

TOWN OF WINDSOR, CONNECTICUT

Special Meeting Notice



AGENCY: Finance Committee
DATE: April 26, 2006
TIME: 5:45 PM
PLACE: Town Hall – Ludlow Room

AGENDA

1. Call to Order
2. Public Comment
3. *Discussion of ING's Economic Development Incentive Package
4. Staff Reports
5. Approval of Minutes
 - a) *March 20, 2006
6. Adjournment

*Backup materials

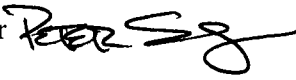
Public Act 75-312 requires notice of Special Meetings to be posted in the Town Clerk's Office not less than 24 hours prior to the time of such meeting. No other business shall be considered at this meeting than that listed on this Agenda.

Agenda Item Summary

Date: April 3, 2006

To: Honorable Mayor and Members of the Town Council

Prepared By: James Burke, Economic Development Director

Reviewed By: Peter Souza, Town Manager 

Subject: Economic Development Incentive Request
ING Life Insurance and Annuity Company.
Corporate Campus Project

Background

This memorandum presents for Town Council consideration a request for economic development incentives for the development of a corporate office campus for ING Life Insurance and Annuity Company.

In May of 2005, Windsor was contacted by a site selection consultant about the potential relocation of ING from Hartford to a site Windsor. The availability of a large, development-ready site; an excellent location with respect to the regional highway system; and a reputation for swift development project review were key elements in Windsor's favor. Another major element of Windsor's competitiveness for this project has been the potential for economic development incentives from the town.

In January, after having worked unsuccessfully to finalize plans for relocation to East Hartford, ING announced its selection of Windsor as the preferred site for its project. The company has begun its work to obtain the necessary land use and development approvals. It has also requested Town assistance in the form of economic development incentives.

The Project. ING is currently located on Farmington Avenue in Hartford in space leased from Aetna. This lease expires at the end of 2007 and the Company plans to build new offices and relocate by that time.

The proposed project involves the construction of a corporate campus with a 475,000 SF, four-story office building. The selected site contains 80 acres located on Northfield Drive. The company will relocate 1,700 company jobs along with 300 jobs with consultant firms. The estimated annual payroll and benefits is approximately \$140 million dollars.

ING's Hartford-based operation is a part of ING Group, a global financial institution of Dutch origin. ING Group is one of the largest integrated financial services organizations in the world with more than \$580 billion of assets under management. ING Group is 5th on Fortune Magazine's World's Most Admired Companies survey for 2003 (Fortune Magazine, March 2004). ING made its debut on the Business Week/Interbrand's Top 100 Brand List in 2004 at #88.

ING's operations in the U.S. are based in Atlanta. ING currently employs approximately 10,000 associates around the country, including Hartford, Minneapolis, Denver, Des Moines, Phoenix and several other cities. In 2000, ING acquired Minneapolis-based ReliaStar Financial Corp., and Hartford-

based Aetna Financial Services to make it one of the largest financial services organizations in the U.S. The Hartford operation is ING's largest single U.S. unit.

Assessment Abatement Policy. In February of 2004, the Town Council adopted an Assessment Abatement Policy. The policy's objectives are to increase the non-residential tax base, provide quality jobs, support business expansion, and encourage quality development. These objectives are accomplished by providing qualified projects a temporary abatement of increased assessed real property valuation.

Recently, the Council amended the Assessment Policy by adding "Significant Fiscal Impact Project" to the types of business that are eligible to apply for assessment abatement. This new category is defined as any eligible use under State assessment abatement law that makes a capital investment in real property equal or greater than 2.5 % of the taxable grand list. For these projects, the Town Council may approve an abatement of up to 100% of the assessed value increase for real property improvements for up to seven years. A copy of the revised policy is attached.

Permit Fee Reduction Policy. In January, the Town Council adopted a building permit fee reduction policy. The policy's purpose is to attract investment and job creation and to promote the expansion of existing business and industry. To be eligible, a business must be either a "Significant Fiscal Impact Project" or a "Biotechnology firm." Per the policy, the Town Council will consider requests on a case by case basis. The Council may establish conditions as it determines appropriate. Finally, the policy provides that approval of any fee reduction is at the sole discretion of the Council.

Discussion/Analysis

Proposed Incentive Package. Based on staff discussions with ING, the following outline of proposed economic incentives was developed:

1. Infrastructure costs. Town will provide \$750,000 for public infrastructure improvements through the Town's Economic Development Incentive Program.
2. Assessment abatement. Town will fix the real property assessment at the current valuation of the underlying real estate plus 30% of the real property improvements for a term of five (5) years commencing with the Grand List following the date of the final Certificate of Occupancy.

Subject to the following conditions:

- a. ING minimum investment in real estate improvements of \$65,000,000 by 09/30/2008;
 - b. ING minimum investment of \$7,500,000 in personal property by 09/30/2008;
 - c. ING will pay in personal and real property taxes a sum of not less than \$440,000 above the existing taxes on the property during each full year of the fixed assessment. To the extent that such taxes do not equal said sum during any year in which the fixed assessment remains, ING will pay the difference as a payment in lieu of taxes;
 - d. ING will make good faith efforts to recruit Town residents for employment although it is under no obligation to hire.
 - e. ING will provide a comprehensive transportation management plan prior to issuance of the final certificate of occupancy for the project.
3. Reduction of town building permit fees. Town will reduce by one half the amount of building permit fees required to be paid by ING in order to procure building permits for the project.

4. Discontinuance and transfer of Northfield Drive. Town will initiate the process of discontinuing a portion of Northfield Drive as a public right-of-way and transfer the property to ING subject to compliance with the Town Charter and state law.

Financial Impact

Attached to this memorandum is a summary report of a 10-year fiscal impact analysis of the ING project. This greatly simplified analysis utilizes a model provided by Northeast Utilities to help communities to compare a "Do Nothing" scenario with a project including tax abatement and other incentives. For this analysis, the following inputs were used: a) 70%, five year abatement of new real property assessment, b) the minimum values for building and personal property costs, c) accelerated depreciation of computer equipment, d) 50% building permit fee reduction based on minimum building cost, and e) annual debt service for the infrastructure improvements.

Based on the analysis, over the first ten years of the project, the Town will received \$6.92 million in net property tax revenues for an annual average of \$690,000. Overall, when debt service costs based on a \$750,000 bond issue for the proposed infrastructure incentive are deducted, the net gain in revenue of \$6.48 million dollars for the ten year period.

Other Board Action

The Economic Development Commission (EDC), at its March 15th regular meeting, voted unanimously to recommend to the Town Council approval of the proposed assessment abatement.

The Town Planning and Zoning Commission and Wetlands Commission have scheduled public hearings in early April to review the site plan and special use application for this development.

Recommendation

It is recommended that the Town Council refer the proposed Fixed Assessment agreement and Building Permit Fee Reduction agreement to the Town Finance Committee for review and report in anticipation of action by the Town Council at its meeting of May 1, 2006.

Attachments

ING Assessment Abatement Application
Assessment Abatement Policy
Building Permit Fee Reduction Policy
Project Summary: 10-year Fiscal Impacts
Fixed Assessment Agreement
Building Permit Fee Reduction Agreement

ING
Assessment Abatement
Application

Town of Windsor, Connecticut
Fixed Assessment Application

The purpose of this application is to present the Town of Windsor a reasonably comprehensive outline of the project for which an economic development incentive is sought. The applicant shall provide all required information in sufficient detail to allow the Town to determine costs and benefits associated with the implementation of a requested tax incentive. The Town may require additional information as it reviews the application.

