

**TOWN OF EAST HAMPTON
TOWN COUNCIL MEETING
TUESDAY MAY 28, 2019
6:30PM**

**East Hampton Municipal Building
Quarterly Update – May 28, 2019**

Prepared by C&E Enterprise, LLC.

1. Schedule Update:

- *We are currently running right on schedule.*
- *Substantial Completion expected on 3/9/20.*
- *Steel has been erected and exterior framing has started.*

2. Current Financials:

- *Please see the attached report with invoices through 5/15/19*
- *Jeff Jyllka and I along with the members of the Building Committee will be continuing to closely watch the project and interest expenses throughout the duration of the construction process. We are monitoring all potential change orders and pushing back when items do not make sense or do not appear to be the responsibility of town. We are also prepared to adjust the project as necessary in the event that the interest expense continues to creep.*

3. Project Progress to Date:

- *We have the building permit and all of the mechanical permits at this time. We are just waiting on the Fire Suppression permit.*
- *The foundation is completed and steel has been erected. The roof trusses are being installed. Slabs are being poured and the mason has started on the elevator shafts and stairwells.*
- *Mechanicals are being installed and exterior walls on the Town Hall portion have been started.*
- *Roof drains are installed. There were a couple of conflicts with bridging but those have been worked out.*
- *The Water Tank was delivered last week and is being set and filled this week.*

- *Curbing is being installed at the PD and topsoil screening has begun. It is Richard's desire to get the site stabilized as quickly as possible with grass where it makes sense.*
- *We continue to have unprecedented levels of rainfall but fortunately, have not had issues recently with any sediment into the lake. Having the road boxed out and nearing it's completion seems to be controlling this situation.*

4. Architect Update re: Design Progress

- *The architect continues to do all submittal reviews and respond to all RFI's. They have worked with the state to ensure that the Clerks area is correct and the vault is meeting all of the their requirements.*
- *The final pricing for the high-density storage came in with some significant savings and we just received the final pricing for the FF&E package and this is under budget as well. We will be going through the FF&E to make sure we can capture as much savings as possible and removing anything that is not essential.*

IMPORTANT DATES

Substantial Completion – March 9, 2020

East Hampton Municipal Building - Financial Statement

AIA DOCUMENT G703

PAGE 1 OF 2 PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing Contractor's signed Certification is attached.
In tabulations below, amounts are stated to nearest dollar.
Use Column I on Contracts where variable retainage for line items may apply.

SEE ATTACHED ADDENDUM

APPLICATION NUMBER: 5
APPLICATION DATE: 5/15/2019
PERIOD TO: 5/15/2019
ARCHITECT'S PROJECT NO: East Hampton Town Hall / Police Station / BOE Building

A	B	C	D	E		G	H	I	J	
ITEM NO.	DESCRIPTION OF WORK	BUDGETED SCHEDULED VALUE	ACTUAL VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G / I)	BALANCE TO FINISH (C-G)	RETAINAGE
				FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
	Unit Renovations									
1	General Conditions & Soft Costs	\$ 3,636,067.00	\$ 2,787,747.40	\$ 942,706.09	\$ 795,490.12	\$ -	\$ 1,738,196.21	47.80%	\$ 1,049,551.19	\$ -
2	Insurance & Bonds	\$ 355,453.00	\$ 500,000.00	\$ 48,080.00	\$ 238,624.67	\$ -	\$ 286,704.67	80.66%	\$ 213,295.33	\$ -
4	Construction Costs	\$ 12,760,395.00	\$ 15,334,228.00	\$ 488,901.00	\$ 2,986,063.40	\$ -	\$ 3,474,964.40	27.23%	\$ 11,859,263.60	\$ -
62	Design / Estimating Contingency	\$ 1,014,150.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -
63	Owner's Contingency*	\$ 1,214,935.00	\$ 359,024.60	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 359,024.60	\$ -
	TOTALS	\$ 18,981,000.00	\$ 18,981,000.00	\$ 1,479,687.09	\$ 4,020,178.19	\$ -	\$ 5,499,865.28	28.98%	\$ 13,481,134.72	\$ -

* The Owner's Contingency is inclusive of the CM Contingency.

ECONOMIC DEVELOPMENT COMMISSION



May 24, 2019

East Hampton Town Council
Town of East Hampton
20 East High Street
East Hampton CT 06424

Dear Town Council:

Thank you for accepting this letter as the Economic Development Commission's recommendation to provide Wayne Rand and KOCO Daycare with a tax abatement. After review of their application, lease documents, tax records and information provided by the Town Assessor, we have scored the property with a 51 per the Town ordinance. As a result of this score and through discussions with Mr. Rand and KOCO Daycare they opted for a 5-year tax abatement at 50%. This is consistent with what is allowed in the Town ordinance.

The following is how our commission scored the application:

- Location: 7 points out of 10 points
- Use in accordance with the POCD: 0 points out of 10 points
- Brownfields: 0 points out of 10 points
- Use of existing vacant property: 0 points out of 10 points
- Number of jobs created: 10 points out of 10 points
- Cost of services to the Town: 5 points out of 5 points
- Design: 10 points out of 10 points
- Sustainability: 6 points out of 10 points
- Investment: 13 points out of 15 points

Total: 51 points out of 90 points.

Per section 278-40 of the Town ordinance, the 51 point total allows the applicant to receive a second tier benefit which is 70% fixed assessment for 3 years or 50% fixed assessment for 5 years. As you can see from the Assessors Chart this would hypothetically provide the applicant with \$31,171.84 of tax relief over the five-year period.

I look forward to answering any questions you may have related to this application.

Best regards,

Ted Turner, Chairman
Economic Development Commission



RECEIVED FOR RECORD
TOWN CLERK'S OFFICE

2019 MAR 20 AM 11 45

KELLY BILODEAU TC
EAST HAMPTON, CT 06424

Business Incentive Program Application

Name: Koco Child Care Center

Phone: 860-267-6080

Name of Business: Koco Child Care Center

Location for Business: 207 B West High Street

Is the location a Brownfield as designated by the East Hampton Brownfields Agency: Yes/ No

Is the location currently a vacant building: Yes/ No

How many FTE will the business employ: 10-15

Please provide a narrative about this business, the services it will provide, the people it will employ and the benefits to East Hampton.

What additional services may be required by the Town:

Bus pick up and drop off.

Do you plan to use sustainable / green building practices: Yes/ No

If Yes please describe:

R-50 Insulation for energy savings / LED Lighting 95% efficient furnaces Grass Playgrounds LESS Impervious surfaces / Doug Fir Lumber

What is the estimated dollar amount you plan to invest in the build out and development of this business: 640,000 Building FEES By Town of E Hampton
280,000 Other Costs 920,000 total



Business Tax Incentive Application

Thank you for considering East Hampton as a place to start your business. East Hampton is a community of approx. 13,000 residents living in approximately 36.7 square miles. Our community offers numerous natural attractions including the largest natural lake in the state, the Salmon River, the Connecticut River, the airline trail and numerous state forests. East Hampton is a great place to work and live.

East Hampton is working on promoting smart business growth within our community. As a result, in 2013 the Town Council unanimously passed the Business Incentive Ordinance Chapter 278 Article IX into law. This piece of legislation provides a scoring rubric for new businesses and depending on the score received the business can receive a deferral on their assessment in an effort to ease a new businesses' tax burden.

Process:

1. **Complete an application:** To file an application for a Business Tax Incentive the owner of the business must fill out an application. Applications can be retrieved from the Town Manager's office or online at www.easthamptonct.gov
2. **Application Submission:** Once the application is complete it must be turned into the Town Clerk's office in duplicate so that it is officially recorded. The Clerk will pass along a copy of the application to the Economic Development Commission and notify the Town Council within 10 days of the submission.
3. **EDC Review:** The Economic Development Commission will review your application with 45 days of receipt and make a report of findings to the Town council within another 30 days. During this review they will also score your application using the 10 scoring criteria. You may be asked to attend this meeting to provide additional information.
4. **Town Council review:** If the Town Council reviews the EDC report and approves it then the applicant and Town Manger will enter into a written agreement that will document the terms and conditions of the tax abatement.
5. **Agreement approval:** The final agreement between Town Manager and Applicant must be approved by the Town Council.

*Town of East Hampton, CT
Friday, May 24, 2019*

Chapter 278. Taxation

Article IX. Business Incentive Program

[Adopted by the Town Council 10-8-2013; amended in its entirety 9-25-2018]

§ 278-32. Purpose.

The purpose of the Business Incentive Program is, in accord with the Town's Plan of Conservation and Development (POCD), to attract new businesses to the Town, promote the expansion of existing businesses (including home-based businesses relocating into commercial, industrial, and design development zones), and to encourage the rehabilitation and reuse of vacant commercial and industrial buildings. It is the intent of the Town:

- A. To assist in the creation of jobs for local residents;
- B. To create long-term tax base growth through the appropriate replacement, reconstruction, expansion or remodeling of existing business facilities;
- C. To encourage the construction of new commercial and industrial facilities in accord with the Future Land Use Plan found in the Town's POCD; and
- D. To encourage substantial investment in new machinery, equipment and other personal property subject to taxation within the Town.

§ 278-33. Program implementation by Town.

Subject to C.G.S. §§ 12-65b and 12-65h, the Town of East Hampton (the "Town") shall, by affirmative vote of its legislative body, enter into a written agreement with any party owning or proposing to acquire an interest in real property, or an interest in real property upon which is located or proposed to be located: an office use; retail use; manufacturing use; warehouse, storage or distribution use; structured multilevel parking use necessary in connection with a mass transit system; information technology; recreation facilities; transportation facilities; or mixed-use development, as defined in Subdivision (72) of C.G.S. § 12-81, fixing the assessment of the real property and all improvements to be constructed thereon, which is the subject of the agreement in accordance with the provisions of § **278-40** of this article.

§ 278-34. Duties of Economic Development Commission.

- A. The East Hampton Economic Development Commission ("EDC" or the "Commission") shall provide any property owner or lessee with general information concerning the Business Incentive Program (the "program") and prepare and supply interested parties with an application to participate in the program and any other information that may be reasonably requested by an interested party. An "interested party" is one who owns or proposes to acquire an interest in real property as defined in

C.G.S. § 12-65b and who is considering replacement, reconstruction, expansion, or remodeling of existing business facilities located or to be located in East Hampton.

- B. The EDC may perform research about any party applying to participate in the program and may request of any such party any relevant information that, in the opinion of the EDC, bears upon consideration of the application. The EDC shall obtain from the Tax Assessor an evaluation of the impact of any proposed abatement of taxes on the applicable Grand List and an estimate of the impact on future Grand Lists.

§ 278-35. General requirements.

- A. Applications properly filed with the Town will be considered for the program, provided:
- (1) The applicant must possess a good environmental practices history and be able to demonstrate adequate financial strength to finance the proposed capital improvements and expansions to the real property and machinery and equipment purchases that would be the subject of the agreement.
 - (2) The proposed use is located in an appropriate zone as defined by East Hampton's Zoning Regulations.
 - (3) The proposed use receives approvals, licenses, and permits of the East Hampton Planning and Zoning Commission and of other East Hampton, State of Connecticut and federal agencies, boards, commissions, and officials having jurisdiction with respect to the project, as required.
 - (4) No real estate property tax or other tax or fee or municipal charge due East Hampton by the applicant, the businesses, or any other business organization or entity owned or controlled by the applicant is unpaid at the time the application is submitted or at any time thereafter.
 - (5) If the applicant is relocating its business to East Hampton, the applicant should provide a five-year history of tax assessments and payments to the municipality or municipalities and/or other political subdivisions in which its business was operated.
 - (6) The project must have a clear economic benefit to East Hampton, as described by the applicant on the application.
- B. Notwithstanding the results of any scoring under § 278-39, if the project does not constitute a net benefit to the Town - economically, civically, or in quality of life - the Economic Development Commission may decline to refer the application to the Council for consideration.

§ 278-36. Application procedure.

- A. All tax incentive requests shall be made in writing on a form referred to as the "Business Incentive Program Application" ("the application"), published and provided by the EDC and approved by the Town Council ("Council"). The application and all accompanying documentation shall be submitted in duplicate at the office of the Clerk. Upon receipt by the Clerk, one copy of the application and materials shall be provided to the EDC for preliminary review, and the Clerk should provide notice to the Council that an application has been submitted. "Receipt by the Clerk" means an application and all accompanying documentation required in accordance with all applicable provisions of this article is submitted.
- B. The following time frames for action are not mandatory, but the EDC and the Council should strive to meet them: From the date of receipt by the Clerk of the application, the EDC shall have 45 days to review the application, request additional information and meet with the applicant and/or the applicant's representative. Provided the applicant has submitted all of the information required in

the application, by this article, and by the EDC, the EDC will, within 30 days thereafter, report its findings to the Council. The Council will place the report on the agenda of the next regularly scheduled Council meeting for discussion and action. If the Council approves the report, the Town Manager and the applicant shall enter into a written agreement (consistent with the proposed agreement in § 278-44.1.)

§ 278-37. Assessment of property subject to agreement.

The East Hampton Assessor shall, in the Assessor's sole discretion, determine the assessment of the real property or the personal property and any and all improvements constructed or to be constructed on or in the real property which is the subject of the agreement.

§ 278-38. Application scoring guidelines.

- A. The purpose of this article is to encourage economic growth in the Town that is in accord with the POCD in effect at the time of the given application. The POCD reflects the strongest expression of the Town's intentions for its future development, character, and quality of life. Accordingly, there is room for flexibility in scoring under criteria listed in § 278-39 of this article.
- B. When scoring a new application, the members of the EDC should strive for consistency and transparency. Like applications should receive like treatment. It is appropriate - even essential - for the EDC to consult the scoring of previously granted applications when scoring a new application. Consistency between like applications must be balanced, however, with the goals of the POCD in effect at the time. Where no similar application has been submitted, care should be taken to score the new application relative to the goals of the POCD and relative to the merits of any previous application.
- C. Only the EDC shall approve or deny an application for consideration by the Council, and its decision is not appealable. When approving or denying an application, the EDC should issue a written statement showing the scoring and explaining its reasoning. Projects recommended to the Council must evince a clear net benefit to the Town. It is recognized that evaluation of an application under this article requires a blend of quantitative and qualitative reasoning; the Commission shall strive to make that reasoning plain.

§ 278-39. Scoring criteria categories.

- A. Location; corporation; TIF District.
 - (1) Location. Only projects within those areas zoned "Commercial," "Industrial," or "Design Development" according to the Zoning Map for the Town of East Hampton (see POCD) are eligible for consideration under this article. Points under this section may be awarded for properties located in the following priority areas:
 - (a) Village Center: Properties located in the Village Center District as defined by the Zoning Map for the Town of East Hampton are eligible for a maximum of 10 points.
 - (b) Cobalt Center: Properties located on Route 66 between its junction with Old Depot Hill Road and its junction with Old Middletown Road are eligible for a maximum of seven points.
 - (2) Corporation: any company, firm, business, or concern operating as a single legal entity.
 - (3) TIF District: as defined by the Town's Tax Increment Financing (TIF) District Plan.

Maximum points: 10

- B. Use. In accord with the needs identified by the POCD and as appropriate to the site and location in Town, the following uses may qualify for points: transient housing (hotels/motels), rental housing, workforce housing, light industrial/light manufacturing, health care and medical services, high-technology businesses, retail, and dining. Projects for these uses may be awarded five points. At the EDC's discretion, "high-needs" uses under these categories may be awarded up to 10 points.

Maximum points: 10

- C. Brownfields.

