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CITY OF DANBURY
155 DEER HILL AVENUE
DANBURY, CONNECTICUT 06810

PLANNING & ZONING DEPARTMENT
(203) 797-4525
(203) 797-4586 (FAX)

April 19, 2012

To: Mayor Mark D. Boughton
Members of City Council

From: Dennis I. Elpern 
Planning Director

Re: Application for Deferral of Assessment Increases
Belimo Air Controls (USA), Inc., Turner Road
Tax Assessor's Lot Number A17001

We have received the attached application for a deferral of assessment increases from Belimo Air Controls (USA), Inc. for construction of an industrial complex on Turner Road, the previous site of Novo Labs.

The total estimated cost of new construction is given at \$ 40,000,000. The request is for a deferral of seven years and 100 percent.

We understand that taxes are owed on the property. Belimo understands that this situation must be rectified before the final contract can be approved. Otherwise, we find that the application meets the eligibility criteria specified in § 18-25 of the Code of Ordinances for consideration by City Council.

C: Laszlo L. Pinter, Corporation Counsel
Colleen Velez, Assessor's Office
Jean Natale, Legislative Assistant
Christopher T. Donohue, Esq.

Attachments

6-1

RIEFBERG, SMART, DONOHUE & NEJAME, P.C.
ATTORNEYS AT LAW

LAWRENCE M. RIEFBERG
STEVEN R. SMART**
CHRISTOPHER T. DONOHUE
KARIN A. NEJAME

PLEASE
REPLY
TO:

9 OLD SUGAR HOLLOW ROAD
DANBURY, CT 06810
Tel. 203-748-9259
Fax. 203-796-7584
<http://www.rsdn.com>

JOSEPH J. TABORSKAK

** also admitted in District of Columbia and Maryland

April 16, 2012

Dennis I. Elpern, Planning Director
Danbury Planning Department
Danbury City Hall
155 Deer Hill Avenue
Danbury, CT 06810

HAND DELIVERED

RECEIVED

APR 16 2012

PLANNING & ZONING
CITY OF DANBURY

Re: Belimo Air Controls (USA), Inc.
Deferral of Assessment Increase / Turner Road

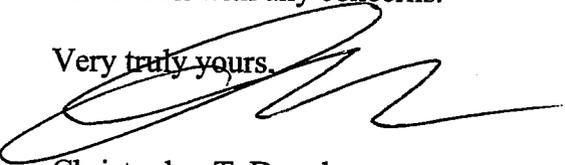
Dear Dennis:

As a follow-up to our telephone conversation, this will confirm that the estimated cost of construction for the facility to be built by Belimo Air Controls (USA), Inc. at Turner Road is 40 Million Dollars.

This will also confirm our understanding that a portion of the taxes for the property on Turner Road has not been paid and we acknowledge that this situation must be rectified before a deferral of tax assessment can be granted. We will endeavor to work with the current owner of the property to remedy this problem as soon as possible.

Please call with any concerns.

Very truly yours,


Christopher T. Donohue

CTD/kah



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APPLICATION

**DEFERRAL OF ASSESSMENT INCREASES
ATTRIBUTABLE TO CONSTRUCTION OR IMPROVEMENTS
WITHIN THE CITY OF DANBURY**

Pursuant to §18-25 of the Code of Ordinances of the City of Danbury, this application must be completed and submitted to the Department of Planning and Zoning by all applicants seeking to secure a deferral of assessment increases for construction or improvements on property located within the City of Danbury. All such construction and improvements to be undertaken are subject to the eligibility criteria specified in §18-25 of the Code of Ordinances and must comply with all municipal land use regulations and building and health codes.