Each application shall be accompanied by a filing fee of five hundred (\$500.00) dollars.

SECTION A. COMPANY NAME AND CONTACT INFORMATION

1. Official Name and Address of Company: ING Life Insurance and Annuity Company /
ING North America Insurance Corporation; c/o ING Corporate Real Estate; 151
Farmington Avenue (TN41) Hartford, CT 061562.

2. Name of Contact Person: Ronald Falkner
Phone (860) 723-4700 Fax (860) 723-4747

3. Nature of Business: Finance, Insurance, Real Estate SIC Code: _____

Type of Product or Service: Financial Services

4. Federal Employer ID #: ILIAC: 71-0294708; INAIC: 52-1317217

5. Officers/Owners: See attached

Name	Title	% Ownership
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6. Is the company current with all taxes or charges due to the Town of Windsor? If any, yes.

SECTION B. PROJECT INFORMATION

1. Project Location: 200 Northfield Drive

2. Provide an approximate number of FULL-TIME permanent jobs with wage/salary, to be created in the next five years. 100

3. Estimate of the costs of the proposed improvements.
Real property improvements \$94 million (land, hard and soft costs)
Personal property \$7.5 million

4. Project schedule. Construction to begin April, 2006, completion estimated to be December, 2007.
5. If the end user of the proposed facility is a lessee, then the tax benefits created by this abatement must be clearly reflected in the lease as accruing to the Applicant Company and the lease must be at least for the term of the abatement period.

SECTION C. PROPOSED ASSESSMENT ABATEMENT

1. Please identify the fixed assessment schedule requested.
Percent of assessment – 70% abatement
Term of fixed assessment – 5 years
2. Please identify any other state or local incentives, financial or otherwise which are included in the project financing. In negotiations.
3. Please provide a calculation of the taxes foregone based on the requested fixed assessment period plus three years. See Schedule A
4. Please provide a statement of the benefits to the Town for granting the requested tax assessment abatement including an estimate of local taxes to be paid and purchases from local vendors and a description of any planned corporate community involvement. See Schedule B
5. Other considerations: It is projected that 1,700 employees will relocate to this building (total capacity of 2,550) in December, 2007. The approximate annual wages and benefits for this employee base is \$140 million. The project will include an employee cafeteria, however it is expected that employees will frequent local restaurants and businesses, providing significant positive impact to the local economy. Historically, ING has booked approximately 2,700 hotel room nights at hotels in close proximity to its current location.

**Schedule A
Foregone Taxes**

<u>Real Property</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Total</u>
Estimated Taxes (A) \$ -	\$ 210,000	\$ 1,241,854	\$ 1,279,110	\$ 1,317,483	\$ 1,357,007	\$ 1,397,718	\$ 1,439,649	\$ 1,482,839	\$ 1,527,324	\$ 1,527,324	\$ 11,252,983
Abatement (70%) \$ -	-	\$ 869,298	\$ 895,377	\$ 922,238	\$ 949,905	\$ 978,402	-	-	-	-	\$ 4,615,220
Net Taxes Due \$ -	\$ 210,000	\$ 372,556	\$ 383,733	\$ 395,245	\$ 407,102	\$ 419,315	\$ 439,649	\$ 482,839	\$ 527,324	\$ 527,324	\$ 6,637,763

(A) Based on a stabilized Real Property Value of \$65,000,000 times 95% (Town of Windsor assumption). \$61,750,000 / 1000 x 70% X 28.73 mills. 3% annual increases thereafter.

Permit Fee Waiver

Estimated Fees	\$845,000
Waiver (50%)	<u>\$422,500</u>
Net Fees Due	\$422,500

Total Foregone Taxes / Fees to Town of Windsor (thru 2015)

Real Property Taxes:	
Abatement	\$ 4,615,220
Permit Fees:	
Estimated Waiver	<u>\$ 422,500</u>
Total Foregone Taxes / Fees	\$ 5,037,720

**Schedule A
Foregone Taxes - 15 Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total	
Real Property																				
Estimated Taxes (A)	\$ -	\$ 210,000	\$1,241,854	\$1,279,110	\$1,317,483	\$1,357,007	\$1,397,718	\$1,438,649	\$1,482,839	\$1,527,324	\$1,573,143	\$1,620,338	\$1,668,948	\$1,719,016	\$1,770,587	\$1,823,704	\$1,878,416	\$1,934,768	\$25,241,904	
Abatement (70%)	\$ -	\$ -	\$ 869,298	\$ 885,377	\$ 922,238	\$ 949,905	\$ 978,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,615,220
Net Taxes Due	\$ -	\$ 210,000	\$ 372,556	\$ 393,733	\$ 395,245	\$ 407,102	\$ 419,315	\$1,439,649	\$1,482,839	\$1,527,324	\$1,573,143	\$1,620,338	\$1,668,948	\$1,719,016	\$1,770,587	\$1,823,704	\$1,878,416	\$1,934,768	\$20,626,684	

(A) Based on a stabilized Real Property Value of \$65,000,000 times 95% (Town of Windsor assumption), \$61,750,000 / 1000 x 70% x 28.73 mills, 3% annual increases thereafter.

Permit Fee Waiver

Estimated Fees	\$845,000
Waiver (50%)	\$422,500
Net Fees Due	\$422,500

Total Foregone Taxes / Fees to Town of Windsor (thru 2023)

Real Property Taxes:	
Abatement	\$ 4,615,220
Permit Fees:	
Estimated Waiver	\$ 422,500
Total Foregone Taxes / Fees	\$ 5,037,720

Schedule B
Town Benefits

Real Property	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Total</u>
Estimated Taxes (A)	\$ -	\$ 210,000	\$ 1,241,854	\$ 1,279,110	\$ 1,317,483	\$ 1,357,007	\$ 1,397,718	\$ 1,439,649	\$ 1,482,839	\$ 1,527,324	\$ 11,252,983
Abatement (70%)	\$ -	\$ -	\$ 869,298	\$ 895,377	\$ 922,238	\$ 949,905	\$ 978,402	\$ -	\$ -	\$ -	\$ 4,615,220
Net Taxes Due	\$ -	\$ 210,000	\$ 372,556	\$ 383,733	\$ 395,245	\$ 407,102	\$ 419,315	\$ 1,439,649	\$ 1,482,839	\$ 1,527,324	\$ 6,637,763

(A) Based on a stabilized Real Property Value of \$65,000,000 times 95% (Town of Windsor assumption). \$61,750,000 / 1000 x 70% X 28.73 mills. 3% annual increases thereafter.

Personal Property Taxes

Estimated Taxes (B)	\$ -	\$ -	\$ 142,285	\$ 126,699	\$ 106,588	\$ 86,477	\$ 68,377	\$ 58,322	\$ 48,266	\$ 38,211	\$ 675,225
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(B) Based on Personal Property Value of \$7,500,000. \$7,500,000 / 1000 x 70% X 28.73 mills.