- (1) East Hampton contains a number of sites designated as "brownfields" by the USEPA. Brownfields are real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Cleaning up and reinvesting in these properties protects the environment, reduces blight, and takes development pressures off green spaces and working lands — all of which are goals of East Hampton's POCD.
- (2) Any application that proposes to remediate and commit to reuse a brownfield as designated by the EPA or the State of Connecticut is eligible for 10 points.
- (3) Depending upon the project, financing and other factors, the Town may also seek to partner with the applicant for federal grant funding or supply other in-kind considerations.

Maximum points: 10

- D. Use of a vacant property. The applicant may be awarded five points if proposing to occupy a building which has been unoccupied for a period greater than 12 months at the time the applicant signed a lease or closed on the property. If, in the opinion of the EDC, the property can be considered "blighted," 10 points may be awarded.

Maximum points: 10

- E. Number of jobs created. Points may be awarded based upon the number of nonseasonal full-time-equivalent positions (FTEs) the business will generate:

FTEs	Points
1-5	5
5-10	7
More than 10	10

Maximum points: 10

- F. Cost of services to the Town.

- (1) A project or use proposed by an applicant may require the Town to assume an extraordinary cost beyond normal maintenance and upkeep. For example: a chemical manufacturer may require the Town to retrain and potentially re-equip its fire protection services. If the Commission determines such is the case, no points may be awarded under this category.
- (2) If no such cost exists, five points may be awarded.
- (3) The Commission may ask the applicant to pay for a fiscal impact analysis, to be conducted by a consultant approved by the Commission.
- (4) The applicant may be given the opportunity to show that the Commission's determination of the cost to the Town is in error; however, the Commission makes the final determination.

Maximum points: 5

- G. Design of the building or renovation. The Commission may award 10 points when the applicant can show that the design of the structure is in compliance with current Town Building Design Guidelines for its zone.

Maximum points: 10

- H. Sustainable building.

(1) The Commission may award two points for each of the following and up to 10 points total:

- (a) If the investment will result in the business generating at least 20% of its own energy requirements.
- (b) If the investment will result in the business feeding energy back into the grid.
- (c) If the project meets at minimum LEED Gold standard or equivalent. (As of this writing, LEED is the dominant evaluation system in the United States market and the one favored for use by the GSA.)
- (d) If the project requires a public transportation node such as a bus stop.
- (e) If the project supplies a recharge station for electric vehicles.
- (f) Water-saving fixtures throughout.

(2) "Sustainability" characteristics and measures are constantly evolving, and the Commission may update this list periodically as it sees fit.

Maximum points: 10

- I. Amount invested.

Points	Investment
15	\$3M or larger investment in construction or renovations
14	\$1M or larger investment in construction or renovations
13	\$800k or larger investment in construction or renovations
12	\$500k or larger investment in construction or renovations
11	A business new to that parcel investing over \$300k or a business existing on that parcel investing at least \$250k in construction or renovations
10	A business new to that parcel investing over \$200k or a business existing on that parcel investing at least \$100,000 in construction or renovations

Maximum points: 15**Total Available Points: 90**

§ 278-40. Tax incentive tiers and implementation.

- A. Depending upon the number of points an application receives, it may be denied or, subject to a vote by the Council, provided with one of tiers of tax abatement as follows:

Points	Benefit
Fewer than 24	Denied
25-44	Third-tier benefit: 70% of fixed assessment abated for 2 years, or 50% of fixed assessment abated for 4 years
45-69	Second tier benefit: 70% of fixed assessment abated for 3 years, or 50% of fixed assessment abated for 5 years
More than 70	Highest benefit: 100% of fixed assessment abated for Years 1-3, 70% of fixed assessment abated for Years 4-5, 50% of fixed assessment abated for Year 6

- B. The Town may abate real estate property taxes based on increased real property tax assessments up to but not more than the percentages shown above.
- C. The fixed assessment period shall commence the first fiscal year for which a tax list is prepared on the October 1 immediately following the issuance of a certificate of occupancy by the appropriate building official for construction of the buildings or manufacturing facilities or other structures and all improvements in or on the real property which is the subject of the agreement. Notwithstanding anything written in this article, the Town may, in its sole discretion, offer to enter into an agreement with the applicant for the abatement of taxes of a lesser percentage and/or fewer years.
- D. On a case-by-case basis, the Town may provide other incentives in addition to the incentives provided by C.G.S. §§ 12-65b and 12-65h or in lieu thereof as follows:
- (1) Waiver of building permit fees;
 - (2) Waiver of filing fees with land use agencies; or
 - (3) Provision of in-kind services such as construction of access roads, or road widening, construction of storm drains and culverts, sidewalks, or curbing, extension of water and/or sewer lines or other public improvements.
- E. Machinery and equipment defined in Subdivision (72) of C.G.S. § 12-81 and intended to qualify for tax relief pursuant to C.G.S. § 12-65h shall have, for federal income tax purposes, a depreciable useful life of five or seven years.
- F. Construction shall commence within six months of, and not prior to, approval by the Town and shall be completed no later than 24 months from the date of approval by the Town. The times for commencement and completion of the construction are mandatory, except the applicant's performance may be excused when the applicant is prevented from performing by causes beyond the applicant's control, including natural disasters or other calamities or a local, state or national declared state of emergency.

§ 278-41. Default by owner or lessee; recapture of abated taxes.

- A. Abatement of taxes under this article constitutes a municipal subsidy to the successful applicant. In the event that the applicant fails to meet negotiated benchmarks or other requirements as described herein, they shall, by the terms of the agreement, be required to repay all abated amounts, consistent with C.G.S. § 12-146 as of the date of default.
- B. In addition to the specific timing benchmarks noted in § 278-40, the Town is encouraged to establish relevant benchmarks to be met by a successful applicant related to the nature of the business or the project. At a minimum, they must include the following triggers:
- (1) In the event the owner or lessee of the real property: (a) at any time fails to pay real estate and/or personal property taxes when due and payable; (b) fails to commence or complete on time the construction of all improvements upon the property which is the subject of the

agreement; (c) within 10 years of the date of the agreement, the applicant becomes insolvent or bankrupt or files any debtor proceedings or others file such debtor proceedings against the owner or lessee, in any court, in any jurisdiction, state or federal, and does not withdraw such filing within 90 days or such other proceedings have not been dismissed or withdrawn by such other parties within 90 days or makes an assignment for the benefit of creditors or if the property or lease is taken under a writ of execution or becomes the subject of foreclosure proceedings; (d) abandons at any time the real property or, in the case of the lessee, purports to assign its lease without the express consent of the Town as set forth in § 278-42 of this article; or (e) fails to perform any obligation of owner or lessee or attain any benchmark set under the terms of the agreement; such event shall constitute a material default of the agreement, and the Town may terminate the agreement on the giving of written notice whereupon:

- (a) The right of the owner and/or lessee under the terms of the agreement shall cease and come to an end; and
 - (b) The property owner and/or lessee shall be obligated to repay the Town the amounts of all tax abatements retroactive to the due date of the first abated tax payment plus interest at the rate set and payable pursuant to the provisions of C.G.S. § 12-146, all waived fees, if any, and all actual costs to the Town in providing in-kind considerations to the property owner and/or the lessee.
- (2) In the event of failure to pay a tax when due and if such delinquency continues for six months and one day, the Town shall terminate the agreement whereupon (i) the right of the owner and/or lessee to receive the tax abatement and any other considerations granted under the terms of the agreement shall be terminated; and (ii) the property owner and/or lessee shall be obligated to repay the Town the amounts of all tax abatements retroactive to the due date of the first abated tax payment plus interest at the rate set and payable pursuant to provisions of C.G.S. § 12-146, all waived fees, if any, and all actual costs to the Town in providing in-kind considerations to the property owner and/or the lessee.

§ 278-42. Recapture terms.

It is of no benefit to East Hampton to drive an applicant in default into further economic straits by virtue of an onerous repayment plan. Terms for the recapture of abated taxes as described in § 178-41 should be calculated to ensure the recapture of the highest possible percentage of public funds, taking into account the fiscal reality of the applicant, the circumstances of the default, and the state of the project.

§ 278-43. Assignment of agreement.

The agreement between the Town and the applicant shall not be assigned by the applicant to any person(s) or business organization or entity or estate or trust without the express consent of both the Council and the EDC, which shall signify their consents by an affirmative vote taken at a separate meeting of each body duly noticed for the stated purpose. A conveyance of real property or a transfer of ownership of the business or substantially all of the assets of the business which is the subject of the agreement to a person or business organization or entity that is not owned or controlled by the applicant shall not constitute a valid assignment of the agreement or vest any rights under the agreement in the grantee of the real property or transferee of the business or of the assets of the business or allow for enforcement of any obligations of the Town against the Town by the grantee or transferee, including, but not limited to, any remaining tax abatements under the terms of the agreement. A "controlled entity" means a business which is 80% or more owned by the grantor or transferor.

§ 278-44. Amendments to applicable statutes.

All references in this article to C.G.S. § 12-65b or 12-65h or 12-81 or any other section of C.G.S. made herein shall include all amendments to such statutes enacted and signed into law subsequent to the effective date of this article.

§ 278-44.1. Proposed agreement.

FORM OF AGREEMENT
TOWN OF EAST HAMPTON
AGREEMENT REGARDING REAL
PROPERTY TAX ASSESSMENT

EAST HAMPTON, CONNECTICUT

This Agreement is entered into this ____ day of _____ by and between the TOWN OF EAST HAMPTON, a municipal corporation and body politic having its corporate limits located within the County of Middlesex and State of Connecticut (hereinafter the "Town"), and _____ of East Hampton, Connecticut ("Company"), a Connecticut corporation with a principal place of business at _____, East Hampton, Connecticut.

WITNESSETH:

WHEREAS, Company is responsible to pay all real property taxes associated with the real property known as _____ East Hampton, Connecticut ("the Real Property"); and

WHEREAS, Company intends to make improvements to the land and structures on the Real Property, including the construction of approximately _____ square feet of commercial office building and associated site improvements located on the Real Property (the "Facility"); and

WHEREAS, the estimated costs to be invested by Company in making the above-described improvements to and constructing the Facility on the Real Property will be a minimum of \$ _____; and

WHEREAS, the Town, acting by and through its duly authorized Tax Assessor, will assess and value the Real Property and personal property on the Grand List of October 1, 2018.

WHEREAS, the Town wishes to assist Company in its plans to add real property and personal property value to the Town's tax base; and

WHEREAS, the Town wishes to assist Company to develop its _____ plans to be submitted and approved to the Planning and Zoning Commission; and

WHEREAS, in consideration of the above, the Town is willing to provide tax relief to Company pursuant to the East Hampton Business Incentive Program Ordinance as a Tier ____ tax abatement for a period of _____ years commencing with the first date that tax payments are due under the Grand List following the date of issuance of the Certificate of Occupancy for the Facility (the "Abatement Term"); and

NOW, THEREFORE, in consideration of the foregoing, the parties hereby covenant and agree that:

1. **Cost of Improvements:** The costs for the improvements shall equal or exceed \$ _____ in construction costs. Company will install and properly account to the Town for all taxable personal property assets added to or installed in the Facility.
2. **Certificate of Occupancy:** Company will commence construction within six months, and not prior, to this Agreement and complete construction and obtain a Certificate of Occupancy not later than 24 months from the date of this Agreement. Company shall actively operate or cause said Facility to operate as _____ at the Real Property for not less than the Abatement Term from the date of the Certificate of Occupancy.
3. **Employment:** Company shall use its best efforts to employ or cause to be employed at least ____ full-time and ____ part-time employees at said Facility throughout the Abatement Term.
4. **Reduction of Assessment:** Commencing with the issuance of a Certificate of Occupancy, the Real Property tax assessment shall be established on the Grand List for the period following the

issuance of the Certificate of Occupancy, and the Town shall grant to Company a ____% reduction in its Real Property assessment such that the net effect of the reduced assessment reduces the tax liability for the Real Property in the amount of \$_____ over the _____ year period according to a schedule attached hereto as Exhibit A, including the above-described Improvements and the construction of the Facility (the "Abatement").

5. Abatement Period: The Abatement Term shall be for a period of _____ years commencing with the first date that tax payments are due under the Grand List following the date of issuance of a Certificate of Occupancy for the Facility; provided, however, that if such assessment is changed by any future Town revaluation, the tax payments due under the new assessed value of the Real Property shall be adjusted for the remainder of the Abatement Term in accordance with the terms of the Abatement set forth in Paragraph 4 above.
6. Tax Payment: Company shall maintain all tax obligations owed by it to the Town current and in good standing during the Abatement Term.
7. Certification of Value of Site Improvements: Company shall be required to provide proof via affidavit of an appropriate officer within one year after the commencement of operations at the Facility as to a) the actual value of the site improvements and that said improvements are substantially in conformance with the provisions hereof as to the scope of construction; b) the cost of construction (a minimum of \$_____.00); and c) the number and type (full-time or part-time) of employees employed at such Facility.
8. Ongoing Employment Obligations: Notwithstanding anything herein contained to the contrary, Company and the Town acknowledge and agree that, while Company shall make every good-faith effort to maintain and employ at least _____ full-time and _____ part-time employees during the Operating Term, economic circumstances, financial considerations, and employee transience may make it impossible to maintain precisely the level of employment described herein. Accordingly, Company and the Town acknowledge that variations in the numbers of employees will occur and may continue for unspecified periods of time during the Operating Term of this Agreement. Company will, upon request, disclose to Town its employment statistics no more than once per year. Subject to the above requirement of good faith and Company's cooperation in disclosing all efforts made to comply with the employment parameters stated herein, such variations shall not otherwise constitute a default of this Agreement, provided the Facility is operating in accordance with applicable law and Company is in compliance with the terms of this Agreement in all other respects.
9. Default: The following events shall constitute an event of default: Company at any time fails pay real estate and/or personal property taxes when due and payable; or Company fails to commence or complete on time the construction of all improvements upon the property which is the subject of the agreement; or Company, within 10 years of the date of the Agreement, becomes insolvent or bankrupt or files any debtor proceedings or others file such debtor proceedings against the owner or lessee in any court, in any jurisdiction, state or federal, and does not withdraw such filing within 90 days, or such other proceedings have not been dismissed or withdrawn by such other parties within 90 days; or Company makes an assignment for the benefit of creditors; or Company property or lease is taken under a writ of execution or becomes the subject of foreclosure proceedings; or Company abandons at any time the real property or in the case of the lessee purports to assign its lease without the express consent of the Town as set forth in this Ordinance; or Company fails to perform any obligation of owner or lessee or attain any benchmark set under the terms of this Agreement. In such event of default, the Town shall provide notice to the Company of such event of default, and the Company shall have 30 days from such notice within which to cure such default. In the event Company fails to cure the default with 30 days of such notice, then this Agreement shall be null and void, and the Company shall reimburse the Town for all tax relief provided to Company, retroactive to the due date of the first abated tax payment, plus interest at the rate set and payable pursuant to the provisions of Conn. Gen. Stat. § 12-146, or other applicable statute, plus all prior waived fees, if any, plus all actual costs to the Town in providing in-kind considerations to the Company, and the Town shall be under no obligation to grant further tax relief hereunder.
10. Legal Action to Enforce the Terms: In the event that the Town must resort to legal action to enforce the terms of this Agreement, any amount determined by a Court of competent jurisdiction

to be due from Company shall be subject to interest at the rate of 18% per annum. Such interest shall accrue from the postmark date for the notice of default described in Paragraph 9. In addition, the Town shall be entitled to recover from Company all costs of collection, including reasonable attorneys' fees, incurred in enforcing this Agreement.