Location of Property: 33 Turner Rd, Danbury CT 06810

Tax Assessor's Map Number: A17-001 Town Clerk Map and Lot Number: _____

Name, Address and Telephone Number of Owner:

Sawmill Road Property LLC, c/o Richard Mancuso, 28 Ironwood Dr
Danbury CT 06810

Name, Address and Telephone Number of Applicant/Agent/Lessee (if other than owner):

Belimo Actuators, 43 Old Ridgely Rd, Danbury CT 06810 203-749-3311

Description and Use of Construction or Improvement: MANUFACTURING, ASSEMBLY &
Sales of valves and actuators

Present Assessed Value of Property: unknown/recently split

Estimated Cost of New Construction or Improvements Subject to Deferral: 35-40 million

Estimated Time Frame for Completion of Construction or Improvement: 2014

Length of Time and Percent of Assessment Increase Requested for Deferral, as permitted in §18-25(d)(2) for the cost of construction or improvements specified above: 7 years / 100%

The applicant is advised that approval by City Council and receipt of all benefits available through this deferral requires the applicant to enter into a written agreement with the City fixing the assessment of the real property, air space and all construction and improvements which are the subject of the agreement. Does the applicant agree to enter into a written agreement with the City? Yes No

Site Plan.

Attach a site plan and other specifications drawn to scale indicating all existing and proposed construction and other improvements sufficient for the Tax Assessor to determine the assessment of the property after completion of all proposed construction or improvements for which this deferral is being requested.

Applicant: Belimo Aircontrols (USA) Inc Date: 1/4/2012

Applicant/Agent Name and Title: Christine Silva, Accounting Manager
Christine Silva, Acctg MGR

FOR DEPARTMENT USE ONLY

The City Council of the City of Danbury:

The Department of Planning and Zoning has reviewed this Application for a deferral of assessment increases attributable to construction or improvements and has established that:

- yes the real property or property subject to air rights is located within the City of Danbury;
- yes the applicant proposed to use the construction or improvements to real property or property subject to air rights for uses eligible in §18-25;
- * the property or property subject to air rights (is) (~~is not~~) delinquent in the payment of taxes owed to the City or taxes owed to the Downtown Special Services District at the time of application; and,
- yes the applicant agrees to enter into a written agreement with the City fixing the assessment of the real property, air space and all improvements thereon or therein and to be constructed thereon or therein, upon such terms and conditions as are provided herein and therein.

Accordingly, the Department of Planning and Zoning finds that the application (does) (does not) meet the eligibility criteria in §18-25 of the Code of Ordinances.

* see attached

Signed: Lennis A. Elper Date: 4/19/12

**AGREEMENT TO DEFER
INCREASE IN TAX ASSESSMENT**

This is an Agreement entered into this ____ day of _____ 2012, by and between **Belimo Air Controls (USA), Inc.** , (hereinafter "Belimo") in the City of Danbury, County of Fairfield, State of Connecticut and the **City of Danbury**, a municipal corporation organized and existing under the laws of the State of Connecticut (the "City").

WHEREAS, Belimo applied to the City under § 18-25 of the Code of Ordinances for a deferral of assessment increases for certain property which Belimo proposes to develop as additional corporate headquarters space; and

WHEREAS, said application is attached hereto as Schedule A and incorporated herein by reference, and is hereinafter referred to as the "Application"; and

WHEREAS, the property which Belimo proposes to improve/develop is located at W. Ridgebury Road (a/k/a Turner Road), Danbury, Connecticut, and has a Tax Assessor Map Lot Number of A17001 (the "Property"); and

WHEREAS, the Property has an assessed value on the October 1, 2010 grand list of Four Million Four Hundred Ninety Eight Thousand Dollars and 00/100 (\$4,498,000.00); and

WHEREAS, on June ____, 2012, the City Council ("Council") of the City of Danbury approved a proposed assessment deferral Application between the City and Belimo, pursuant to which Belimo will be obligated to construct facilities and other improvements thereon (the "Improvements") in accordance with said application, attached hereto and made a part hereof; and

WHEREAS, Belimo intends to complete construction of the Improvements by December 31, 2014; and

WHEREAS, Belimo estimates that the cost of construction of Improvements will be Forty million dollars (\$40,000,000.00); and

WHEREAS, the Planning Department reviewed the Application submitted and recommended to the Council of the City of Danbury that the Application meets the eligibility and design criteria specified in § 18-25 of the Code of Ordinances; and

WHEREAS, on June ____, 2012, the Council accepted the recommendation of the Planning Department, made certain findings required by § 18-25 of the Code of Ordinances of the City of Danbury and authorized by the Mayor to execute this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and the representations made by Belimo in the Application, the parties hereby agree as follows:

1. Upon completion of the construction of the Improvements made in accordance with the Application and upon certification by the Planning Department as hereinafter set forth

in paragraph 2 below, and upon issuance of a certificate of occupancy for the Improvements, the entire increase in the assessment of the Property due to the Improvements shall be deferred each year for a period of seven (7) years immediately following issuance of the certificate of occupancy, provided that if the value of the Improvements, as determined pursuant to this contract, is less than three million dollars (\$3,000,000.00), said deferral period shall be as provided in said Ordinance § 18-25.