Permit Fee Waiver

Estimated Fees	\$ 845,000
Waiver (50%)	\$ 422,500
Net Fees Due	\$ 422,500

Total Taxes / Fees to Town of Windsor (thru 2015)

Real Property Taxes:	
Estimated Taxes	\$ 11,252,983
Abatement	\$ (4,615,220)
Net Taxes	\$ 6,637,763
Personal Property Taxes:	
Estimated Taxes	\$ 675,225
Permit Fees:	
Estimated Fees	\$ 845,000
Estimated Waiver	\$ (422,500)
	\$ 422,500
Total Taxes / Fees	\$ 7,735,488

**Schedule B
Town Benefits - 15 Years**

Real Property	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total	
Estimated Taxes (A)	\$ -	\$ 210,000	\$ 1,241,854	\$ 1,279,110	\$ 1,317,483	\$ 1,357,007	\$ 1,397,718	\$ 1,439,649	\$ 1,482,839	\$ 1,527,324	\$ 1,573,143	\$ 1,620,338	\$ 1,668,948	\$ 1,719,016	\$ 1,770,587	\$ 1,823,704	\$ 1,878,416	\$ 1,934,768	\$ 25,241,904	
Abatement (70%)	\$ -	\$ -	\$ 869,298	\$ 895,377	\$ 922,238	\$ 949,905	\$ 978,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,615,220
Net Taxes Due	\$ -	\$ 210,000	\$ 372,556	\$ 383,733	\$ 395,245	\$ 407,102	\$ 419,315	\$ 1,439,649	\$ 1,482,839	\$ 1,527,324	\$ 1,573,143	\$ 1,620,338	\$ 1,668,948	\$ 1,719,016	\$ 1,770,587	\$ 1,823,704	\$ 1,878,416	\$ 1,934,768	\$ 20,626,684	

(A) Based on a stabilized Real Property Value of \$65,000,000 times 95% (Town of Windsor assumption). \$91,750,000 / 1000 x 70% X 28.73 mills. 3% annual increases thereafter.

Personal Property Taxes

Estimated Taxes (B)	\$ -	\$ -	\$ 142,285	\$ 128,699	\$ 106,588	\$ 88,477	\$ 68,377	\$ 58,322	\$ 48,286	\$ 38,211	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 885,225
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(B) Based on Personal Property Value of \$7,500,000. \$7,500,000 / 1000 x 70% X 28.73 mills.

Permit Fee Waiver

Estimated Fees	\$ 845,000
Waiver (60%)	\$ 422,500
Net Fees Due	\$ 422,500

Total Taxes / Fees to Town of Windsor (thru 2023)

Real Property Taxes:	
Estimated Taxes	\$25,241,904
Abatement	\$ (4,615,220)
Net Taxes	\$ 20,626,684
Personal Property Taxes:	
Estimated Taxes	\$ 885,225
Permit Fees:	
Estimated Fees	\$ 845,000
Estimated Waiver	\$ (422,500)
Total Taxes / Fees	\$ 21,884,409

Assessment Abatement Policy

Town of Windsor, Connecticut Assessment Abatement Policy

I. Objectives

1. Fiscal impact – to increase the non-residential tax base to preserve and enhance the town's capacity to provide necessary infrastructure and services and to maintain the commercial and industrial development at not less than 30% of the town's grand list.
2. Quality employment opportunities – to provide employment opportunities with good wages and benefits for town residents.
3. Stable and growing economy – to support existing business retention and expansion and attraction of new businesses in particular from targeted business clusters so as to strengthen the local economy.
4. Sustainable and quality development – to encourage the use of quality materials and design and incorporation of green technology.

To achieve these objectives, the Town may provide a temporary abatement of increased assessed value for the real property portion of a project if the project meets the criteria listed below. Economic development projects shall not have a negative financial impact on the Town at the conclusion of the abatement term. The Town reserves the right to approve the cost-benefit analysis model used to determine the financial impact.

Any and all decisions to grant an incentive pursuant to this policy shall be within the sole and absolute discretion of the Windsor Town Council.

II. Precedents to Granting Incentive

The Town Council shall consider the following conditions as precedents to granting property tax incentives:

A. Existence of economic benefit. The project must add to the Windsor economy. Evaluation criteria to be used in determining benefit to the community shall include but not be limited to: the amount of capital investment, whether the project produces value-added products and services, and whether the project provides a positive fiscal impact and economic impact.

B. Types of business. The project shall be of a nature that has been identified by the Town Council as desirable to stimulate the local economy and improve the quality of life for its citizens. To meet this objective, the project must involve one of the following:

1. Manufacturing firms, as per the Manufacturing Assistance Act,
2. Class "A" office space,
3. Offices for advanced medical procedures, and

4. **Significant Fiscal Impact Project.** A Significant Fiscal Impact Project shall mean any eligible use, as per Connecticut General Statutes Section 12-65b (b), which makes a capital investment in real property equal to or greater than 2.5% of the Taxable Grand List in place at the time of application.

C. **Maintain existing tax base.** Assistance will be given to new industries that invest in new buildings or building expansions, but the amount of property taxes on the existing land and facilities shall not be reduced for new development projects.

D. **Definition of businesses.** The following definitions will be used in determining the term of abatement and the level of capital investment required.

1. Existing business is a business that shall have had facilities and operations in the Town for a period of not less than one year.

2. New business is a business that is new to Town or has not had facilities and operations in Town for a period of at least one year.

E. **General requirements.** Applications for assessment abatement must conform to the following requirements:

1. Applicant must not be delinquent in any taxes or charges due to the Town of Windsor.
2. If the end user of the proposed facility is a lessee, then the tax benefits created by this abatement must be clearly reflected in the lease as accruing to the Applicant Company and the lease must be at least for the term of the abatement period.
3. An agreement entered into pursuant to this policy shall not be subject to assignment, transfer, or sale without the written consent of the Windsor Town Council.
4. After approval of an application by the Town Council and approval of a site plan by the Town Planning and Zoning Commission, construction shall commence within six months and shall be completed within twenty-four months. The Town Council must approve any extension of these deadlines.
5. In the event that the applicant, during the period of its participation in this program:
 - a. relocates its business from Windsor,
 - b. becomes delinquent in taxes or fees,
 - c. closes its operation, or
 - d. declares bankruptcy, then any tax 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. The period of participation for a Significant Fiscal Impact Project shall extend for three years beyond the term of the abatement.

III. Abatement Criteria and Adjustments

All projects receiving an abatement shall meet the criteria detailed below.

A. Local Employment. The applicant shall commit to use its best efforts to make new job opportunities created by the project available to Windsor town residents.

B. Wages. The Town expects projects that pay above the median wage for similar positions in Hartford County. Depending upon the project's conformance to this criterion, an increase or decrease in the abatement schedule of up to 5 % may be considered.

C. Targeted Industries. An abatement adjustment of up to 5% may be considered for projects that are targeted industries. To receive this adjustment, the project must be a targeted industry by the Town. Each year the Economic Development Commission shall provide the Town Council with a revised target industry list for approval.

D. Building Design. Projects must be in compliance with the Town of Windsor Plan of Conservation and Development and must utilize construction materials that meet or exceed the town's requirements. An abatement adjustment of up to 5% may be considered for use of high quality materials on the building exterior and/or the use of sustainable technologies including photovoltaic power sources.

IV. Abatement Schedule

A. Percentage of abatement.

1. For a Significant Fiscal Impact Project as defined above, the Town Council may approve abatement of up to 100% of the assessed value increase.
2. For all other eligible business types, the maximum percentage abatement that the Town Council may approve shall be 50% of the assessed value increase. For each project, the base abatement will be 40%, which may be increased or decreased as provided above for Wages, Targeted Industries and Building Design.