11. No Further Abatement: Company acknowledges and agrees that the Abatement offered pursuant to this Agreement is not binding upon the Town and shall not continue, beyond the _____ year Abatement Term agreed to herein.
12. No Admission as to Values: Company and the Town acknowledge and agree that the values placed upon the Real Property, the Facility, and/or the Improvements as a result of the Abatement shall not now or at any other time be construed as an admission by any party or as evidence of any kind as to the true fair market value of the Real Property, the Facility, and/or the Improvements.
13. Notices: All notices hereunder are to be sent by the Town to Company at the following address or to such other address as requested by the Company or its successors or assigns: _____, East Hampton, CT 06424 Attention: _____. All such notices shall be sent via certified mail, return receipt requested, or overnight mail service. Notices are deemed effective upon delivery. Any refusal to accept such delivery shall still constitute the delivery of proper notice.
14. Assignment: Company may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written authorization of the Town Council and Economic Development Commission, which shall signify their consents by an affirmative vote taken at a separate meeting of each body duly noticed for the stated purpose. A conveyance of the Real Property or a transfer of ownership of the Company business or substantially all of the assets of the Company to a person or business organization or entity that is not a "controlled entity" which is owned or controlled by the Company shall not constitute a valid assignment of the Agreement or vest any rights under the Agreement in the grantee of the Real Property or transferee of the Company or the assets of the Company or allow for enforcement of any obligations of the Town against the Town by the grantee or transferee, including, but not limited to, any remaining tax abatements under the terms of the Agreement. A "controlled entity" means a business which is 80% or more owned by the Company as grantor or transferor.
15. Release of Liability: Company and/or its successors or assigns releases the Town and its agents, servants and employees from any and all liability, of whatever nature, legal or equitable, which may have arisen or which may arise in connection with this Agreement, including the implementation hereof.
16. Indemnification: Company and/or its successors or assigns shall defend and indemnify the Town and any of its agents, servants and employees against any action, claim or suit of any nature whatsoever, arising from the Town's being a party to this Agreement and/or any undertaking of its obligations hereunder.
17. Execution: This Agreement has been executed by the parties' respective agents, duly authorized and acting in his or her official capacity.
18. Amendment: This Agreement may be amended only by mutual consent of the parties, and any amendments to this Agreement shall be in writing and shall be duly executed and dated by the respective parties.
19. Complete Agreement: This Agreement represents the entire and complete understanding and agreement of the parties, and any and all prior written or oral agreements not otherwise contained in this Agreement shall be and are hereby null and void and of no force or effect.
20. Choice of Law and Venue: In the event that litigation or other dispute resolution process arises, all litigation and dispute resolution shall take place in the State of Connecticut, Judicial District of Middlesex, and the Agreement shall be construed in accordance with Connecticut law, without regard to its conflict of law provisions.
21. Notice of Tax Abatement: Upon the execution of this Agreement, a copy of this Agreement or a proper "Notice of Tax Abatement Agreement" shall be filed upon the land records of the Town with respect to the Real Property.
22. Special Conditions: In addition to all other terms and conditions of this Agreement, the Town's obligations under this Agreement are conditioned on the following ("the Conditions"):

- (a) Project Financing: Company demonstrates to the reasonable satisfaction of the East Hampton Finance Director that it has private financing and state and federal grants in place in an amount sufficient to undertake and complete the project;
- (b) Property Maintenance: Company demonstrates that it has maintenance contracts in place to keep the property maintained during the period of construction;
- (c) Non-Transferable: As set forth in Paragraph 14 herein, Company acknowledges and affirms that this tax abatement is non-transferable and any transfer of the tax abatement to a non-related entity shall be an event of default; and
- (d) _____ [other specific terms]

In the event that the Company fails to satisfy the Conditions set forth in this Special Conditions paragraph, this Agreement shall be null and void and the Real Property as improved shall be assessed in accordance with the Connecticut General Statutes without regard to the terms and conditions of this Agreement.

SIGNATURES FOLLOW

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first written above.

Witnessed By:

COMPANY:

By: _____

Its CEO, Duly Authorized

Witnessed By:

TOWN:

By: _____

Its Town Manager, Duly Authorized

LEASE

AGREEMENT OF LEASE made as of this 31st day of July, 2018, between **WEST HIGH ENTERPRISES, LLC**, having its principal place of business in East Hampton, Connecticut (hereinafter referred to as "Landlord") and **KIDS OF CHATHAM ORGANIZATION, INC.**, a Connecticut non-stock, non-profit corporation having its principal place of business in East Hampton, Connecticut (hereinafter referred to as "Tenant").

WITNESSETH:

1. **Terms and Definitions.** For the purposes of this Lease, the following terms shall have the following definitions and meanings:

- (a) Landlord: **WEST HIGH ENTERPRISES, LLC**
- (b) Landlord's Address: **244 Middletown Avenue
East Hampton, CT 06424**
- (c) Tenant: **KIDS OF CHATHAM ORGANIZATION, INC.**

Trade Name of Tenant: **KOCO CHILDCARE CENTER**

Tenant's Address: **151 East High Street
East Hampton, CT 06424**
- (d) Store or Suite Number (the "Premises"):
- (e) Building Address: **207 WEST HIGH STREET
EAST HAMPTON, CT**
- (f) Location of Premises: **Structure to be built**

The Landlord shall, at its expense, construct the Building, to contain the Premises substantially in accordance with the site plan which has been agreed to by Landlord and Tenant, attached hereto as Exhibit "B-1", and made a part hereof, and outline specifications to be attached hereto as Exhibit "B-2", and made a part hereof, which shall be as mutually agreed upon by Landlord and Tenant. The Landlord shall complete construction within nine (9) months from the date that Landlord obtains municipal approvals for the Building, but this date shall be extended for delays in construction resulting from causes beyond Landlord's control. Construction shall be deemed to have been completed when the Landlord sends Tenant written notice of completion.

- (g) Premises: Those certain premises defined in Paragraph 2 herein below.
- (h) Property: The parcel or parcels of real property, together with all buildings thereon, defined in Subparagraph 2 below.
- (i) Approximate Rentable Square Feet within Premises: **8,000**
- (j) Term: 10 Lease Years and 0 months.
- (k) Leasehold Improvements: **See Exhibit B**
- (l) Commencement Date: **The Date of Issuance of a Temporary Certificate of Occupancy for the Building**
- (m) Rental Commencement Date: **The Commencement Date**
- (n) Annual Basic Rent:
YEAR 1 \$120,000.00 ANNUALLY / \$10,000.00 MONTHLY
YEAR 2 \$123,000.00 ANNUALLY / \$10,250.00 MONTHLY
YEAR 3 \$126,075.00 ANNUALLY / \$10,506.25 MONTHLY
YEAR 4 \$129,226.92 ANNUALLY / \$10,768.91 MONTHLY
YEAR 5 \$132,457.56 ANNUALLY / \$11,038.13 MONTHLY
YEAR 6 \$135,768.96 ANNUALLY / \$11,314.08 MONTHLY
YEAR 7 \$139,163.16 ANNUALLY / \$11,596.93 MONTHLY
YEAR 8 \$142,642.20 ANNUALLY / \$11,886.85 MONTHLY
YEAR 9 \$146,208.24 ANNUALLY / \$12,184.02 MONTHLY
YEAR 10 \$149,863.44 ANNUALLY / \$12,488.62 MONTHLY
- (o) Option to Extend Term: 1 period of 10 years. Basic Rent payable as follows:

Basic Rent for the first year of the Option Term, shall be the greater of (i) \$153,610.08 annually / \$12,800.84 monthly; or (ii) the Annual Rental payable during the first (1st) year of the initial term of the Lease increased by the positive percentage change in Consumer Price Index – Urban Consumers (Northeast Region) published by the U.S. Department of Labor, Bureau of Labor Statistics (the "Index") nearest to the first month of the Option Term as compared with the Index published closest to the Commencement Date. For each of the remaining lease years of the Option Term after the first year of the First Option Term, the Annual Rental shall be increased each lease year by two and one half percent (2 ½%). The amount of monthly installments of the basic Annual Rental shall be adjusted accordingly upon the commencement of each new

lease year so that the Tenant shall continue to pay the new applicable adjusted Annual Rental in equal monthly installments payable in advance on the first day of each and every month.

- (p) Tenant's Percentage: **100%**
- (q) Security Deposit: **\$10,000.00**
- (r) Permitted Use: **LICENSED DAY CARE FACILITY**
- (s) Broker(s): **CENTURY 21 ALL POINTS REALTY**
Party to Pay Broker's Commission: **LANDLORD**
- (t) Landlord's Construction Representative: **WILLIAM WAYNE RAND**
- (u) Tenant's Construction Representative: **TO BE DETERMINED**
- (v) Exhibits: A through B inclusive, which Exhibits are attached to this Lease and are incorporated herein by this reference.

2. **Lease of Premises and Terms.**

(a) Landlord hereby leases to Tenant and Tenant hereby leases from Landlord certain premises (hereinafter referred to as the "Premises") located in a building to be built at **201 WEST HIGH STREET, EAST HAMPTON, CT** (the "Building"), located on property known as **207 WEST HIGH STREET, EAST HAMPTON, CT** (the "Property"), said Premises being agreed for purposes of this Lease to have an area approximately the number of rentable square feet designated in Paragraph 1(i), being located as designated in Paragraph 1(f) above, and being shown on Exhibit A attached hereto. In addition to the Premises, Tenant shall be provided with the use of an approximately 13,500 square feet area adjacent to the Building to be used by Tenant as a playground. Tenant shall be responsible at its sole cost and expense, maintenance, insuring and securing of said playground area and shall indemnify, defend and save Landlord harmless from all matters pertaining to same.

(b) The term of this Lease shall be for the period designated in Paragraph 1(j) commencing on the Commencement Date designated in Paragraph 1(l), and ending on the expiration of such period, unless the term hereby demised shall be sooner terminated as hereinafter provided. If the Commencement Date is not the first day of a month, then a period equal to the partial month beginning with the Commencement Date shall be added to the term. The term "Lease Year" shall mean each of the successive periods of twelve (12) calendar months which fall in the term, beginning with the first day of the first month following the Commencement Date (or beginning with the Commencement Date, if that is the first day of a month).

3. **Annual Basic Rent.** Tenant agrees to pay Landlord as Annual Basic Rent for the Premises the Annual Basic Rent designated in Paragraph 1(n) in twelve (12) equal monthly installments, each in advance on the first day of each and every calendar month during said term, except that the first month's rent together with the Security Deposit shall be paid upon the execution hereof. In the event the term of this Lease commences or ends on a day other than the first day of a calendar month, then the rental for such periods shall be prorated in the proportion that the number of days this Lease is in effect during such periods bears to thirty (30), and such rental shall be paid at the commencement of such periods. In addition to said Annual Basic Rent, Tenant agrees to pay the amount of additional rent and the rental adjustments as and when hereinafter provided in this Lease. Said Annual Basic Rent, any additional rent payable pursuant to the provisions of this Lease and any rental adjustments shall be paid to Landlord without any prior demand therefor and without any deduction or offset whatsoever in lawful money of the United States of America, which shall be legal tender at the time of payment, at the address of Landlord designated in Paragraph 1(b) or to such other person or at such other place as Landlord may from time to time designate in writing. Further, all charges to be paid by Tenant hereunder shall be considered additional rent for the purposes of this Lease, and the word "rent" in this Lease shall include such additional rent unless the context specifically or clearly implies that only the Annual Basic Rent is referenced.

4. **Condition of the Premises.** Subject to Landlord's completion of its work pursuant to Paragraph 1(f) herein, Tenant represents that Tenant, prior to taking occupancy of the Premises, Tenant will have inspected the Premises, the Building and the Property and will be thoroughly acquainted with their condition and will take the Premises "as is," and the taking of possession of the Premises by Tenant shall be conclusive evidence that the Premises, the Building and the Property were in good and satisfactory condition at the time possession was taken by Tenant. Neither Landlord nor Landlord's agents have made any representations or promises with respect to the condition of the Building, the Premises, the land upon which the Building is constructed, or the Property or any other matter or thing affecting or related to the Building, the Premises or the Property, except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in this Lease.

5. **Use.** Tenant shall use and occupy the Premises for the use permitted as designated in Paragraph 1(r) above, and for no other purposes whatsoever.

6. **Alterations and Improvements.** The Tenant shall have the right to make nonstructural changes or alterations to the interior of the Premises; provided, however, that any such changes or alterations shall be made in all cases subject to the following conditions which Tenant agrees to observe and perform.

(a) No change or alteration shall at any time be made which shall impair the structural soundness or diminish the value of the building in which the Premises are located.

(b) No change or alteration shall be made involving an expenditure in excess of Two Thousand Five Hundred Dollars (\$2,500.00) without the prior written consent of the Landlord.

(c) No changes or alterations shall be undertaken until Tenant shall have procured and paid for all required municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction.

(d) All work done in connection with any change or alteration shall be done in a good and workmanlike manner, by licensed contractors, and in compliance with the building and zoning laws, and with all other laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, and the appropriate departments, commissions, boards, and officers thereof, and in accordance with the orders, rules and regulations of the Board of Fire Underwriters or any other body now or hereafter constituted exercising similar functions, and Tenant shall procure Certificates of Occupancy and other certificates if required by law.

(e) Prior to commencing any work, Tenant shall furnish to Landlord: (1) copies of all plans and specifications for Landlord's review and approval; (2) copies of all governmental permits and authorizations which may be required in connection with such work; (3) a certificate evidencing that Tenant (or Tenant's contractors) has (have) procured worker's compensation insurance covering all persons employed in connection with the work who might assert claims for death or bodily injury against Landlord, Tenant or the Property; and (4) such additional personal injury, general liability and property damage insurance as Landlord may reasonably require because of the nature of the work to be done by Tenant.

(f) Tenant shall not permit any mechanic's liens arising out of such changes or alterations to be recorded or asserted against the Premises or the Property and shall, in any event, remove any such liens within ten (10) days.

(g) Tenant shall be responsible for performing all due diligence with respect to all the appropriate local and state regulatory and governmental authorities, zoning/code requirements and health departments to insure that Tenant is permitted to occupy the Premises.

7. **Repairs.** Tenant shall take good care of the interior of the Premises, the fixtures and appurtenances therein, and the heating, ventilating, air conditioning, plumbing, lighting and other systems, and at its sole cost and expense, make all repairs and replacements thereto as and when needed to preserve them in good working order and condition. Landlord shall have the right, should it elect to do so, to obtain a service and maintenance contract upon the heating, ventilating and air conditioning units which service the Premises. Should Landlord do so, Tenant shall not have the obligation or responsibility for servicing the units directly, but shall be obligated instead to pay the costs under and pursuant to the servicing and maintenance contract. All damage or injury to the Premises and to its fixtures, glass, appurtenances and equipment or to the Building or to its fixtures, glass, appurtenances and equipment caused by Tenant moving property in or out of the Building or by installation or removal of furniture, fixtures, or other property, or resulting from fire, explosion, air conditioning unit or system, short circuits, flow or leakage of water, steam, gas, sewer gas, sewage, or odors or by frost or by bursting or leaking of pipes or plumbing works or gas, or from any other cause of any other kind or nature whatsoever due to carelessness, omission, neglect, improper conduct or other cause of Tenant, its servants, employees, agents, visitors or licensees shall be repaired, restored or replaced promptly by Tenant at its sole cost and expense to the satisfaction of the Landlord. All aforesaid repairs, restorations and replacements shall be in quality and class equal to the original work or installations and shall be done in a good and workmanlike manner. Tenant shall replace lightbulbs at Tenant's sole cost and expense.

Landlord shall make all repairs and replacements, structural and otherwise, necessary or desirable, in order to keep in good order and repair the exterior of the Building and the Property, the need for which Landlord may have knowledge (including sidewalks and parking lots, plumbing,

wiring and other building equipment for the general supply of water, gas and electricity) except repairs hereinabove provided to be made by Tenant. Tenant agrees to notify Landlord of the necessity for any repairs of which Tenant may have knowledge, for which Landlord may be responsible under the provisions of the preceding sentence.

