928	398,928	20	1
			949,799	4,201,595	4,048,406		

Assessment Freeze Scale	Additional Property Tax	Abated Property Tax
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100%	36,414	36,414
100%	49,766	52,948
100%	62,207	68,652
100%	70,916	80,704
100%	77,137	90,352
100%	82,114	98,842
100%	87,090	107,419
100%	93,311	117,330
100%	103,264	131,066
100%	113,217	144,897
90%	123,170	110,853
80%	133,124	106,499
70%	143,077	100,154
60%	153,030	91,818
50%	162,983	81,491
40%	68,179	68,179
30%	53,374	53,374
20%	37,076	37,076
10%	19,284	19,284
0%	0	0

1,668,732	1,597,353
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Estimates	10 RD	vs.	75 MBB
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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	<u>105,500</u>		<u>625,500</u>
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Abatement	<u>660,965</u>		<u>144,897</u>
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Net Difference

1.85

0.43

0.08

738,500	4,378,500
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		Estimates	111 RD	vs. 75 MBB		
Diff		Sq Ft	20,000	100,000	Diff	
+	185,000	Electricity	37,000	240,500	+	203,500
+	42,500	Gas	8,500	55,250	+	46,750
+	7,500	Water	1,500	9,750	+	8,250
	30,000	Internet	15,000	45,000		30,000
+	255,000	R&M	25,000	275,000	+	250,000
+	520,000	Net	<u>87,000</u>	<u>625,500</u>	+	538,500
-	516,067					
	<u>1,036,067</u>					

1.85

0.43

0.08