B. Term of abatement.

1. For new business, the maximum term of abatement that the Town Council may approve shall be based upon the actual capital investment in real estate improvements as follows:

<u>Capital Investment</u>	<u>Term</u>
\$500,000 to \$3 million	3 years
\$3 million to \$4 million	4 years
Greater than \$4 million	5 years
Equal to or greater than 2.5% of Taxable Grand List	7 years

2. For existing business, the maximum term of abatement that the Town Council may approve shall be based upon the actual capital investment in real estate improvements as follows:

<u>Capital Investment</u>	<u>Term</u>
\$350,000 to \$3 million	3 years
Greater than \$3 million	5 years
Equal to or greater than 2.5% of Taxable Grand List	7 years

V. Application Procedure

- A. Any eligible owner and/or lessee may apply under this Policy to the Town of Windsor on application forms provided by the Economic Development Director. The applicant shall provide all required information in sufficient detail to allow the Town to determine costs and benefits associated with the implementation of a requested tax incentive. This information should include when appropriate the following:
1. Description of the project including an estimate of the number of jobs to be created and their wages.
 2. Description of the applicant and its products or services and including a listing of its officers.
 3. An estimate of the costs of the proposed improvements.
 4. A construction schedule.
 5. Identification of the assessment abatement schedule requested and specific justification for any adjustments over the base 40% abatement.
 6. Identification of any other public incentives, financial or otherwise which are included in the project financing.
 7. A calculation of the taxes foregone.
 8. A statement of the benefits to the Town for granting a tax assessment abatement including an estimate of local taxes to be paid and purchases from local vendors and a description of planned corporate community involvement.
 9. Other information as requested by the Town.
- B. Each application shall be accompanied by a filing fee of five hundred (\$500.00) dollars.
- C. Upon receipt of the completed application and fee, the Economic Development Director shall refer the application to the Town Manager and Economic Development Commission for review and recommendation. Each application shall be reviewed on a case-by-case basis. The Town Manager and Economic Development Commission shall each forward recommendations in writing to the Town Council.
- D. The Town Council, in its sole discretion, shall approve, approve with modifications and conditions or deny the application.

VI. Agreement

- A. Pursuant to the Town Council decision, the applicant shall enter into a written agreement with the Town fixing the assessment of the real property in accordance with the assessment abatement schedule that was approved.
- B. Said agreement shall incorporate appropriate provisions of the Policy, in particular, the following:
1. Applicant must not be delinquent in any taxes or charges due to the Town.
 2. If the end user of the proposed facility is a lessee, then the tax benefits created by this abatement must be clearly reflected in the lease as accruing to the Applicant Company and the lease must be at least for the term of the abatement period.
 3. An agreement entered into pursuant to this policy shall not be subject to assignment, transfer, or sale without the written consent of the Windsor Town Council.
 4. After approval of an application by the Town Council and approval of a site plan by the Town Planning and Zoning Commission, construction shall commence within six months and shall be completed within twenty-four months. The Town Council must approve any extension of these deadlines.
 5. In the event that the applicant during the period of its participation in this program:
 - a. Relocates its business from Windsor,
 - b. Becomes delinquent in any taxes or fees,
 - c. Closes its operation in Windsor, or
 - d. Declares bankruptcy,then any tax 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. The period of participation for a Significant Fiscal Impact Project shall extend for three years beyond the term of the abatement.
 6. Applicant shall provide a report annually regarding its compliance with the employment and wage provisions of this Policy. Said report shall be in writing upon such forms as are provided for this purpose by the Town.

Town of Windsor, Connecticut Assessment Abatement Policy

Targeted Business List February, 2004

The following businesses qualify as a targeted business under the Town of Windsor Assessment Abatement Policy. The ultimate determination as to whether a specific applicant is a targeted business shall be with the Town Council.

1. Class A office space - Class "A" office space must include the following features:
 - a. Two or more stories
 - b. Minimum of 50,000 SF of floor area
 - c. Incorporates broadband communications technology throughout
 - d. High-speed elevators
 - e. Life-safety and security programs
 - f. On-site management
 - g. Energy management system

2. Biotechnology firms – these include bioscience, biotechnology and bio-medical research companies as defined by the Connecticut Bioscience Cluster and including companies that manufacture related scientific and laboratory equipment or products.

Building Permit Fee Reduction Policy

Adopted 01/17/2006

**Economic Development Incentive
Building Permit Fee Reduction Policy
Town of Windsor, Connecticut**

Purpose: The purpose of the building permit fee reduction policy is to attract investment and job creation to the Town of Windsor and to promote the expansion of existing business and industry.

Qualifying businesses: The following types of businesses, consistent with Town codes, shall be eligible for consideration of a building permit fee reduction:

1. Significant Fiscal Impact Projects – these include any eligible use, as per Connecticut General Statutes Section 12-65b (b), which makes a capital investment in real property equal to or greater than 2.5% of the Taxable Grand List in place at the time of application.
2. Biotechnology firms – these include bioscience, biotechnology and bio-medical research companies as defined by the Connecticut Bioscience Cluster and including companies that manufacture related scientific and laboratory equipment or products.

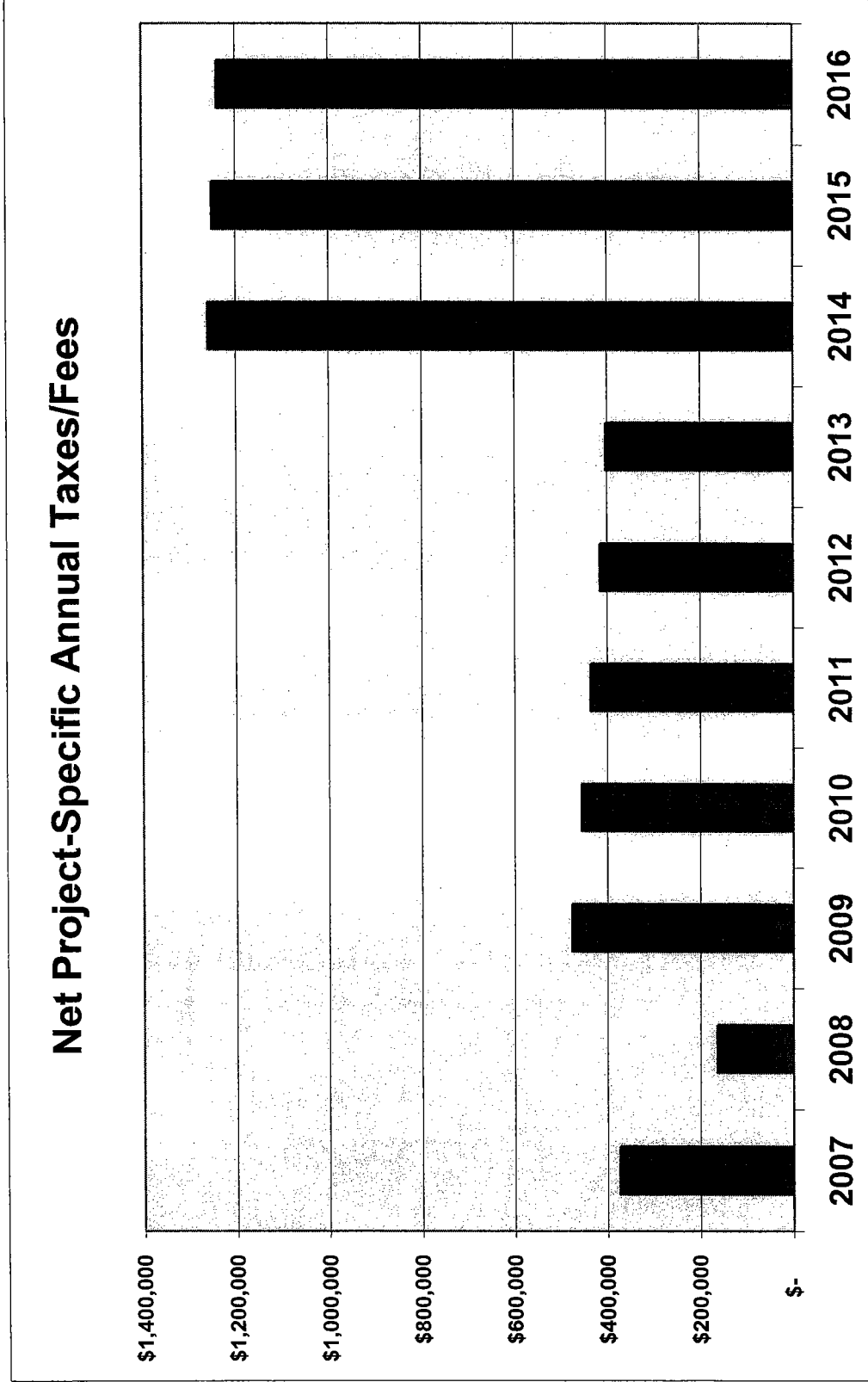
Review and approval: The Town Council will consider, on a case by case basis, the reduction of required building permit fees for the purposes described above. The Council may establish such terms and conditions regarding this incentive as it determines appropriate. Approval of any building permit fee reduction shall be at the sole discretion of the Town Council.