8. **Subordination.**

(a) This Lease is subject and subordinate to all ground or underlying leases and to all mortgages which may now or hereafter affect such leases or the Property, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall execute promptly any certificate that Landlord may request, and Tenant hereby constitutes and appoints Landlord the Tenant's attorney in fact to execute any such certificate or certificates for and on behalf of Tenant.

(b) Tenant shall attorn to any foreclosing first mortgagee, purchaser at a foreclosure sale or purchaser by deed in lieu of foreclosure, but no such mortgagee or purchaser shall be (a) liable for any act or omission of Landlord, (b) bound by any payment of rent, additional rent or other charge made more than ten (10) days in advance of the due date thereof, or (c) bound by any assignment, surrender, termination, cancellation, amendment or modification of this Lease made without the express written consent of such mortgagee or purchaser.

No surrender of any ground lease nor merger of all or any part of the fee title of the Building or the Property with such leasehold interest of Landlord in the Building or the Property shall result by operation of law or otherwise in the cancellation or termination of this Lease or the obligations of Tenant hereunder, and Tenant covenants and agrees to attorn to the owner from time to time of all or any part of the fee title of the Building or the Property after such surrender or merger.

9. **Non-Liability of Landlord.** Tenant agrees to neither hold nor attempt to hold the Landlord liable for any injury or damage, either proximate or remote, occurring through or caused by any repairs, alterations, injury or accident to the Premises, to adjacent premises or other parts of the property not herein demised, nor liable for any injury or damage occasioned by defective electric wiring, or the breaking, bursting, stoppage or leaking resulting from freezing or otherwise or any part of the plumbing, air conditioning, heating, fire control sprinkler systems or gas, sewer or steam pipes.

The Landlord shall not be liable for any damage to property of Tenant or of others located on the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise; neither shall the Landlord be liable for any latent defect in the Premises or in the building of which they form a part.

10. **Eminent Domain.** If the whole of the Premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain, or by private purchase by any public authority in lieu of the exercise of the right of eminent domain, or if any part of the Building or the Property is so taken and the part of such property not so taken is rendered insufficient or unsuitable, in Landlord's sole judgment, for restoration and continued use for the above purposes, then in either of such events, this Lease and the term hereby granted shall cease and expire when possession of the Premises shall be taken by the condemning authority, or when the said other part of Landlord's property is so taken. It is specifically agreed that a taking shall not render the Property or the

Building insufficient or unsuitable if less than 25% of the Property or the Building are so taken. If part of the Premises are so taken and the Landlord does elect to restore the Premises for continued use by Tenant in accordance with the terms of this Lease, Tenant shall receive a pro-rated rent reduction for the amount of said Premises so taken.

In any event, whether this Lease is terminated by any taking or not, Tenant shall not be entitled to and hereby, expressly waives all claim or right Tenant might otherwise have in and to any award made in connection with the condemnation or taking by eminent domain of the Premises or the balance of the Landlord's property.

11. Assignment or Subletting, Etc.

(a) Tenant, for itself, its heirs, distributees, executors, administrators, legal representatives, successors and assigns, expressly covenants that it shall not assign, mortgage, or encumber this Lease, nor underlet or suffer or permit the Premises or any part thereof to be used by others except upon and with the prior written consent of the Landlord. If this Lease be so assigned, or if the Premises or any part thereof be underlet or occupied by anybody other than the Tenant, Landlord shall be entitled to collect any rent payable from the assignee, undertenant or occupant, apply the net amount collected to the rent herein reserved, and to keep any excess as additional rent for the use of the Premises. However, no such assignment, underletting, or occupancy and no such collection of rent shall be deemed a waiver of this covenant, or the acceptance of the assignee, undertenant or occupant as tenant in place of Tenant, or a release of Tenant from the payment of rent and performance of other covenants on the part of Tenant herein contained, Tenant to remain fully liable therefore. In addition, the consent by Landlord to an assignment or underletting shall not in any way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or underletting.

(b) If Tenant should desire to assign this Lease or sublease the Premises or any portion thereof, Tenant shall give Landlord written notice of such desire to make such assignment or effect such sublease. At the time of giving such notice, Tenant shall provide Landlord with a copy of the proposed assignment or sublease document, and such information as Landlord may reasonably request concerning the proposed sublessee or assignee to assist Landlord in making an informed judgment regarding the financial condition, reputation, operation, and general desirability of the proposed sublessee or assignee. Landlord shall then have a period of thirty (30) days following receipt of such notice within which to notify Tenant in writing of Landlord's election to:

(i) terminate this Lease as to the space so affected as of the date specified by Tenant, in which event Tenant shall be relieved of all further obligations hereunder as to the Premises or said portion thereof, after paying all Rent due as of the termination date; or

(ii) permit Tenant to assign or sublet the Premises or said portion thereof; or

(iii) refuse to consent to Tenant's assignment or subleasing of the Premises or said portion thereof and to continue this Lease in full force and effect as to the entire Premises.

If Landlord should fail to notify lessee of its election within said thirty (30) days period Landlord shall have elected option 11(b)(iii) above.

(c) If (i) the rent and other sums received by Tenant on account of a sublease of all or any portion of the Premises exceeds the rent and additional rent allocable to the space subject to the sublease (in the proportion of the area of such space to the entire Premises) plus actual out-of-pocket expenses incurred by Tenant in connection with Tenant's subleasing of such space, including brokerage commissions to a licensed broker and the cost of preparing such space for occupancy by the subtenant, Tenant shall pay to Landlord, as an additional charge, seventy-five percent (75%) of such excess, monthly as received by Tenant or (ii) any payment received by Tenant on account of any assignment of this Lease exceeds the actual out-of-pocket expenses including brokerage commissions to a licensed broker and the cost of preparing space for the assignee, Tenant shall pay to Landlord, as an additional charge, seventy-five percent (75%) of such excess when received by Tenant.

(d) Tenant shall reimburse Landlord on demand for any reasonable costs that Landlord may incur in connection with any assignment or sublease, including the reasonable costs of investigation, the acceptability of the proposed assignee or subtenant, and reasonable legal costs incurred in connection with the granting of any requested consent.

(e) Landlord shall have complete and uncontrolled right to assign Landlord's interest under this Lease to any person(s), firm or corporation at any time without Tenant's consent.

12. **Casualty Insurance.** Landlord shall keep the Building insured during the term of this Lease against loss or damage by fire and other normal extended coverage hazards, such insurance to be written by an insurance company or companies authorized to do business in the State of Connecticut, in an amount at least equal to eighty percent (80%) of the buildings' full insurance value. All proceeds of such insurance, if and when received by the Landlord, shall be used to the extent necessary to restore the Premises and the said Building to the condition in which they were in prior to the occurrence of the damage, any excess of such insurance to be the sole and absolute property of Landlord.

Notwithstanding the foregoing, if the extent or nature of the damage to or destruction of the Premises is such that it is not, in Landlord's sole judgment, economically feasible to restore the Premises, then Landlord may cancel this Lease by sending Tenant notice of such cancellation within one hundred twenty (120) days after the date of occurrence of such damage or destruction, and thereupon, upon the giving of such notice, this Lease shall expire and Tenant shall vacate and surrender the Premises to Landlord.

Throughout the term of this Lease and all renewals or extensions, if any, Tenant shall pay to Landlord the amount of Landlord's insurance cost hereunder, as additional rent under this Lease at the time and in the manner as set forth herein. Said additional rent shall be payable by Tenant directly to Landlord's insurance carrier on or before the due date therefore. Landlord shall forward, for Tenant's payment, a copy of the insurance premium bill when received. Tenant shall provide Landlord with a copy of its payment submission, showing payment for such insurance coverage. Landlord agrees to use its commercially reasonable efforts to minimize the insurance costs and expenses.

13. **Services.** Landlord shall not be required to furnish any services or utilities to the Premises and shall not be liable for the failure or interruption of any service or utility, nor for injury or damage to persons or property caused by or resulting from steam, gas, electricity, water, rain or

snow which may flow or leak into or from any part of the Premises unless such failure, interruption, injury or damage is due to the willful or affirmative act of the Landlord.

Tenant shall pay all charges for all gas, electricity, light, power, and all other services and utilities used in or about or supplied to the Premises, and shall indemnify the Landlord against any and all liability for such charges. Landlord shall be responsible for septic system maintenance and water and sewer.

Landlord agrees to provide, at its sole cost and expense, landscaping and snow removal services for the Premises in accordance with its regular schedule for the Property. In the event that Tenant desires landscaping or snow removal services in excess of the amounts normally provided by Landlord, such additional services shall be at Tenant's sole cost and expense.

14. **No Unlawful or Improper Use; Deliveries.** Tenant will not use, occupy or permit the Premises or any part thereof to be used or occupied for any unlawful or illegal business, use or purpose, nor for any business, use or purpose deemed by the Landlord to be disreputable or extra hazardous, nor in such manner as to constitute a nuisance of any kind, including, but not limited to, allowing any loitering at the Premises or the Property, nor in such a manner to cause excessive noise or smell, nor in such a manner to overburden the parking of the Building, nor for any purpose or in any way in violation of any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city government, or other municipal, governmental or lawful authority whatsoever; nor will the Tenant use, occupy or permit the said Premises or any part thereof to be used or occupied in conflict with the provisions contained in the Certificate of Occupancy applicable to the Premises as now existing or hereafter extended or amended; or in conflict with the rules or regulations of the Landlord.

The failure of the Tenant to maintain satisfactory sanitary and occupancy standards, as required by any enforcement agency, resulting in the closing of the Premises will not excuse the Tenant from paying the rent.

The Tenant will not permit or cause any trucks making deliveries to be parked in the parking areas associated with the Premises, all such deliveries shall be made from areas designated by the Landlord.

The Tenant will not permit any merchandise or refuse to accumulate on or outside of the Premises, and, except for the use of a common dumpster with other tenants of the Property and Landlord's adjoining property, which shall be located between the Building and the "soon to be built" building as shown on Exhibit B-1, shall arrange to have all trash, garbage and refuse removed at its own expense.

15. **Hazardous Waste.** Tenant hereby represents and warrants that no health hazards, hazardous wastes, or toxic substances are or shall be associated with its use of the Premises. As used herein, the term "hazardous waste" shall have the same meanings as defined and used in any of the following (the "Acts"): the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1802; the Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq.; Title 22a of the Connecticut General Statutes; and/or the regulations adopted and publications promulgated pursuant to any of the Acts. In the event of any breach of this provision, Tenant agrees to defend,

indemnify and hold harmless Landlord, its successors and assigns from and against any and all liabilities, losses, damages, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses), causes of action, suits, claims, demands or judgments of any nature arising out of or in connection with (1) the presence of any hazardous waste on or in the Premises, or the release of any hazardous waste therefrom or from any property of Tenant located on or in the Building; (2) any failure by Tenant to comply with the terms of any order issued by the Connecticut Department of Environmental Protection, or any other federal, state or municipal department or agency having regulatory authority over environmental matters, with regard to the Premises; and (3) any lien or claim imposed under Section 22a-452a of the Connecticut General Statutes, as amended.

16. **Risk Increased by Tenant.** Tenant shall not do or permit to be done any act or thing in or upon the Premises which will invalidate or be in conflict with the Certificate of Occupancy or the terms of the Connecticut standard form of fire, boiler, water damage or other insurance policies covering the building in which the Premises are located, and the fixtures and property therein; and Tenant shall, at its own expense, comply with all rules, orders, regulations or requirements of the Board of Fire Underwriters or any other similar body having jurisdiction and shall not knowingly do or permit anything to be done in or upon the Premises or bring or keep anything therein or use the Premises in a manner which increases the rate of fire insurance upon the building in which the Premises are located or on any property or equipment located therein over the rate in effect at the commencement of the term of this Lease. If, by reason of any failure of Tenant to comply with the provisions of this Lease, the rate of fire, boiler, water damage or other insurance (with extended coverage) on the building or on the property and equipment of Landlord or any other tenant or subtenant in the building shall be higher than it otherwise would be, Tenant shall reimburse Landlord for that part of the fire, boiler, sprinkler, water damage or other insurance premiums thereafter paid by Landlord which shall have been charged because of such failure by Tenant, Tenant to make the reimbursement on the first day of the month following such payment by Landlord.

17. **Waiver Of Subrogation.** Landlord and Tenant each hereby release the other from any and all liability or responsibility to the releasor or anyone claiming through or under it by way of subrogation or otherwise for any loss or damage to property caused by fire or any of the extended coverage or supplementary contract casualties, even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder.

Landlord and Tenant each agrees that it will request insurance carriers to include in its policies such a clause or endorsement. If extra cost shall be charged therefore, each party shall advise the other thereof and of the amount of the extra cost, and the other party, at its election, may pay the same but shall not be obligated to do so.

18. **Tenant to Replace Glass.** Tenant shall promptly replace broken plate glass in the Premises at its own cost and expense, unless such breakage was caused by the negligence of Landlord, its agents or employees. To ensure its continued ability to comply with the terms of this paragraph, Tenant shall, at its own expense, maintain adequate plate glass insurance naming Landlord as a co-insured, and shall supply Landlord upon request with a copy of the policy evidencing such insurance.

19. **Tenant's Signs.** Tenant may purchase its own identification signs for the exterior of the Premises and the identification sign for the Property at the street entrance, said signs to be of a size, location and design to be approved by local authorities and Landlord. Tenant shall maintain any such signs or other installation in good condition and repair and to repair any damage resulting from a sign placed by Tenant on the Premises.

Tenant shall not erect or display exterior or window or other door signs or window or door lettering or paper or decoration or placards without the written consent of Landlord, which consent shall not be unreasonably withheld. Tenant agrees to not use any other advertising media that shall be objectionable to the Landlord or to the other tenants, such as loudspeakers, phonographs or radio broadcasts or announcements that may be heard outside the Premises.

20. **Right to Cure Defaults Without Notice.** If Tenant shall after any grace period herein provided, default in the performance of any covenant or promise on its part to be performed by virtue of any provision in any Paragraph in this Lease contained, Landlord may immediately, or any time thereafter, without notice, perform the same for the account and at the expense of Tenant. Any provision of this Lease to the contrary notwithstanding, however Landlord may so perform in Tenant's stead prior to the expiration of any grace period herein provided in an emergency or in the event that Tenant's default shall result in circumstances requiring that such default be cured prior to the expiration of such grace period.

If Landlord at any time is compelled to pay or elects to pay any sum of money, or do any act which will require the payment of any sum of money, by reason of the failure of Tenant to comply with any provision hereof, or if Landlord be compelled to incur any expense including reasonable attorneys' fees in instituting, prosecuting and/or defending any action or proceeding instituted by reason of any default of Tenant hereunder, the sum or sums so paid by Landlord, together with interest at a rate of interest equal to the prime rate, as announced from time to time by Bank of America, plus four (4) percentage points, costs and damages, shall be deemed to be additional rent hereunder and shall be due from Tenant to Landlord at the written election of the Landlord on notice to Tenant on the first day of the month following the incurring of such respective expenses.

21. **Miscellaneous Rights of Landlord.** The Landlord reserves the following rights:

(a) **Occupancy.** During the last ninety (90) days of the term of this Lease (if during or prior to that time the Tenant vacates the Premises) to decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy.

(b) **Access for Repairs, etc.** To take any and all measures, including inspections, access to ceilings, repairs, alterations, additions and improvements to the Premises or the Building, as may be necessary or desirable in the operation of the Building.