2. The Improvements shall be completed on or before December 31, 2014. In the event that on said date, the Planning Department has not certified (or has denied such certification) that the Improvements have been completed in accordance with the eligibility and design criteria set forth in § 18-25 of the Code of Ordinances and in accordance with the terms of this Agreement or at any time if the Planning Department determines that the owner or lessee or the property is in default under this Agreement and has failed to cure said default after notice and opportunity to do so, this Agreement shall terminate as of that date, and G.E. Capital shall be liable for the increase in taxes for which it would have been liable in the absence of this Agreement. The Planning Department shall forward a copy of its certification that the construction or improvement has been performed in accordance with this Agreement to the Assessor of the City of Danbury ("Assessor"). In the event that the Planning Department denies such certification, it shall send a copy of its denial to the Assessor, who shall readjust his tax records in accordance with the provisions of this section. Belimo may apply to the Planning Department for an extension of time in which to complete the Improvements, which extension the Planning Department may approve for good cause shown. In no event shall such extension of time exceed a period of one (1) year.

3. This Agreement is further contingent upon the following conditions:

a. In addition to the certification requirements set forth in paragraph 2 above, the Property shall be subject to inspection and certification by the Building Inspector and Health Director, as being in conformance with such provisions of the state building and health codes and local housing codes as may apply, and by the Zoning Enforcement Officer to ensure conformance with the Danbury Zoning Regulations, as required;

b. The assessment deferral shall continue only as long as the Improvements to the Property continue to meet design criteria and specifications approved in this Agreement and as long as the use of the Property remains a use authorized by Section 18-25 of the City of Danbury Code of Ordinances as may be amended from time to time;

c. The assessment deferral shall cease if there is any delinquency in the payment of taxes on the Property;

d. The assessment deferral shall cease upon the sale or transfer of the Property unless the new owner of the Property shall enter into a new contract with the City incorporating all the terms of this Agreement as herein provided.

In the event that the assessment deferral ceases for any reason set forth in subparagraphs (b), (c), or (d) of this paragraph, the full installment of taxes due beginning on the July 1, October 1, January 1, or April 1, immediately following the cessation date shall be due on the Property and the Improvements as if this Agreement had never been executed.

4. The Assessor shall have the sole responsibility to determine the cost and value of the Improvements, subject to any rights of appeal which Belimo may have.

5. No later than thirty (30) days after the date this Agreement is executed, Belimo shall (a) file a copy of the executed Agreement with the Assessor, who shall adjust his records accordingly, and (b) file the Agreement in the office of the Town Clerk of the City of Danbury for recording on the Danbury Land Records.

6. This Agreement shall not necessarily affect the assessment of any items of personal property which may hereafter be located on the Property nor necessarily such real property assessment as may be established by the assessing authority.

7. This Agreement sets forth all (and is intended by the parties hereto to be an integration of all) of the promises, agreements, conditions, understandings, warranties and representations between the parties hereto with respect to the assessment and the imposition of real property taxes on the Property and all improvements thereto, and there are no promises, agreements conditions, understandings, warranties or representations, oral or written, express or implied, between them with respect to said assessment and taxes other than as set forth herein.

8. This Agreement may not be modified or amended except a written agreement signed by the parties.

9. A ruling by any court or administrative body that a portion of this Agreement is invalid or unconstitutional shall have no effect on the other terms hereof which shall remain in full force and effect and binding on the parties hereto.

10. This Agreement shall be interpreted and enforced in accordance with the laws of the State of Connecticut.

IN WITNESS WHEREOF, the parties have executed this Agreement and affixed their hands and seals this _____ day of June 2012.

Signed, sealed and delivered
in the presence of:

CITY OF DANBURY

Mark D. Boughton, Its Mayor
hereunto duly authorized

SEAL IMPRESSED AND ATTESTED

Date: _____

Jean Natale, Legislative Assistant