Project Summary

10-year Fiscal Impacts

Project Summary: 10-Year Fiscal Impacts

Project Name	ING	Rounded	Do Nothing
Scenario 1: No Development			
Taxes on Existing Property	\$ 572,260	\$ 572,000	\$ 572,000
Taxes on Land Sold	\$ -	\$ -	
Scenario 2: Project Gets Built			
Taxes on Remaining Property	\$ 572,260	\$ 572,000	
PILOT Payments	\$ 2,083	\$ 2,000	
Total New Prop. & Equip. Taxes from Project	\$ 6,327,423	\$ 6,327,000	
Total Net Property Taxes	\$ 6,901,766	\$ 6,902,000	
Tax Difference Between Build and No Build	\$ 6,329,506	\$ 6,330,000	
Summary Information			
Permit Fee	\$ 422,500	\$ 423,000	
Total Net Taxes plus Permits	\$ 7,324,266	\$ 7,324,000	
Estimated Project Related Costs			
Project-Related Net Additional Town Operating Costs	\$ 844,686	\$ 845,000	
Total One-Time Purchases	\$ -	\$ -	
Total Project-Related Costs	\$ 844,686	\$ 845,000	
Surplus Taxes Net of Project Costs	\$ 6,479,580	\$ 6,480,000	Net Gain with Project
			\$ 6,480,000
Anticipated/Known Town Capital Projects Unrelated to New Project			
	\$ -	\$ -	Upcoming Town Capital Projects
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Total Known Capital Projects	\$ -	\$ -	\$ -



Fiscal Impact Model

Project: ING

Windsor

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	10-Yr Total
Impact on Town Operating Budget	\$ 57,226	\$ 152,753	\$ 570,559	\$ 550,448	\$ 530,337	\$ 510,226	\$ 497,226	\$ 1,354,386	\$ 1,344,330	\$ 1,334,275	
Total New Property & Remaining Taxes	\$ 316,875	\$ 105,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,901,766
Permit Fee	\$ -	\$ 93,854	\$ 93,854	\$ 93,854	\$ 93,854	\$ 93,854	\$ 93,854	\$ 93,854	\$ 93,854	\$ 93,854	\$ 422,500
Project-Related Net Additional Town Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 844,686
Total One-Time Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus Taxes/Fees to the Community	\$ 374,101	\$ 164,524	\$ 476,705	\$ 456,594	\$ 436,483	\$ 416,372	\$ 403,372	\$ 1,260,532	\$ 1,250,476	\$ 1,240,421	\$ 6,479,580

March 30, 2006

Fixed Assessment Agreement

FIXED ASSESSMENT AGREEMENT

THIS AGREEMENT made effective as of _____, 2006, by and between Town of Windsor, Connecticut, a governmental body organized under the laws of the State of Connecticut ("Town"), and ING North America Insurance Corporation, a Delaware corporation, ("Company").

RECITALS

- A. The development and construction of a 475,000 square foot corporate office facility to be located at 200 Northfield Drive, Windsor, Connecticut, is currently under consideration by Company.
- B. Town has adopted an Assessment Abatement Policy in accordance with Section 12-65(b) of the Connecticut General Statutes, as amended, (the "Policy"), which provides for the abatement or reduction of certain ad valorem real estate tax for, inter alia, "Significant Fiscal Impact Projects" as defined therein.
- C. Town has determined that said development qualifies as a Significant Fiscal Impact Project under the Policy and desires to offer the abatement of certain ad valorem real estate taxes hereafter to be assessed on said development as an inducement for Company to develop and construct it within Town.
- D. Town Council has adopted a resolution authorizing Town to enter into this Agreement.
- E. Town and Company now desire to enter into this Agreement to effect a Fixed Assessment of certain ad valorem real estate taxes which may be levied on said development.

NOW, THEREFORE, in consideration of the mutual promises contained herein, Town and Company hereby agree as follows:

ARTICLE I – DEFINITIONS

Capitalized terms used and not defined herein shall have the definitions ascribed to them as set forth below:

Section 1.1 – Commencement Date. The term "Commencement Date" shall mean the date the Grand List is executed and confirmed by Town Assessor immediately following the date of the final certificate of occupancy for the Facility and completion of the conditions included in Sections 3.1 and 3.2 of this Agreement. Notwithstanding the foregoing, the parties agree that the

Company may elect to have the Commencement Date be October 1, 2007, which election shall be provided to the Town in writing no later than September 1, 2007.

Section 1.2 – Facility. The term “Facility” shall mean all improvements on or about the Property of whatever kind or nature, including without limitation, all buildings, structures, foundations, utilities, detention facilities, landscaping, curbing, light standards, walkways, access drives, parking areas but otherwise exclusive of personal property.

Section 1.3 – Investment In The Facility. The term “Investment In The Facility” shall mean all costs incurred by Company in development and construction of the Facility and, including without limitation, the cost of materials, labor, fixtures, leasing of equipment, and all other hard costs capitalized as part of the Project based on the application of generally accepted accounting principles, consistently applied.

Section 1.4 – Investment In Personal Property. The term “Investment in Personal Property” shall mean all costs incurred by Company in the fabrication, purchase, transportation and installation of all Personal Property located on or about the Property, including without limitation, all manufacturing and vendor costs, sales taxes, and all other hard costs capitalized as part of the Personal Property based on the application of general accounting principles, consistently applied.

Section 1.5 – Personal Property. The term “Personal Property” shall mean all personal property of Company located on or about the Property or used as a part of the Project, including without limitation, all equipment, furnishings, and computers.

Section 1.6 – Project. The term “Project” shall mean collectively the Facility, Personal Property and the Property.

Section 1.7 – Property. The term “Property” shall mean the premises generally known as 200 Northfield Drive, Windsor, Connecticut, together with any additions or reductions thereof, which hereafter shall be confirmed by an ALTA/ACSM survey based on protocols utilized by Company, and which shall be described by a narrative metes and bounds description of such premises prepared on the basis of the survey, by attachment hereto as Schedule 1.10, which shall be initialed by Town and Company when attached to this Agreement.

Section 1.8 - Fixed Assessment - The term "Fixed Assessment" shall refer to Town's authority under Connecticut General Statutes 12-65 b, fixing the assessment on the Facility and Property.

Section 1.9- Fixed Assessment Period - The term "Fixed Assessment Period" shall refer to a full five (5) assessment year period which shall begin upon the occurrence of the Commencement Date. Upon the passage of said five (5) year period, the fixed assessment period automatically shall expire subject to the provisions of Section 2.1.