(c) **Show Premises.** To show the Premises to prospective tenants or brokers during the term of this Lease and to prospective purchasers outside of child care hours provided prior notice is given to Tenant in each case and the Tenant's use and occupancy of the Premises shall not be materially inconvenienced by any such action of the Landlord.

22. **Taxes; Etc.** The Tenant agrees to pay to the Landlord, as additional rent, the total annual Real Estate Taxes for the Premises. Said additional rent or "tax rent" shall be payable by Tenant

directly to the Town of East Hampton not less than ten (10) days before interest or penalties would be imposed on any installment thereof. "Real Estate Taxes" for the purposes of this Paragraph 22 shall mean the property taxes and special services district taxes imposed upon the buildings and upon the land on which it stands. Real Estate taxes shall be prorated for the purpose of determining the portion thereof attributable to the calendar year in accordance with the custom observed in connection with the purchase and sale of real estate in the Town of East Hampton, Connecticut. If due to a future method of taxation any franchise or profit tax or tax on rentals shall be levied against Landlord in substitution for or in lieu of any tax which would otherwise constitute a real estate tax, or in substitution for or in lieu of an increase therein, such franchise, income, profit tax or tax on rentals shall be deemed to be a real estate tax for the purposes hereof. Tenant shall be solely responsible for any taxes due on its personal property.

23. **End of Lease Term; Holdover.**

(a) Upon the expiration or other termination of the term of this Lease, Tenant shall quit and surrender to Landlord the Premises, broom clean, in good order and condition, ordinary wear excepted, and Tenant shall remove all of its personal property. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of the term of this Lease. If the last day of this Lease or any renewal thereof falls on Sunday, this Lease shall expire on the business day immediately preceding. Time shall be of the essence in Tenant's removal from the Premises. No holding over shall constitute a renewal or extension thereof.

All erections, alterations, improvements, or additions made upon the leased Premises either by Landlord or Tenant, except furniture, business equipment, or movable partitions or movable trade fixtures installed by Tenant, shall be the property of Landlord and shall remain and be surrendered with the leased Premises as a part thereof at the termination of this Lease without compensation to Tenant, provided, however, that in the event Tenant is directed by Landlord to remove such erections, alterations, improvements, or additions, Tenant shall do so and repair any damage caused thereby.

(b) Any holding over by Tenant after the expiration of the term of this Lease shall be treated as a daily tenancy at sufferance at a rate equal to two (2) times the rent plus additional rent and other charges herein provided (prorated on a daily basis) and shall otherwise be on the terms and conditions set forth in this Lease as far as applicable. In addition, Tenant shall pay Landlord for all damages sustained by Landlord as a result of Tenant's holding over.

24. **Quiet Enjoyment.** Landlord covenants and agrees with Tenant that upon Tenant paying the rent and additional rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises hereby demised, subject, nevertheless, to the terms and conditions of this Lease.

25. **Inability to Perform.** This Lease and the obligation of Tenant to pay rent hereunder and perform all of the other covenants and agreements hereunder on part of Tenant to be performed shall in no wise be affected, impaired or excused and Landlord shall not be liable to anyone in damages, or for business interruption or otherwise, because Landlord, acting in good faith and with reasonable diligence, is unable to fulfill any of its obligations under this Lease, or to supply, or is delayed in supplying, any service expressly or impliedly to be supplied, or is unable to make, or is delayed in making any repairs, additions, alterations or decorations, by reason of any accident, delay or difficulty in obtaining fuel, electric service, building materials, supplies, equipment or labor from

sources from which they are usually obtained for said property, or in making of repairs, or improvements, because of late deliveries, strike or labor troubles, or any outside cause whatsoever which is beyond Landlord's reasonable control, including but not limited to, governmental preemption in connection with a National Emergency or by reason of any rule, order or regulation of any department or subdivision thereof of any government agency. Anything in this Lease to the contrary, notwithstanding, Landlord shall not be in default with respect to any obligation or duty of Landlord hereunder unless Tenant has given written notice to Landlord of the event or condition giving rise to such obligation or duty of Landlord, and Landlord has failed to perform or carry out such duty or obligation within a reasonable time thereafter.

26. **Indemnity and Insurance.** Tenant shall indemnify, defend and hold harmless Landlord, its agents and employees from and against any and all liability (statutory or otherwise), claims, suits, demands, judgments, costs, interest and expense (including, but not limited to, attorneys' fees and disbursements) arising from any injury to, or death of, any person or persons or damage to property (including loss of use thereof) related to (a) Tenant's use of the Premises or conduct of business therein, (b) any work or thing whatsoever done, or any condition created (other than by Landlord, its employees, agents or contractors) by or on behalf of the Tenant in or about the Premises, including during the period of time, if any, prior to the term commencement date, that Tenant may have been given access to the Premises for the purpose of doing any work or making any installations, (c) any condition of the Premises due to or resulting from any default by Tenant in the performance of Tenant's obligations under this Lease, or (d) any act, omission or negligence of Tenant or its agents, contractors, employees, subtenants, licensees or invitees. In case any action or proceeding is brought against Landlord by reason of any one or more thereof, Tenant shall pay all costs, attorneys' fees, expenses and liabilities resulting therefrom and shall resist such action or proceeding if Landlord shall so request, at Tenant's expense, by counsel reasonably satisfactory to Landlord.

Landlord shall indemnify, defend and hold harmless Tenant, its agents and employees from and against any and all liability (statutory or otherwise), claims, suits, demands, judgments, costs, interest and expense (including, but not limited to, attorneys' fees and disbursements) arising from any injury to, or death of, any person or persons or damage to property (including loss of use thereof) related to (a) any condition of the Premises due to or resulting from any default by Landlord in the performance of Landlord's obligations under this Lease, or (b) any act, omission or negligence of Landlord or its agents, contractors, employees, subtenants, licensees or invitees.

Tenant shall at Tenant's expense, obtain and keep in force at all times during the term of this Lease Agreement, Commercial General Liability Insurance including broad form general liability endorsement and contractual liability on an occurrence basis and comprehensive auto liability, including owned, non-owned and hired vehicles with limits of not less than Two Million and 00/100 Dollars (\$2,000,000.00) combined single limit insuring Landlord (and all general partners of Landlord) and Tenant against any liability arising out of the use, occupancy or maintenance of the Premises, the Building or the Property and all areas appurtenant thereto. The limit of said insurance shall not, however, limit the liability of Tenant hereunder. Tenant may carry said insurance under a blanket policy provided an endorsement naming Landlord as an additional insured is attached thereto.

Tenant shall maintain insurance against such other perils and in such amounts as Landlord may from time to time reasonably require in writing.

27. Events of Default; Right to Repossess Premises.

(a) If Tenant shall fail to pay any installment of the fixed rent or any additional rent or other charges as and when the same shall become due and payable, and such default shall continue for a period of five (5) days, or

(b) if Tenant shall default in the performance of any of the other terms, covenants or conditions of this Lease and such default shall continue for a period of thirty (30) days after notice, or

(c) if any execution shall be issued against Tenant or any of Tenant's property whereby the Premises shall be taken or occupied by someone other than Tenant, or

(d) if Tenant shall fail to take possession of the Premises within ten (10) days after the commencement of the term of this Lease, or

(e) if Tenant shall vacate and abandon the Premises, or

(f) if this Lease or the estate of the Tenant hereunder shall be transferred or pass to or devolve upon another person, firm or corporation, except in the manner provided in this Lease, or

(g) if Tenant shall assign, mortgage or encumber this Lease, or sublet the whole or any part of the Premises, without the prior written consent of Landlord, or

(h) if Tenant shall fail to keep or abide by any other undertaking provided in this Lease

Landlord shall have the right, at Landlord's option, to terminate this Lease and the term hereof, as well as all the right, title and interest of Tenant hereunder, by giving the Tenant fifteen (15) days' notice in writing of such intention, and upon the expiration of the time fixed in such latter notice, if such default be not cured prior thereto or (except a default for nonpayment of rent or additional rent) Tenant shall not then be diligently engaged in good faith in prosecuting the work necessary to remove said cause or in taking the steps necessary to remedy said default, this Lease and the term hereof, as well as all the right, title and interest of the Tenant hereunder, shall wholly cease and expire in the same manner and with the same force and effect (except as to the Tenant's liability) as if the date fixed by such latter notice were the expiration of the term herein originally granted; and the Tenant shall immediately quit and surrender the Premises to the Landlord and the Landlord may enter into or repossess the Premises, either by force, summary proceedings or otherwise.

The right granted to the Landlord in this paragraph or any other paragraph of this Lease to terminate this Lease shall apply to any extension or renewal of the term hereby granted, and the exercise of any such right by the Landlord during the term hereby shall terminate any extension or renewal of the term hereby granted and any right on the part of the Tenant thereto.

In case of any default, by either party, termination, reentry, expiration and/or dispossession by summary proceedings or otherwise,

(a) the rent shall become due thereupon and be paid up to the time of such termination, reentry, dispossession or expiration, together with any expenses incur for legal expenses, attorneys' fees, brokerage and/or putting the Premises in good order or for preparing the same for re-rental;

(b) Landlord shall make reasonable efforts to relet the Premises or any part of parts thereof, either in the name of Landlord or otherwise, for a term or terms, which may, at Landlord's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this Lease and may grant any concessions or periods rent free it deems reasonably necessary; and

(c) Tenant or the legal representatives of Tenant also shall pay Landlord as liquidated damages for the failure of Tenant to observe and perform said Tenant's covenants herein contained, any deficiency between (i) the rent hereby reserved and agreed upon and (ii) the net amount, if any, of the rents collected on account of the lease or leases of the Premises for each month of the period which would otherwise have constituted the balance of the term of this Lease. In computing such liquidated damages there shall be added to the said deficiency such expenses as Landlord may incur in connection with reletting, such as legal expenses, attorneys' fees, brokerage and for keeping the Premises in good order or for preparing the same for reletting. Any such liquidated damages shall be paid in monthly installments by Tenant on the rent day specified in this Lease any suit brought to collect the amount of the deficiency for a certain month or months shall not prejudice in any way the rights of Landlord to collect the deficiency for any subsequent month or months by a similar proceeding. Landlord, at its option, may make such reasonable alterations, repairs, replacements or decorations in the Premises as Landlord considers advisable and necessary for the purpose of reletting the Premises, and the making of such alterations and/or decorations shall not operate or be construed to release Tenant from liability hereunder as aforesaid. The failure of Landlord to relet the Premises or any part thereof shall not release or affect Tenant's liability for damages hereunder nor shall Landlord in any event be liable in any way whatsoever for failure to relet the Premises. In the event of a breach or threatened breach by Tenant of any of the covenants or provisions hereof, Landlord shall have the right of injunction and the right to invoke any remedy allowed at law or in equity as if reentry, summary proceedings and other remedies were not herein provided for.

Mention in this Lease of any particular remedy shall not preclude Landlord from any other remedy, in law or in equity. All rent (basic or additional) or other payments payable by Tenant under this Lease shall bear interest at twelve (12%) percent per annum from their due date; further, Tenant shall pay Landlord a late charge equal to five percent (5%) of any delinquent installment of rent or additional rent. In addition, Tenant shall pay, as additional rent, a charge of \$35.00 for any check that is returned for "insufficient funds" or any other reason. Landlord shall not be required to accept any payment unless any interest and/or late charges due thereon is simultaneously paid, neither shall any acceptance by Landlord of any rent or other payment constitute a waiver or release of other claims or a bar or defense to any prior or existing default of Tenant.

28. **Landlord's Right to Terminate Lease for Bankruptcy.** If Tenant shall file a petition in bankruptcy or be adjudicated a bankrupt, or make an assignment for the benefit of creditors or take advantage of any insolvency act, Landlord may, if the Landlord so elects, at any time thereafter terminate this Lease and the term hereof, upon giving to the Tenant ten (10) days notice in writing of Landlord's intention so to do, and this Lease and the term hereof shall expire and come to an end on the date fixed in such notice as if the said date were the date originally fixed in this Lease for the expiration hereof.

29. **Waiver.** The failure of Landlord or Tenant to enforce or insist on performance of any of the terms of this Lease shall not be construed as a waiver of any other term, or as a waiver of any future right to enforce or insist on the performance of the same term.

30. **Notices.** Any notices required to be given hereunder shall be deemed duly given if mailed in any post office by registered or certified mail or if sent by recognized overnight delivery service addressed to the Landlord at the address designated by Landlord in Paragraph 1(b) above, and addressed to the Tenant at the address for the Premises, or at such other address as either party may give to the other in writing.

31. **Brokerage.** Landlord and Tenant agree that the broker(s) whose name(s) is stated in Paragraph 1(s) was the sole procuring agent(s) in connection with Lease, and agree that the commission of such broker(s) shall be paid by the party designated in Paragraph 1(s). Tenant shall indemnify Landlord and hold it harmless against the claims of any other brokers arising out of its actions.

32. **Rules and Regulations.** The Tenant hereby agrees to observe and comply, and cause its servants, employees, agents, visitors and licensees to observe and comply, strictly with such reasonable rules and regulations as Landlord or Landlord's agents may adopt from time to time, in connection with the operation and maintenance of the Premises, the Building and the Property. Landlord shall give Tenant a written copy of any such rules and regulations.

33. **Successors.** Except as otherwise provided herein, the terms and provisions of this Lease shall be binding upon and inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant.

34. **Exterminating.** Tenant shall arrange at its own expense for a rodent and roach extermination service at appropriate intervals to insure that the Premises and its surroundings shall remain free of rodents, roaches and other vermin.

35. **Security.** Tenant has deposited, upon execution of this Lease, with the Landlord the Security Deposit designated in Paragraph 1(q) (which shall not bear interest) as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this Lease. It is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this Lease, including, but not limited to, the payment of rent and additional rent, Landlord may use, apply or retain the whole or any part of the Security Deposit so deposited to the extent required for the payment of any rent and additional rent or any other sum as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant's default in respect of any of the terms, covenants and conditions of this Lease, including but not limited to, any damages or deficiency in the reletting of the Premises, whether such damages or deficiency accrued before or after summary proceedings or other reentry by Landlord.

In the event that Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this Lease, the Security Deposit shall be returned to Tenant after the date fixed as the end of the Lease and after delivery of entire possession of the demised Premises to Landlord.

In the event of a sale of the Property or leasing of the Property, Landlord shall have a the right to transfer the Security Deposit to the vendee or lessee and Landlord shall thereupon be released by Tenant from all liability for the return of such Security Deposit and Tenant agrees to look to the new Landlord solely for the return of said Security Deposit; and it is agreed that the provisions hereof shall apply to every transfer or assignment made of the Security Deposit to a new Landlord.

Tenant further covenants that it will not assign or encumber or attempt to assign or encumber the monies deposited herein as Security Deposit and that neither Landlord or its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

36. **Recording Prohibited.** Tenant agrees that neither this Lease nor any notice or memorandum thereof shall be recorded in the land records of the town in which the Premises are located, and that doing so shall not function as record notice to any third party.

37. **Terms and Headings.** The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. Words used in any gender include other genders. If there be more than one Tenant, i.e., if two or more persons or entities are jointly referred to in this Lease as "Tenant" the obligations hereunder imposed upon Tenant shall be joint and several. The Paragraph headings of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

38. **Examination of Lease.** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for lease, and it is not effective as a lease or otherwise until execution by and delivery to both Landlord and Tenant.

39. **Time.** Time is of the essence with respect to the performance of every provision of this Lease in which time or performance is a factor.

40. **Prior Agreements; Amendments.** This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreement or understanding, oral or written, express or implied, pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. The parties acknowledge that all prior agreements, representations and negotiations are deemed superseded by the execution of this Lease to the extent they are not incorporated herein.

41. **Separability.** Any provision of this Lease which shall prove to be invalid or illegal in no way affects, impairs or invalidates any other provision hereof, and such other provisions shall remain in full force and effect.