ARTICLE II-TAX MATTERS

Section 2.1 – Fixed Assessment. Town and Company agree that the Fixed Assessment for the Facility and the Property shall be fully effective during the Fixed Assessment Period. Furthermore, in the event that Town cannot confer the Fixed Assessment at any time during the Fixed Assessment Period pursuant to a court order or change in law applicable to fixed assessment agreements entered into and effective prior to the date of such change in law, then the term of the Fixed Assessment Period shall automatically be extended by such time period in order to provide a full five (5) year period in which the Fixed Assessment is effective to the extent permitted by applicable local and State law, and Town shall undertake all reasonable efforts to effect said extension.

During the Fixed Assessment Period, Town shall establish the assessment of the Property and the Facility at the Fixed Assessment amount of \$14,959,350.00, which amount represents the current valuation of the Property plus thirty (30%) per cent of the assessed value of the Facility.

Section 2.2– Minimum Real Estate Tax Payment. During the Fixed Assessment Period, Company agrees to pay for each tax year a minimum ad valorem real estate tax payment for the Facility and the Property based on a fixed assessment of the Facility and Property equal to the sum of \$14,959,350.00 at the then existing mil rate adopted by Town, subject to the provisions of this Agreement. Company shall make such payment no later than the applicable due dates of the tax billing or otherwise shall be subject to penalty interest for late payment. Effective upon the expiration or termination of the Fixed Assessment Period, Company shall have no further obligations under this Section 2.2.

Section 2.3– Personal Property Taxes and Minimum Tax Payment. Company agrees to pay all taxes levied on the Personal Property by Town during the Fixed Assessment Period. Company shall make such payment no later than the applicable due dates of the tax billing or otherwise shall be subject to penalty interest for late payment. In the event that the sum of taxes due for Personal Property plus taxes due for Facility and Property for any tax year occurring during the Fixed Assessment Period shall be less than the sum of four hundred forty thousand dollars (\$440,000.00) above the taxes currently due for the Property, then Company shall pay such difference concurrent with the payment of personal property tax due in accordance with Town's annual tax bill.

Section 2.4. Assessment and Revaluation. The Company shall have the right to appeal any increase in assessment due to a town wide property revaluation pursuant to Connecticut General Statutes, sections 12-117A and 12-119, as amended. The assessment of the Property for the period prior to the Commencement Date shall be determined in the normal course pursuant to state and local laws.

ARTICLE III– INVESTMENT IN THE PROJECT

Section 3.1 – Investment In The Facility. Company agrees to expend Investment In The Facility of not less than \$65,000,000.00 no later than September 30, 2008, which deadline shall be extended by the Town Council for up to two (2) six (6) month periods provided that Town finds Company is diligently and continuously pursuing the completion of the Project.

Section 3.2 – Investment In Personal Property. Company agrees to expend Investment In Personal Property of not less than \$7,500,000.00 no later than September 30, 2008, which deadline shall be extended by the Town Council for up to two (2) six (6) month periods provided that Town finds Company is diligently and continuously pursuing the completion of the Project.

Section 3.3 – Schedule. No later than September 30, 2008 or at the end of any approved extension period as provided in Section 3.1 and Section 3.2, Company shall furnish Town with a certificate confirming Company's satisfaction of the obligations contained in Sections 3.1 and 3.2 hereof. Company, at the request of Town, further shall furnish Town with general information substantiating the expenditure of such investment. Town acknowledges that any certification from a third party architect, managing contractor, engineer, general contractor, vendor or manufacturer, which certifies such investment will satisfy any request by Town for additional evidence verifying the expenditure of such investment.

Section 3.4 – Failure to Comply. In the event the Company has not expended Investment in the Facility of not less than \$65,000,000 or expended Investment in Personal Property of not less than \$7,500,000 by September 30, 2008 or at the end of any approved extension periods as provided in Section 3.1 and Section 3.2, Town shall be entitled to terminate this Agreement. In the event Company (i) has elected that the Commencement Date be October 1, 2007 as set forth in Section 1.1 of this Agreement, and (ii) the Company has not expended Investment in the Facility of not less than \$65,000,000 or expended Investment in Personal Property of not less than \$7,500,000 by September 30, 2008 or at the end of any approved extension periods as provided in Section 3.1 and Section 3.2, the Town shall be entitled to: (i) terminate this Agreement and (ii) recover all tax benefits provided to Company during the Fixed Assessment Period. In the event of such termination by Town, then Town and Company shall not have any further obligation under this Agreement.

ARTICLE IV – EMPLOYMENT MATTERS

Section 4.1 – Town Residents. Company shall exercise good faith efforts to recruit qualified residents of Town to fill part and full-time positions used for the Project; provided, however, that Company is under no legal obligation to hire any resident of Town for such purposes, it being understood that Company, in its sole discretion, will make the ultimate determination on whether or not a resident is qualified to fill a position or to hire such person.

ARTICLE V – – OPERATION OF PROJECT

Section 5.1 – Operation. Effective upon the Commencement Date and for a time period of eight (8) consecutive years thereafter, Company shall operate the Project in its ordinary course of business; provided that Company may temporarily cease to operate the Project, in whole or in part for a cumulative period of no more than one (1) year, in its ordinary course of business as a result of a furlough of employees, a downturn of business or as a result of retrofitting, rebuilding, restoring, modifying or expanding the Project. After the expiration of said eight (8) year time period, the provisions of this Article V shall be null and void and shall be of no further force and effect.

Section 5.2 – Remedies. In the event that Company permanently ceases operations at the Project in excess of the cumulative over one (1) year time period above, Town shall be entitled to (i) terminate the Fixed Assessment for the balance of the Fixed Assessment Period, if any, immediately following such cessation of operations, and (ii) recover all tax benefits provided to Company during the Fixed Assessment Period; provided, however, that Town furnishes notice of its election under clauses (i) and (ii) hereof to Company within sixty (60) days immediately following said cumulative over one (1) year period. Company shall provide written notice of any and all cessation of operations to Town and written notice of the resumption of operations. Failure to do so shall be grounds for termination of this agreement by Town. In the event that Company has instituted appropriate administrative or legal proceedings challenging the amount of the statutory assessment of the Facility and Property, payment of any and all taxes shall be in accordance with Connecticut General Statute section 12-117.

ARTICLE VI- REPRESENTATIONS AND WARRANTIES

Section 6.1 – Town Representations and Warranties. Town hereby represents and warrants to Company as follows:

- 6.1.1 This Agreement is in material compliance with Town Charter and ordinances and with the Connecticut General Statutes, et seq. and all other applicable local and State law.
- 6.1.2 Town is a municipality duly organized and operating under the laws of the State.
- 6.1.3 Town has the power to enter into this Agreement and to carry out its obligations hereunder.
- 6.1.4 The execution and delivery of this Agreement, the conferral of the Fixed Assessment to Company, the performance of its other obligations contained in this Agreement, the consummation of the other transactions contemplated hereby, and the fulfillment of the compliance with the terms and conditions of this Agreement, by Town are not prevented by or result in a breach of, the terms, conditions or provisions of Town Charter, any statute, law, ordinance or regulation by which Town is bound, or any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Town is now a party or by which it is bound, nor do they constitute a default under any of the foregoing.
- 6.1.5 This Agreement has been duly authorized by Town Council, and is a valid and binding obligation of Town, and is enforceable in accordance with its terms against Town.
- 6.1.6 The representative of Town executing this Agreement is in good standing with Town, and is authorized to execute and deliver this Agreement, in such capacity.