42. **Miscellaneous.** Upon the sale, assignment or transfer by the Landlord named herein (or by any subsequent landlord) of its interest in the Premises, as owner or lessor, including any transfer by operation of law, the Landlord (or any subsequent landlord) shall be relieved from all subsequent obligations or liabilities under this Lease, and all obligations subsequent to such sale, assignment or transfer (but not any obligations or liabilities that have accrued prior to the date of such sale, assignment or transfer) shall be binding upon the grantee, assignee, or other transferee; any such grantee, assignee, or other transferee shall, by accepting such interest be deemed to have assumed

such subsequent obligations and liabilities. Notwithstanding anything to the contrary set forth herein, if Landlord's mortgagee or other mortgagee(s) shall succeed to Landlord's interests hereunder, then Landlord's mortgagee or other mortgagee(s) shall not be deemed to have assumed any obligations or liabilities under this Lease which arose prior to the date any such Mortgagee succeeded to Landlord's interests hereunder.

43. **Exhibits.** All Exhibits, if any, affixed to this Lease are part hereof.

44. **Modification for Lender.** If, in connection with obtaining construction, interim or permanent financing for the Property, the lender shall request reasonable modifications in this Lease as a condition to such financing, Tenant will not unreasonably withhold, delay or defer its consent thereto, provided that such modifications do not increase the obligations of Tenant hereunder or materially adversely affect the leasehold interest hereby created or Tenant's rights hereunder.

45. **Accord And Satisfaction.** No payment by Tenant or receipt by Landlord of a lesser amount than the rent payment herein stipulated shall be deemed to be other than on account of the rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease.

Tenant agrees that each of the foregoing covenants and agreements shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by any statute or at common law.

46. **Tenant as Corporation.** If Tenant executes this Lease as a corporation or a limited liability company, then Tenant and the persons executing this Lease on behalf of Tenant represent and warrant that the individuals executing this Lease on Tenant's behalf are duly authorized to execute and deliver this Lease on its behalf in accordance with a duly adopted resolution of the board of directors or members of Tenant, a copy of which is to be delivered to Landlord on execution hereof, and in accordance with the Bylaws or Operating Agreement of Tenant and that this Lease is binding upon Tenant in accordance with its terms.

47. **General.** The term "Landlord" as used herein and throughout the Lease shall mean only the owner or owners at the time in question of the fee title or a tenant's interest in a ground lease of the Property and this Lease. In the event of any transfer of such title or interest, from and after the date of such transfer, Landlord herein named (and in case of any subsequent transfers the then grantor) and each of its partners, principals, shareholders beneficiaries or co-tenants (as the case may be) shall be relieved of all liability as respects Landlord's obligations thereafter to be performed, provided that any monies in the hands of Landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be delivered to the grantee. The obligations contained in this Lease to be performed by Landlord shall, subject as aforesaid, be binding on Landlord's successors and assigns, only during their respective periods of ownership, provided, however, that Landlord and each of its partners, principals, shareholders, beneficiaries or co-tenants (as the case may be) shall be under no personal liability with respect to any of the provisions, covenants or agreements of this Lease and Tenant shall look solely to Landlord's interest in the Property for enforcement of this Lease against Landlord. Nothing in this Lease is to be deemed to limit or affect the right of Landlord to sell,

assign, encumber, transfer, mortgage, lease or otherwise dispose of any or all of Landlord's interest in any portion or all of the Premises, the Property or this Lease.

48. **Compliance with Laws.** Tenant shall, at its own cost and expense: (a) comply with all governmental laws, ordinances, orders and regulations affecting the Premises now in force or which hereafter may be in force; (b) comply with and execute all rules, requirements and regulations of the Board of Fire Underwriters, Landlord's insurance companies and other organizations establishing insurance rates; (c) not suffer, permit, or commit any waste or nuisance.

49. **Estoppel Certificates.** Tenant shall, upon request by Landlord, execute and deliver to Landlord a written declaration in recordable form: (a) ratifying this Lease; (b) expressing the commencement and termination dates thereof; (c) certifying that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended (except by such writings as shall be stated); (d) that all conditions under this Lease to be performed by Landlord have been satisfied; (e) that there are no defenses or offsets against the enforcement of this Lease by Landlord, or stating those claimed by Tenant; (f) the amount of advance rental, if any, (or none if such is the case) paid by Tenant; (g) the date to which rental has been paid; and (h) the amount of security deposited with Landlord. Such declaration shall be executed and delivered by Tenant from time to time as may be requested by Landlord. Landlord's mortgage lenders and/or purchasers shall be entitled to rely upon same.

50. **Prejudgment Remedy, Redemption, Counterclaim and Jury Trial.** Tenant, for itself and for all persons claiming through or under it, hereby acknowledges that this Lease constitutes a commercial transaction as such term is used and defined in Public Act No. 431 of the Connecticut General Statutes, Revision of 1973, and hereby expressly waives any and all rights which are or may be conferred upon Tenant by said Act to any notice or hearing prior to a prejudgment remedy, and by any present or future law to redeem the Premises, or to any new trial in any action or ejection under any provisions of law, after reentry thereupon, or upon any part thereof, by Landlord, or after any warrant to dispossess or judgment in ejection. If Landlord shall acquire possession of the said premises by summary proceedings, or in any other lawful manner without judicial proceedings, it shall be deemed a reentry within the meaning of that word as used in this Lease. In the event that Landlord commences any summary proceedings or action for nonpayment of rent or other charges provided for in this Lease, Tenant shall not interpose any counterclaim of any nature or description in any such proceeding or action. Tenant and Landlord both waive a trial by jury of any or all issues arising in any action or proceeding between the parties hereto or their successors, under or connected with this Lease, or any of its provisions.

51. **Mortgagee Protection.** Tenant agrees to give any mortgagees and/or trust deed holders, by registered mail, a copy of any notice of default served upon Landlord, provided that prior to such notice Tenant has been notified, in writing (by way of Notice of Assignment of Rents and Leases, or otherwise), of the address of such mortgagees and/or trust deed holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any mortgagee and/or trust deed holder has commenced and is diligently pursuing the remedies necessary to cure such default, (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure) in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

52. **Relocation of Premises.** The Landlord shall have the option of relocating the Tenant in another portion of the Building under the same terms and conditions as the existing Lease at the time of Landlord's exercise of said such option. The cost of moving Tenant's property shall be borne by Landlord. The selection of the mover is reserved to Landlord. Tenant will be given a written notice of not less than thirty (30) days in the event that the Landlord decides to exercise said option. Landlord shall have the right to relocate various facilities and premises within the Property if Landlord shall determine said relocation to be in the best interest of the development of the Property.

53. **Laws.** This Lease is to be interpreted under the laws of the state of Connecticut and in the event any clause, term or condition of this Lease shall be declared null or void, it shall be deemed severable from the remainder and said Lease shall remain in full force and effect as to all other clauses, terms and conditions.

54. **Option To Renew.** If this Lease shall be in full force and effect and Tenant shall not be in default of any of the covenants and provisions hereof, Tenant shall have the option to extend the term of this Lease as provided for in Paragraph 1(o) above, to commence on the first day immediately following the expiration of the original term or then existing term of this Lease. Such option(s) shall be exercised by Tenant by giving Landlord written advance notice of its election to so extend said term at least one hundred eighty (180) days prior to the commencement of such extended option period. Said extension shall be upon all covenants, agreements, terms, provisions and conditions set forth in the Lease, except that the Annual Basic Rent shall be at the rate set forth in Paragraph 1 (o) above. In the event that Tenant does not exercise either of said options, then this Lease shall automatically terminate upon expiration of the original term or then existing term of this Lease.

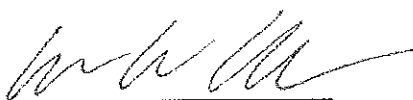
55. **Contingency.** This Lease is specifically made contingent upon: (i) Landlord obtaining all necessary municipal approvals to construct the Building at the Property in accordance with the Site Plan attached hereto as Exhibit B-1, at its sole cost and expense, on or before September 1, 2018; and (ii) Landlord and Tenant mutually agreeing to the Plans and Specifications for the Building, to be attached hereto as Exhibit B-2, on or before September 1, 2018. If such approvals are not obtained or such Plans and Specifications not mutually agreed to, unless otherwise agreed to by Landlord and Tenant, this Lease shall be null and void.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Signatures Appear On Next Page

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:
WEST HIGH ENTERPRISES, LLC

By: 
William Wayne Rand, its Manager

TENANT:
KIDS OF CHATHAM
ORGANIZATION, INC.


By: 
, its President
Board of Directors

EXHIBIT A
THE PREMISES

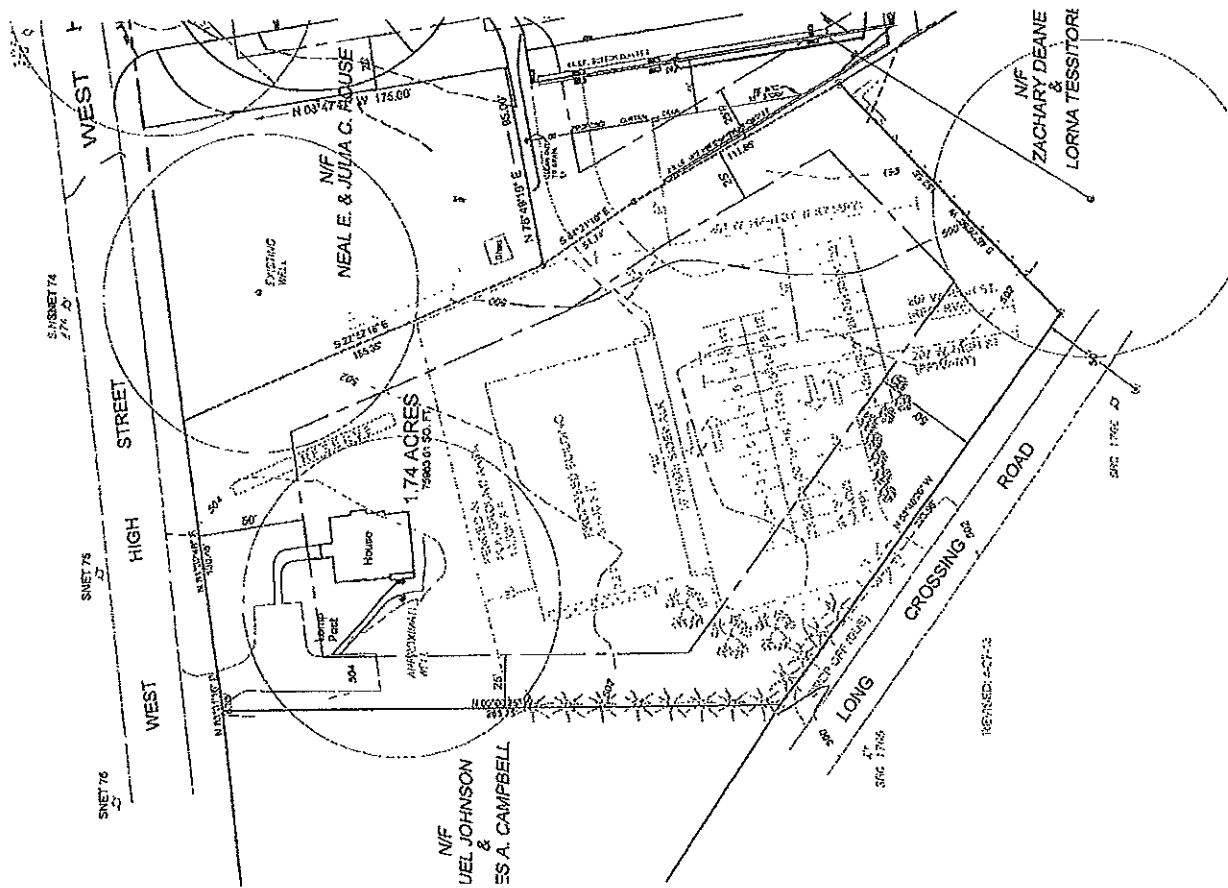


EXHIBIT B-1

SITE PLAN

[TO BE MUTUALLY AGREED UPON BY LANDLORD AND TENANT PRIOR TO
EXECUTION OF LEASE]

EXHIBIT B-2

IMPROVEMENTS

In accordance with the Plans and specifications attached hereto

**[TO BE ATTACHED AFTER EXECUTION OF LEASE – PLANS TO BE MUTUALLY
AGREED UPON BY LANDLORD AND TENANT]**

CASH ON HAND/STOCKS/SECURITIES LISTED ON BACK INDICATE NO CHANGE IN OR GOING

Kids of Chatham Organization, Inc.

151 East High Street, PO Box 192
East Hampton, CT 06424
860-267-6080

BANK OF AMERICA, NA
51-057/119

3440

7/17/2018

PAY TO THE ORDER OF West High Enterprises, LLC

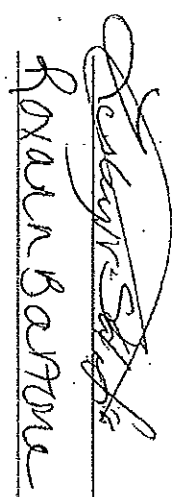
\$***10,000.00

Ten Thousand and 00/100 ***** DOLLARS

West High Enterprises, LLC
244 Middletown Avenue
East Hampton CT 06424

MEMO

security deposit


Roxana Barone

⑆003440⑆ ⑆01190057⑆ 009417567506⑆



TOWN OF EAST HAMPTON

**Office of the Assessor
20 East High Street
East Hampton, CT 06424**

Phone: 860-267-2510

Fax: 860-267-1027

assessor@easthamptonct.gov

MEMO

To: Economic Development Commission

From: Gail Gwiazdowski, Assessor

Date: 5/21/2019

Re: 207 West High Street

- Owner of record is West High Enterprises LLC.
- 1610 Square foot single family home built in 1950 to remain on property.
- New Construction of Daycare permit issued 11/8/2018.
- Approximately 7300 square feet partially constructed at this time.
- Hypothetical Abatement Schedules Attached

TIME DATE: 05/21/2013 14:11

No Photo On Record

A black and white photograph of a two-story house with a gambrel roof. The house features a central entrance with a small porch, flanked by large multi-paned windows. There are two dormer windows on the roof, each with a small gabled roof. The house is surrounded by trees and a lawn.

BUILDING SUB-AREA SUMMARY SECTION						
Code	Description	Living Area	Gross Area	Eff. Area	Unit Cost	Undepr. Value
BAS	First Floor	1,047	1,047	1,047	105.34	110,294
BSM	Basement	0	750	150	21.07	15,801
CRL	Crawl Space	0	297	0	0.00	0
FEP	Enclosed Porch	0	30	20	70.23	2,107
TQS	Three Quarter Story	563	750	563	79.08	59,308
Ttl. Gross Liv/Lease Area:		1,610	2,874	1,780		187,510



Town of East Hampton
Building Department
20 East High Street, East Hampton, CT 06424
Tel (860) 267-9601 www.easthamptonct.gov

RECEIVED
SEP 24 2018

Comm.
New
Construction

BUILDING APPLICATION

Tax Dept. Verification:

PROJECT LOCATION INFORMATION		
Street No. & Street Name: 207 WEST HIGH STREET		<input type="checkbox"/> Sewer <input type="checkbox"/> Septic <input type="checkbox"/> Well
Detailed Description of Project: NEW 8,000 S.F. DAYCARE WOOD FRAMED.		<input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential <input type="checkbox"/> Single Family <input type="checkbox"/> Multi-Family #
PROPERTY OWNER'S INFORMATION AS IT APPEARS ON THE LAND RECORDS		
Name: WAYNE RAND		
Mailing Address: 244 MIDDLETOWN AVE, EAST HAMPTON, CT		
Phone: 860 267-6628	Cell: 860 982-4760	Email: (Required) WAYNERAND@COMCAST.NET
APPLICANT/CONTRACTOR INFORMATION		
Name: TODD CLARK		
Business Name (If applicable): BLUE MOON DESIGN		
Mailing Address: 168 MAIN ST		
License/Registration (Type & No.): 4764		Workman's Compensation Insurance: NA
Phone: 860 582-2225	Cell: 860 543-0707	Email: (Required) TODDC@BLUEMOONDESIGN.BIZ
AFFIDAVIT		
I am aware that this is only an Application for the work described, and that I am not authorized to proceed with the project until such time as a Permit has been issued by the Building Official. I hereby certify that the proposed work shall conform to the Connecticut State Building Code and all other codes as adopted by the State of Connecticut, the Town of East Hampton Ordinances and the Town of East Hampton Zoning Regulations. I further attest that I am authorized to make application for a Permit for such work as described above.		
Signature: Todd Clark		<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Applicant
Print Name: TODD CLARK		Date: 9/24/18
VALUE OF PROJECT: Value shall include all labor and material costs.		PERMIT FEES (Office Use Only)
TOTAL VALUE OF PROJECT: \$ 640,000		Building Fee: \$8,012.50
An Application for a Permit for any proposed work shall be deemed to have been abandoned 180 days after the date of filing, unless such Application has been pursued in good faith or a Permit has been issued.		<input type="checkbox"/> Cash <input type="checkbox"/> Check #
		Received By:

ANY FALSE STATEMENT OR ANY BUILDING PERMITS GAINED BY SUCH STATEMENT WILL RENDER PERMITS NULL & VOID.

THIS IS NOT A PERMIT

Call Before You Dig - Dial 811 or visit www.call811.com for more information.

HYPOTHETICAL FIXED ASSESSMENT FOR EXAMPLE ONLY

HYPOTHETICAL TAXES PAID WITH DEFERRAL

FOR DISCUSSION PURPOSES ONLY

R.E.

Inquiry Report				TOWN OF EAST HAMPTON			Interest Date : 05/21/2019			Page : 1		
Bill#	Unique id	Name	Address	City/State/zip	Prop Loc/Veh. Info./Plan-Sew	MBL/LINK #	Flags	TOT Inst	TOT Adj	Tax Due	Balance Due Now	Discount
Dist								TOT Paid	L/F/Bint Due			
2014-01-0000897-00	R00897	LAKESHORE LLC	265 SOUTH MAIN ST	MARLBOROUGH CT 06447	151 EAST HIGH ST	10A 80 5 1	Lien-Released	11,618.16	0.00	0.00	0.00	0.00
		C/O DAVID HANSON						0.00	0.00	0.00	0.00	0.00
2015-01-0000897-00	R00897	LAKESHORE LLC	265 SOUTH MAIN ST	MARLBOROUGH CT 06447	151 EAST HIGH ST	10A 80 5 1	Lien-Released	12,297.10	0.00	0.00	0.00	0.00
		C/O DAVID HANSON						0.00	0.00	0.00	0.00	0.00
2016-01-0000897-00	R00897	LAKESHORE LLC	265 SOUTH MAIN ST	MARLBOROUGH CT 06447	151 EAST HIGH ST	10A 80 5 1		13,082.36	0.00	0.00	0.00	0.00
		C/O DAVID HANSON						0.00	0.00	0.00	0.00	0.00
2017-01-0000897-00	R00897	LAKESHORE LLC	265 SOUTH MAIN ST	MARLBOROUGH CT 06447	151 EAST HIGH ST	10A 80 5 1		13,454.12	0.00	0.00	0.00	0.00
		C/O DAVID HANSON						0.00	0.00	0.00	0.00	0.00
# Of Acct (s) : 4								50,451.74	0.00	0.00	0.00	0.00
								0.00	0.00	0.00	0.00	0.00
								50,451.74	0.00	0.00	0.00	0.00

Sewer

Inquiry Report			TOWN OF EAST HAMPTON			Interest Date : 05/21/2019			Page :1		
Bill#	Unique_id	Dist	Name	Address	City/State/Zip	Prop Loc/Veh. Info./Plan-Sew	MBL/LINK #	Flags	TOT Inst	Tax Due	Balance
									TOT Adj	Int Due	Due Now
									TOT Paid	L/F/Bint Due	Discount
2017-06-0430124-00	R00897		LAKESHORE LLC	265 SOUTH MAIN ST		151 EAST HIGH ST 2	10A/80/5-1		1,952.50	0.00	0.00
				MARLBOROUGH CT 06447					0.00	0.00	0.00
				C/O DAVID HANSON					1,952.50	0.00	0.00
2018-06-0430124-00	R00897		LAKESHORE LLC	265 SOUTH MAIN ST		151 EAST HIGH ST 2	10A/80/5-1		2,007.50	2,007.50	2,248.40
				MARLBOROUGH CT 06447					0.00	240.90	2,248.40
				C/O DAVID HANSON					0.00	0.00	0.00
# OF Acct (s) : 2									3,960.00	2,007.50	2,248.40
									0.00	240.90	2,248.40
									1,952.50	0.00	0.00

Bill	H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
2017-01-0000897	LAKESHORE LLC	1	3171	144	01/15/2019	6,912.94	
2018-06-0430124	LAKESHORE LLC	1	3171	145	01/15/2019	2,127.95	
2018-06-0430124	LAKESHORE LLC	1	3171	146	01/15/2019	2,127.95	
2017-01-0000897	LAKESHORE LLC	1	3171	147	01/15/2019	6,912.94	
2017-01-0000897	LAKESHORE LLC	1	3171	148	01/15/2019	3,796.59	
TOT	# : 5					3,796.59	

Check	Cash	Charge	Change	Total	Chk#/Card#	Name
3,796.59	0.00	0.00	0.00	3,796.59	1-3487	KIDS OF CHATHAM

Check Amt	Cash Amt	Charge Amt	Change Amt	Total Amt
\$3,796.59	0.00	0.00	0.00	\$3,796.59

☐ Slip Printer

TOT	13,454.12	0.00	490.59	0.00	0.00	0.00	0.00	13,944.71
-----	-----------	------	--------	------	------	------	------	-----------

Transaction Details
— □ ×

H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
2017-01-0000897	LAKESHORE LLC	5	180	17	11/01/2018	3,592.45

Check	Cash	Charge	Change	Total	Chk#/Card#	Name
3,592.45	0.00	0.00	0.00	3,592.45	13451	KIDS OF CHATH/9.

Check Amt	Cash Amt	Charge Amt	Change Amt	Total Amt
\$3,592.45	0.00	0.00	0.00	\$3,592.45

☐ Slip Printer

++ Print [F11]
Close [ESC]

TYPE	TOT TAX	TOT ADJ	TOT FEE	TOT DISC	TOT PAID
TOT	13,454.12	0.00	490.59	0.00	0.00

Transaction Details

H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
2016-01-0002354	BUSH JUDITH E	1	3036	119	02/20/2018	7,978.88
2016-04-0080285	BUSH JUDITH E	1	3036	120	02/20/2018	27.68
2014-01-0000897	LAKE SHORE LLC	1	3036	121	02/20/2018	1,143.82
2015-01-0000897	LAKE SHORE LLC	1	3036	122	02/20/2018	15,456.87
2016-01-0000897	LAKE SHORE LLC	1	3036	123	02/20/2018	14,063.54
2017-06-0430124	LAKE SHORE LLC	1	3036	125	02/20/2018	2,098.94
2005-01-0000798	CAVANAUGH ROY W + SHIRLEY	1	3036	126	02/20/2018	1,576.66

Check	Cash	Charge	Change	Total	Chk#/Card#	Name
120,205.94	0.00	0.00	0.00	120,205.94	A-39072	ADAM COHEN

Check Amt	Cash Amt	Charge Amt	Change Amt	Total Amt
\$120,205.94	0.00	0.00	0.00	\$120,205.94

Reprint Receipt Reprint Endorse Close [Esc]

Type	TOT Tax	TOT Adj	TOT Int	TOT BInt	TOT Lien	TOT Fee	TOT Misc	TOT Paic
TOT	13,082.36	0.00	981.18	0.00	0.00	0.00	0.00	14,063.54

Bill Information

Bill # 2013-01-0000897

Bas Addr

Transaction Details

H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
2013-01-0000897	LAKE SHORE LLC	1	2338	52	07/30/2015	2,943.00

Check	Cash	Charge	Change	Total	Chk# / Card#	Name
2,943.00	0.00	0.00	0.00	2,943.00	1-3142	KIDS OF CHATHA

Check Amt	Cash Amt	Charge Amt	Change Amt	Total Amt
\$2,943.00	0.00	0.00	0.00	\$2,943.00

Slip Printer

Reprint Receipt Reprint Endorse Close [Esc]

OT Paid 12,175

TOWN OF EAST HAMPTON - 05/21/2019 02:10:35 PM

Transaction Details

H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
2013-01-0000897	LAKESHORE LLC	1	2171	61	01/21/2015	2,943.00

Check	Cash	Charge	Change	Total	Chk#/Card#	Name
2,943.00	0.00	0.00	0.00	2,943.00	1-3074	KIDS OF CHATHAM

Check Amt	Cash Amt	Charge Amt	Change Amt	Total Amt
\$2,943.00	0.00	0.00	0.00	\$2,943.00

Slip Printer

Reprint Receipt Reprint Endorse Close [Esc]

Type	TOT Tax	TOT Adj	TOT Int	TOT Blnt	TOT Lien	TOT Fee	TOT Misc	TOT Paid
TOT	11,350.50	0.00	800.66	0.00	24.00	0.00	0.00	12,175.16

Transaction Details

H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
2013-01-0000897	LAKESHORE LLC	1	2171	61	01/21/2015	2,943.00

Check	Cash	Charge	Change	Total	Chk#/Card#	Name
2,943.00	0.00	0.00	0.00	2,943.00	1-3074	KIDS OF CHATHA

Check Amt	Cash Amt	Charge Amt	Change Amt	Total Amt
\$2,943.00	0.00	0.00	0.00	\$2,943.00

☐ Slip Printer

Reprint Receipt

Reprint Endorse

Close [Esc]

++ Print [F11]	Close [ESC]	Type	TOT Tax	TOT Adj	TOT Int	TOT Blnt	TOT Lien	TOT Fee	TOT Misc	TOT Palc
		TOT	11,350.50	0.00	800.66	0.00	24.00	0.00	0.00	12,175.16

Bill Information							
Transaction Details							
Name	H-Bill#	Name	Term #	Batch #	Seq#	Pay date	H-Amt
Add	2012-01-0000897	LAKE SHORE LLC	1	2137	2	12/17/2014	4,007.77
City	2013-01-0000897	LAKE SHORE LLC	1	2137	3	12/17/2014	6,186.02
TOT							10,193.79
Pay T							
Inst#							
Payee							
Pay:							
T/							
07/30							
KIDS	Charge		Change		Total		Chk# / Card#
Pay:	0.00		0.00		168.79		P-1448
T/							SUSAN L HANSON-LAKESHORE LLC
01/21	0.00		0.00		10,025.00		A-7401
KIDS							GREENE LAW PC
Pay:							
T/							
12/17							
SUSAN							
Check Amt		Cash Amt		Charge Amt		Change Amt	
\$10,193.79		0.00		0.00		0.00	
Total Amt		\$10,193.79					
Slip Printer							
Reprint Receipt		Reprint Endorse		Close [Esc]			
++ P		TOT		11,350.50		0.00	
				800.66		0.00	
				24.00		0.00	
				0.00		12,175	

Type here to search

TOWN OF EAST HAMPTON AGENDA REPORT

Item to be presented by: SC

DATE: May 28, 2019

SUBJECT: 2019/20 Public Water System Operating Budget & Water Rate Recommendation
First Reading

DEPARTMENT: WPCA

RECOMMENDED ACTION –to approve the 2019/20 Operating Budget for the two Community Water Systems owned by the Town and operated by the WPCA.

BACKGROUND – Management has reviewed the operations of the two (2) public water systems as well as the projected operations costs of the new Hampton Woods system and has developed the following 2019/20 Public Water System Operating Budget. Based upon current operating conditions and known operational changes necessary to operate the systems as efficiently as possible the recommended budget for all systems totals \$237,408.00 and represents an increase of 19.68% or \$39,040.00 over last year. This is due to operational and maintenance expenses that are needed.

Village Center Water System

The VCWS continues to perform within parameters. The treatment plant, built in 2009, has begun to experience an increase in call-outs as a result of mechanical failures. To date these issues have been minor, within budget and has not affected water quality. The media in the greensand filters is at the end of its useful life and we will be doing change outs starting this fiscal year. We will continue to monitor water quality to determine the optimum time to schedule a change-out. This is an expensive process and has been budgeted for in FY 19-20.

We did not experienced any violations under the Safe Water Drinking Act for FY 18-19. VCWS revenues are tracking as projected, future revenues are discussed separately.

Royal Oaks Water System

Rebuilding of the piping and valves and one green sand filter was a total cost of \$17,000.00. While the slip lining improved the water quality, the wells still have 7 – 10 mg/l of iron, which will require additional filters to improve water quality.

We continue to increase the iron and manganese filter capacity at the plant with every change-out of the media. Currently our treatment capacity is 12.0 cubic feet. The pursuit of additional filters needs to be the focus for FY 19-20 FY 21-22 the anticipated costs for this project will be \$200,00.00 - \$230,000.00. We will need to replace both pumps for well #3 & #4 again this year, which are continuing fail due to high iron content.

We experienced no violations for water quality parameters in FY 18/19.

ROWS revenues are tracking as expected; management expects revenues to support the operation of the system for this fiscal year.

Hampton Woods Water System

The HWWS is new to the East Hampton WPCA for FY 2019/20; Phase I A of the development has 34 individual homes of which 6 are connected to the water system that is still being constructed. This facility will be expandable to serve 255 homes. The Town will not be responsible for a financial deficit associated with the operation prior to the full build out of the development, as per Developers agreement.

WATER RATE RECOMMENDATION: WATER RATE RECOMMENDATION:

The 2019/20 budget of \$237,408.00 will require a change in rates for FY 19-20.

Avg. Monthly Cost	VCWS Residential	ROWS Residential	Center School	Memorial School
New Rates	\$72.43	\$91.96	\$941.21	\$1,386.50
WPCA Board recommendation	Increase \$2.25 /1000 gals	Increase \$2.25 /1000 gals	Increase \$2.25 /1000 gals	Increase \$2.25 /1000 gals

ALTERNATIVE ACTIONS – at the discretion of the Town Council

FISCAL IMPACT – variable depending upon the ultimate action of the Town Council.

Town of East Hampton
Water Pollution Control Authority
P.O. Box 218, 20 Gildersleeve Drive
East Hampton, Connecticut 06424-0218
Telephone (860) 267-2536, Fax (860) 267-9913

TO: Members of the WPCA

XC: Michael Maniscalco, Town Manager
Jeff, Jylkka, Finance Director

DATE: April 2, 2019, Revised May 7, 2019

SUBJECT: 2019/20 Public Water System Operating Budget & Water Rate Recommendation

Management has reviewed the operations of the two (2) public water systems as well as the projected operations costs of the new Hampton Woods system and has developed the following 2019/20 Public Water System Operating Budget. Based upon current operating conditions and known operational changes necessary to operate the systems as efficiently as possible the recommended budget for all systems totals \$237,408.00 and represents an \$39,040.00 or 19.68 % increase over last year.