- 6.1.7 There is no claim or litigation, or to the best of Town's knowledge, threat of any claim or litigation, against Town with respect to its execution and delivery of this Agreement or otherwise pertaining to the conferral of the Fixed Assessment or any other matter contained in this Agreement.
- 6.1.8 There are no actions, suits or administrative or legal proceedings pending, to the best of its knowledge, threatened against or affect Town or before any arbitrator or any governmental body in which there is a reasonable possibility of an adverse decision which could materially affect the financial condition of Town or which in any manner raises any question about the ability of Town to perform its obligations under this Agreement.

Section 6.2 – Company Representations and Warranties. Company hereby represents and warrants to Town as follows:

- 6.2.1 Company is a corporation organized under the laws of the State of Delaware and is in good standing with the Secretary of State of Delaware and is qualified to transact business in the State of Connecticut.
- 6.2.2 Company has the power to enter into this Agreement to carry out its obligations hereunder.
- 6.2.3 The execution and delivery of this Agreement, the performance of the obligations of Company contained in this Agreement, the consummation of the other transactions contemplated hereby, and the fulfillment of the compliance with the terms and conditions of this Agreement by Company are not prevented by or result in a breach of, the terms, conditions or provisions of any statute, law, ordinance or regulation by which Company is bound, or any contractual restriction, financing, agreement or instrument of whatever nature to which Company is now a party by which it is bound, nor do they constitute default under any of the foregoing.
- 6.2.4 This Agreement has been duly authorized by Company, and is a valid and binding obligation of Company and is enforceable in accordance with its terms against Company.
- 6.2.5 The officer of Company executing this Agreement is in good standing with Company and is authorized to execute and deliver this Agreement, in such capacity.
- 6.2.6 There is no claim or litigation, to the best of Company's knowledge, threat of any claim or litigation, against Company with respect to its execution and delivery of this Agreement, the conferral of the Fixed Assessment or any other matter contained in this Agreement.
- 6.2.7 There are no actions, suits or proceedings pending or, to the best of its knowledge, threat against or effect to Company or before any arbitrator or any governmental body in which there is a reasonable possibility of an

Hartford, CT 06156
Attention: Ronald Falkner

With a copy to:

Brown Rudnick Berlack Israels LLP
CityPlace I, 38th Floor
Hartford, CT 06106
Attn: Mark A. Asmar

or at such other addresses as the parties may indicate in writing to the other by personal delivery, overnight courier, or certified or registered mail, return receipt requested, with proof of delivery thereof. Notices and requirements shall be deemed delivered to the address set forth above (a) when delivered in person on a business day, (b) on the same business day received if delivered by overnight courier, or (c) on the third business day after being deposited in any main or branch United States Post Office when sent by registered mail, return receipt requested.

Section 8.2– Successors and Assigns; Assignment. Company may not assign its rights and obligations under this Agreement except with permission of the Windsor Town Council which permission shall not be unreasonably denied. Notwithstanding the foregoing, the Town and the Company agree that the Company may assign its rights and interests in this Agreement without the permission of the Windsor Town Council (i) to any parent, grandparent, subsidiary or affiliate of the Company, (ii) to any company into which the Company or its parent or grandparent is merged or which results from the merger of the Company, or its parent, grandparent with any other entity, or (iii) to any purchaser of the Project in connection with a sale/leaseback or other financing arrangement including but not limited to the holder of any mortgage on the Project. All of the terms and provisions of this Agreement shall be binding on and inure to the benefit of all of the successors and assigns of the parties hereto.

Section 8.3– Amendment. This Agreement sets forth all the promises, inducements, agreements, conditions, and understandings between Company and Town relative to the fixing the assessments on the Facility and the Property and there are no promises, agreements, conditions, or understandings, either oral or written, express or implied, between them related thereto, other than as herein set forth. No subsequent alteration, amendment, change, or addition to this Agreement shall be binding on the parties hereto unless authorized in accordance with law and reduced in writing and signed by them.

IN WITNESS WHEREOF, this Agreement has been executed by authorized representatives of the parties hereto and is effective as of the aforesaid date.

TOWN OF WINDSOR

By: _____

Name: _____

Title: _____

**ING NORTH AMERICA INSURANCE
CORPORATION**

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENTS

STATE OF CONNECTICUT)
) ss.:
TOWN OF WINDSOR)

The foregoing instrument was acknowledged before me on _____, 2006 by _____ and _____, as the _____ and _____, respectively, of Town of Windsor, on behalf of said Town.

My commission expires: _____

(SEAL)

Notary Public

STATE OF CONNECTICUT)
) ss.:
COUNTY OF HARTFORD)

The foregoing instrument was acknowledged before me on _____, 2006 by _____, as the _____ of ING North America Insurance Corporation, a Delaware corporation.

My commission expires: _____

(SEAL)

Notary Public

#

40232034 v3 - CAMILLMJ - 025388/0002

Building Permit Fee Reduction Agreement

BUILDING PERMIT FEE REDUCTION AGREEMENT

THIS AGREEMENT made effective as of _____, 2006, by and between Town of Windsor, Connecticut, a governmental body organized under the laws of the State of Connecticut ("Town"), and ING North America Insurance Corporation, a Delaware corporation, ("Company").

RECITALS

- A. The development and construction of a 475,000 square foot corporate office facility with an estimated capital cost in excess of Sixty-Five Million Dollars (\$65,000,000) to be located at 200 Northfield Drive, Windsor, Connecticut ("Project"), is currently under consideration by Company.
- B. Town has adopted a Building Permit Fee Reduction Policy under which Town Council may grant, on a case-by-case basis, the reduction of building permit fees for construction activities if such building permits are for a "Significant Fiscal Impact Project", i.e., a project with a capital investment in real estate equal to or greater than 2.5% of the Taxable Grand List in place at the time of application.
- C. Town has determined that the Project qualifies as a Significant Fiscal Impact Project under the Policy and has authorized the reduction of all building permit fees for the Project so as to equal fifty per cent (50%) of normal building permit fees.
- D. Town and Company desire to enter into this Agreement so as to effect such reduction of building permit fees for the Project.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

ARTICLE I – PERMIT FEE REDUCTION

Town shall reduce by one-half the normal permit fees for all building permits procured by Company, its employees, agents, contractors, or subcontractors for construction of the Project.

Notwithstanding the provisions of this Article I, there shall be no reduction of any land use or zoning fees, environmental fees, or other charges which Town may assess in connection with the planning, development and construction of the Project in accordance with the published schedule of fees and charges for the same, a copy of which is attached hereto as Exhibit A and incorporated herein.

ARTICLE II – TERM

This Agreement shall commence on the effective date hereof and shall expire at such time as a final Certificate of Occupancy is issued for the Project.

ARTICLE III–PAYMENT

Company acknowledges that the inducement to Town to provide a reduction in the building permit fees for the Project is the promise of Company to construct a facility with a capital investment equal to or greater than Sixty-Five Million Dollars (\$65,000,000) by no later than September 30, 2008, which deadline shall be extended by the Town Council for up to two (2) six (6) month periods provided that the Commencement Date under the Fixed Assessment Agreement between the Town and the Company is similarly extended. If Company fails to construct a facility with a capital investment equal to or greater than Sixty-Five Million Dollars (\$65,000,000) by September 30, 2008 or at the end of any approved extensions, it shall repay Town any building permit fee savings on written demand of Town.

ARTICLE IV - ASSIGNMENT

Company may not assign its rights and obligations under this agreement except with permission of the Town Council, which permission shall not be unreasonably denied. Notwithstanding the foregoing, the Town and the Company agree that the Company may assign its rights and interests in this Agreement without the permission of the Town Council (i) to any parent, grandparent, subsidiary or affiliate of the Company, (ii) to any company into which the Company or its parent or grandparent is merged or which results from the merger of the Company, or its parent, grandparent with any other entity, or (iii) to any purchaser of the Project in connection with a sale/leaseback or other financing arrangement including but not limited to the holder of any mortgage on the Project. All of the terms and provisions of this Agreement shall be binding on and inure to the benefit of all of the successors and assigns of the parties hereto.

[Remainder of page is intentionally blank.]

[Signature page follows.]

IN WITNESS WHEREOF, this Building Permit Fee Reduction Agreement has been executed by authorized representatives of the parties hereto and is effective as of the aforesaid date.

TOWN OF WINDSOR

By: _____

Name: _____

Title: _____

ING NORTH AMERICA INSURANCE CORPORATION

By: _____

Name: _____

Title: _____

EXHIBIT A
APPLICATION FEE SCHEDULE

40232035 v2 - CAMILLMJ - 025388/0002

<u>Fines and Fees</u>	<u>Fund</u>	<u>Authority</u>	<u>Fee</u>	<u>Last Action</u>
Development Services				
Building Inspection				
Building Permit	General Fund	Resolution	\$30 for 1st \$1,000	12/05/1997
Building Permit	General Fund	Resolution	\$13/\$1,000 after 1st	6/21/1999
Square footage price used to calculate cost of a new home	General Fund	Resolution	\$75 per sq.ft.	5/05/2003
Re-inspection fee on contractor projects	General Fund	Resolution	\$25 per inspection	5/05/2003
Working without permits	General Fund	Resolution	A fee equal to double permit fee	5/05/2003
Coin-Operated Self-Serve Laundry License	General Fund	Resolution	\$50/year	5/05/2003
Coin-Operated Self-Serve Laundry License Renewal	General Fund	Resolution	\$30/year	5/05/2003
ZBA Residential Appeal & Application Fee	General Fund	ZBA	\$80	5/05/2003
ZBA Commercial/Ind. Appeal & Application Fee	General Fund	ZBA	\$125	5/05/2003
Motor Vehicle Location Approvals	General Fund	ZBA	\$70	5/20/1985
Motor Vehicle Location Reapprovals	General Fund	ZBA	\$35	5/20/1985
Maps - photocopy	Special Revenue	Resolution	\$4	5/01/1989
Fire Prevention				
Blasting permits	General Fund	CGS Chapter 541, Section 29-349	\$20	10/01/1987
Storing explosives	General Fund	CGS Chapter 541, Section 29-349	\$25	10/01/1987
Wood stoves	General Fund	Resolution	\$30	4/27/2005
Oil tanks	General Fund	Resolution	\$30	4/27/2005
Commercial Amusement Fee	General Fund	Resolution	\$100 fee & \$1,000 bond	6/29/1981
Inland Wetlands				
Summary Ruling:				
Residential lot containing wetlands or regulated area	General Fund	CGS 22a-36 to 22a-45	\$100 per lot	4/01/2005
Modification to existing owner-occupied lot	General Fund	CGS 22a-36 to 22a-45	\$25/lot	5/12/1989
Agricultural or recreational regulated area affected by proposed activity	General Fund	CGS 22a-36 to 22a-45	\$100 per lot	4/01/2005
Commercial, industrial or residential multi-family or other use	General Fund	CGS 22a-36 to 22a-45	\$300 plus \$100/lot or acre	5/12/1989
Plenary Ruling:				
Residential lot containing wetland or regulated area	General Fund	CGS 22a-36 to 22a-45	\$200 per lot	5/12/1989
Agricultural or recreational with reg. area affected by proposed activity	General Fund	CGS 22a-36 to 22a-45	\$200 per acre	5/12/1989
Commercial, industrial or multi-family or other use	General Fund	CGS 22a-36 to 22a-45	\$600 plus \$100/lot or acre	5/12/1989
Permit revisions as they affect wetlands/watercourses	General Fund	CGS 22a-36 to 22a-45	\$90	4/01/2005
Wetlands permit renewal	General Fund	CGS 22a-36 to 22a-45	\$70	4/01/2005
Amendments to map or regulations	General Fund	CGS 22a-36 to 22a-45	\$250	4/01/2005
Cease and desist order	General Fund	CGS 22a-36 to 22a-45	\$250	4/01/2005

**Town of Windsor
Finance Committee Minutes
Ludlow Room
March 20, 2006**

Unapproved Minutes

PRESENT: Committee Chairman Al Simon, Councilor Wayne Mulligan, Councilor William Herzfeld

STAFF: Peter Souza, Town Manager; Kelly Barrett, Budget Analyst; Charlotte Foley, Assistant Finance Director; Charles Petrillo, Director of Health

GUESTS: John Berky, Executive Director of Summerwind; Peter DeMallie, (President) Summerwind Board of Directors; Jane Goodale, (Vice President) Summerwind Board of Directors

1. CALL TO ORDER

Chairman Simon called the meeting to order at 5:31 p.m.

2. PUBLIC COMMENT

None.

3. UPDATE/REPORT FROM SUMMERWIND

John Berky, Executive Director of Summerwind gave an overview of the Summerwind status. He stated the trial versus the insurance company (for the canopy) was concluded in January and early February. There is no timeline of when a decision will be made by the court, however, Summerwind is hoping it will be within 30 days or so.

Mr. Berky stated that negotiations are still ongoing with banks that have provided loans. Summerwind is attempting to "clear decks" of outstanding bank debts.

Summerwind does not plan on having a full season for 2006. They are suggesting a 4th of July concert be sponsored by the Town of Windsor where a bandshell will be used without the canopy. It is hoped that this concert will help to keep Summerwind alive and known to the public and potential sponsors for future events.

Committee members asked a number of questions related to outstanding debts and obligations. Committee members also asked questions regarding the viability of future seasons and rebuilding the tent. Summerwind Board of Director members responded that they are committed and need to clear the books of debts, get through the court case and then they can start to rebuild the Board of Directors and sponsorships.

Councilor Mulligan asked about judgement timing. Mr. Berky stated that there is no set time frame right now. They are hoping within the next 30 or maybe 60 days.

Councilor Mulligan inquired about the ability to reuse existing concrete footings. Mr. Berky responded that the goal is to design the canopy so it will use the existing footings.

4. FY 07 BUDGET REVIEW

Town Manager Souza provided an overview of the preliminary FY 07 budget. He stated that:

- Expenses are expected to increase by 6.8% overall
- Energy, Health insurance and Personal costs are primary drivers of expenditures
- State Aid is projected to be flat from FY 06 to FY 07

- Building Permit fees are increased significantly based on two large economic development projects slated to begin this summer.

Mr. Souza also stated that the Grand list growth has been sluggish compared to past years. The projected tax increase is 1.84 mils or 6.4% over the current rate of 28.73 mils. At this point, staff is attempting to mitigate the use of the General Fund balance. Preliminarily, the General Fund balance is projected to be above 8%, which meets the town's fund balance policy.

Mr. Souza stated the proposed budget will be transmitted to the Town Council on March 31st and a Public Hearing will be held on April 3rd.

5. STAFF REPORTS

None.

6. APPROVAL OF MINUTES

Moved by Councilor Herzfeld and seconded by Councilor Mulligan to approve the February 27, 2006 minutes as presented.

Motion Passed 3-0-0

7. ADJOURNMENT

Moved by Councilor Herzfeld and seconded by Councilor Mulligan to adjourn the meeting at 6:25 p.m.

Motion Passed 3-0-0

Respectfully submitted,

Peter Souza
Recording Secretary