Village Center Water System

The VCWS continues to perform within parameters. The treatment plant, built in 2009, has begun to experience an increase in call-outs as a result of mechanical failures. To date these issues have been minor, within budget and has not affected water quality. The media in the carbon filters is at the end of its useful life and we have changed out 2 filters during FY 18/19. This is an expensive process \$12K for two filters and the storage tank needs to be inspected and cleaned at an expense of \$15k been budgeted for in FY 19-20.

We did not experienced any violations under the Safe Water Drinking Act for FY 18-19. VCWS revenues are tracking as projected, future revenues are discussed separately.

Royal Oaks Water System

Rebuilding of the piping and valves and one green sand filter was a total cost of \$17,000.00. While the slip lining improved the water quality, the wells still have 7 – 10 mg/l of iron, which will require additional filters to improve water quality.

We continue to increase the iron and manganese filter capacity at the plant with every change-out of the media. Currently our treatment capacity is 12.0 cubic feet. The pursuit of additional filters needs to be the focus for FY 19-20 FY 21-22 the anticipated costs for this project will be \$200,000.00 - \$230,000.00. We will need to replace both pumps for well #3 & #4 again this year, which are continuing fail due to high iron content.

We experienced no violations for water quality parameters in FY 18/19.

ROWS revenues are tracking as expected; management expects revenues to support the operation of the system for this fiscal year.

Hampton Woods Water System

The HWWS is new to the East Hampton WPCA for FY 2019/20; Phase I A of the development has 34 individual homes of which 6 are connected to the water system that is still being constructed. This facility will be expandable to serve 255 homes. The Town will not be responsible for a financial deficit associated with the operation prior to the full build out of the development, as per Developers agreement.

WATER RATE RECOMMENDATION: WATER RATE RECOMMENDATION:

The 2019/20 budget of \$237,408.00 will require an increase in water rates for FY 19-20 from \$9.25/1000 gallons to \$11.50/1000 gallons. Fiscal impact on customers will be a rate increase of \$6.34/month for Village center and \$10.17/month for Royal Oaks based on average use.



2019–20 Public Water Systems Operation Budget

63-59-0000-XXXX VCWS

63-59-0590-XXXX ROWS

63-59-0593-XXXX HWWS

Presented to WPCA: April 2, 2019

Recommended by WPCA: May 7, 2019

First Reading Date: May 14, 2019

Public Hearing Date: June 4, 2019

Town Council Adoption: June 11, 2019

Drop in Location:
20 Gildersleeve Drive
East Hampton, CT 06424

Board recommendation

East Hampton Water Pollution Control Authority
Community Water Systems Fiscal Year Budget - 2019-20

REVENUES

Residential Consumption Estimated

	VCWS	ROWS	HWWS	
daily consumption (gals.)	8,000	12,500	4,080	
Est. daily cons./unit (gals.)	94	151	120	
Mthly. commodity cost (\$/1000gals.)	\$11.50	\$11.50	\$11.50	
Monthly commodity charge (\$)	\$32.43	\$51.96	\$41.40	
Monthly meter cost (1EMU = X.XX)	\$40.00	\$40.00	\$40.00	
Per unit monthly cost (\$)	\$72.43	\$91.96	\$81.40	
EMU's	94	83	34	
Estimated monthly revenue	\$6,808	\$7,633	\$2,768	
Est. Residential yearly revenue	\$81,701.04	\$91,590.00	\$33,211.20	\$206,502
Monthly meter cost (15 EMU = \$X.XX)	Ctr. Sch. \$600.00	Mem. Sch.		
daily consumption (gals/day)	989			
Monthly commodity charge (\$)	\$341.21			
Monthly meter cost (20 EMU = \$X.XX)		\$800.00		
daily consumption (gals/day)		1,700		
Monthly commodity charge (\$)		\$586.50		
Estimated monthly revenue	\$941.21	\$1,386.50		
Est. Institutional yearly revenue	\$11,294.46	\$16,638.00		\$27,932
Estimated total revenue 19/20	\$92,995.50	\$108,228.00	\$33,211.20	\$234,435
Transfer from capitol fund balance				-\$2,974

Proposed fiscal year Operating Budget \$237,408

Annual Cost based upon 72,000 gals. \$1,308.00

Water sytem Fund balance 6/30/17 \$ 108,732.00

Water system Fund balance 6/30/18 \$ 151,967.00

Acct 5980 funded reserve/Capital 6/30/19 \$ 30,420.00

Transfer /Water Ops budget / Capital 6/30/19 \$ 124,387.00 If need transfer for budget take from here

Unaudited Water system fund balance 6/30/19 \$ 58,000.00

PWS capital balance 6/30/18 \$ 54,725.00

Projected PWS capital balance 6/30/19 \$ 179,112.00

2019-20 Individual Water System Expense Breakdown

EXPENDITURES	25%				Total
	VCWS	ROWS	Mem Sch	HWWS	
5110 - Full Time Salaries	700	500	100	100	1,400
5120 - PIT Seasonal PIR	2,623	1,967	328	328	5,245
5220 - Social Security (.062)	163	122	20	20	325
5122 - Medicare (.0145)	38	29	5	5	77
5319 - Meetings/Conf.	500	453	85	85	1,123
Certification Training	125	125	38	38	
Conf./Seminars	375	328	47	47	
5330 - Prof/Tech Services	3,210	3,290	672	1,899	9,071
DOHS Water Quality Testing	3,000	3,000	647	1,874	
Misc. Engr. Bldg	n/a	n/a	n/a	n/a	
B102 Tank Insp/engr	n/a	n/a	n/a	n/a	
Annual Auditing Reports	210	290	25	25	
5430 - Bldg & Equip. M & Rep.	31,900	21,550	1,350	250	55,050
JF Labor	250	500		250	
well pump replacement	1,000	1,000	1,000	0	
Dist/WTP system maint.	2,500	1,000	150	0	
plumbing parts & repairs	400	800	200	0	
Greensand Valves		500		0	
Greensand media changeout	12,000	3,000		0	
Emrg. Gen. Maint. & An. Insp.	750	750		0	
Storage tank cleaning	15,000	n/a	n/a	n/a	
Well Driller	0	14,000		0	
5436 - UTT/Oper. Labor	18,519	18,519		4,506	41,544
5490 - Other Purch. Property Scrvs					600
Locate leaks/R & R meter & radio	150	300		150	
5520 - Prop/Liab Ins (Inc 10%)	1,197	1,931	270	1,931	5,329
5530 - Communications	650	1,100	150	650	2,550
5540 - Newspaper Advertising	100	100		100	300
5580 - Travel	1,500	1,500		1,500	4,500
5590 - Other Purch. Services	3,596	9,528	192	3,846	17,161
Billing Administration (112 cust.)	2,846	7,528	92	3,121	
Shut offs/Final bills	100	600		100	
Flushing water mains 2X/yr	450	1,300		450	
Annual Cross Connection Report	200	100	100	175	
5611 - Office Supplies	100	74	13	13	200
5615 - Uniform Allowance	75	75	75	75	300
5622 - Electricity	9,750	9,750		9,750	29,250
5627 - Motor Fuel (Veh & Gen)	600	600	50	50	1,300
Veh. \$200/200/50 - Gen. \$400/400					
5680 - Chemicals	1,750	7,500	2,250	1,750	13,250
5690 - Other Supp/Materials	550	250	100	550	1,450
5744 - Computer Equip	25	25	25	25	100
5810 - Dues & Fees	1,155	1,144	195	570	3,064
AWWA	45	34	11	45	
CWWA	735	735	184	150	
DEEP Annual Diversion permit	250	250		250	
DEEP Generator Permit	125	125		125	
5923 - Oper. Transfer to S.F.	1,000	1,000	500	1,000	3,500
5980 - Res for Cap & NR	15,210	15,210	0	6,700	37,120
5990 - Contingency	1,200	900	300	1,200	3,600
TOTAL	96,260	97,416	6,679	37,054	237,408
Approved Operating Budget 18-19	63,557	91,479	6,455	36,952	198,368
"+/-	32,703	5,937	224	102	39,040
"+/-	51.45%	6.49%	3.47%	0.27%	19.68%

Adopted:

page 1 of 1

	Actual		APPROVED		PROPOSED	
	17-18	2018-19	Spent	%	2019-20	%
	EXPENSES	BUDGET	03/21/19	Available	BUDGET	+/-
5110 Full Time P/R	0	700	0	100.00%	700	0
5120 P/T P/R (19.5 hrs/wk)	0	2,623	0	100.00%	2,623	(1)
5220 Social Security	0	163	0	100.00%	163	(0)
5221 Medicare	0	38	0	100.00%	38	0
5319 Meetings/Conf.	348	500	152	69.60%	500	0
5330 Prof/Tech Services	2,731	3,210	1,728	46.17%	3,210	0
5430 Bldg. & Equip. M&R	3,450	4,900	16,163	-229.86%	31,900	27,000
5436 UTT/Oper. Labor	4,265	13,519	3,635	73.11%	18,519	5,000
5490 oth purchased propsrv	383	150	0	100.00%	150	0
5520 Prop/Liab Insurance	0	1,197	0	100.00%	1,197	0
5530 Communications	168	650	623	4.15%	650	0
5540 Newspaper Adv.	170	100	0	100.00%	100	0
5580 Staff Travel	1,505	1,500	1,023	31.80%	1,500	0
5590 Other Purch. Serv.	2,824	3,478	1,928	44.57%	3,596	118
5611 Supplies/ materials	78	100	73	27.00%	100	0
5615 UNIFORMS	0	75	0	100.00%	75	0
5622 Electricity	9,519	9,750	6,724	31.04%	9,750	0
5627 Motor Fuel	0	600	0	100.00%	600	0
5680 Chemicals	877	1,750	265	84.86%	1,750	0
5690 Other Supp./Material	2,343	550	33	94.00%	550	0
5744 Computer Equip.	0	25	0	100.00%	25	0
5810 Dues & Fees	751	570	870	-52.63%	1,155	585
5893 Claims & settlements	0	0	0	#DIV/0!	0	0
5923op TRANS TO wpca cap	0	1,000	0	100.00%	1,000	0
5980 Res. For Cap & NR	0	15,210	0	100.00%	15,210	0
5990 Contingency	0	1,200	0	100.00%	1,200	0
	\$29,412	\$63,558	\$33,217		\$96,260	\$32,702
					+/-	51%

ROWS F/Y 2019-20 Operating Budget - Expenditures only

Adopted:

page 1 of 1

	Actual		APPROVED		Spent 03/21/19	% Available	PROPOSED		+/-	% +/-
	2017-18 EXPENSES	2018-19 BUDGET	2018-19 BUDGET	2019-20 BUDGET						
5110 Full Time P/R	0	600	600	600	0	100.00%	600	0	0.0%	0.0%
5120 P/T P/R (19.5 hrs/wk)	0	2,295	2,295	2,295	0	100.00%	2,295	(0)	0.0%	0.0%
5220 Social Security	0	142	142	142	0	100.00%	142	(0)	0.0%	0.0%
5221 Medicare	0	34	34	34	0	100.00%	34	(0)	-1.4%	0.0%
5319 Meetings/Conf.	268	538	538	538	152	71.75%	538	0	0.0%	0.0%
5330 Prof/Tech Services	8,363	3,962	3,962	3,962	1,278	67.74%	3,962	(0)	0.0%	0.0%
5430 Bldg. & Equip. M&R	48,291	22,900	22,900	22,900	19,576	14.52%	22,900	0	0.0%	0.0%
5436 UTT/Oper. Labor	4,528	13,519	13,519	18,519	4,057	69.99%	18,519	5,000	37.0%	0.0%
5490 oth purchased propsrv	486	300	300	300	0	100.00%	300	0	0.0%	0.0%
5520 Prop/Liab Insurance	0	2,201	2,201	2,201	0	100.00%	2,201	(1)	0.0%	0.0%
5530 Communications	145	1,250	1,250	1,250	624	50.08%	1,250	0	0.0%	0.0%
5540 Newspaper Adv.	170	100	100	100	0	100.00%	100	0	0.0%	0.0%
5580 Staff Travel	1,505	1,500	1,500	1,500	1,023	31.80%	1,500	0	0.0%	0.0%
5590 Other Purch. Serv.	7,624	9,327	9,327	9,719	5,173	44.54%	9,719	392	4.2%	0.0%
5611 Supplies/ materials	0	87	87	87	73	16.09%	87	0	0.0%	0.0%
5615 UNIFORMS	0	150	150	150	0	100.00%	150	0	0.0%	0.0%
5622 Electricity	8,778	9,750	9,750	9,750	4,840	50.36%	9,750	0	0.0%	0.0%
5627 Motor Fuel	0	650	650	650	0	100.00%	650	0	0.0%	0.0%
5680 Chemicals	5,649	9,750	9,750	9,750	2,920	70.05%	9,750	0	0.0%	0.0%
5690 Other Supp./Material	10	350	350	350	58	83.43%	350	0	0.0%	0.0%
5744 Computer Equip.	0	50	50	50	0	100.00%	50	0	0.0%	0.0%
5810 Dues & Fees	771	570	570	1,339	895	-57.02%	1,339	769	134.9%	###
5893 Claims & settlements	0	0	0	0	0	0.00%	0	0	###	###
5923op TRANS TO wpca cap	0	1,500	1,500	1,500	0	100.00%	1,500	0	0.0%	0.0%
5980 Res. For Cap & NR	0	15,210	15,210	15,210	0	100.00%	15,210	0	0.0%	0.0%
5990 Contingency	0	1,200	1,200	1,200	0	100.00%	1,200	0	0.0%	0.0%
	\$86,588	\$97,935	\$97,935	\$104,095	\$40,669		\$104,095	\$6,160	6%	

APPENDIX G
WPCA
 Fiscal Year 2019/20
Capital Budget 2017-2022
Fund 82

<u>Est. Cost</u>	<u>Purchase Year</u>	<u>Projects</u>
\$145,000	2019/20	Building expansion / mold removal / Design for bldg(ROWS)
\$30,000	2020/21	9 ft3 greensand addition (ROWS)
\$30,000	2020/21	9 ft3 greensand addition (ROWS)
\$30,000	2021/22	9 ft3 greensand addition (ROWS)
\$30,000	2022/23	9 ft3 greensand addition (ROWS)
\$30,000	2023/24	Drill New well and outfit (ROWS)
 \$295,000		 Current Projected Total Capital Budget
 \$ 295,000.00		 Current Fiscal Year 100% Funding Level

Basic business practice as defined by Moody's & DEP requires a contingency of 5-10%
 of the annual operating budget be kept within the Capital Budget . \$ 19,013

Recommended F/Y 19/20 funding level for Capital Budget

\$ 37,120 see line item 5980 Oper. Transfer to Cap. Budget

WPCA CAPITAL BUDGET

	Year 0 16/17	Year 1 17/18	Year 2 18/19	Year 3 19/20	Year 4 20/21	Year 5 21/22
Budget Line Item 5980 (Res for Capital)						
WATER sytem fund tranfer / Capital	\$ 23,400	\$ 23,400	\$ 30,420	\$ 39,546	\$ 51,410	\$ 66,833
Cumulative Reserve for Capital	\$ 23,400	\$ 103,451	\$ 133,871	\$ 173,417	\$ 224,827	\$ 291,660
Anticipated Capital Fund Expenditures	\$ -	\$ (12,000)	\$ (145,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)
Cumulative Capital Expenditures	\$ -	\$ (12,000)	\$ (157,000)	\$ (187,000)	\$ (217,000)	\$ (247,000)
Anticipated Capital Fund Balance	\$ 23,400	\$ 91,451	\$ (23,129)	\$ (13,583)	\$ 7,827	\$ 44,660
Budget Line Item 5980 Percent Increase over previous year						
Total Budget Percent Increase over 2016/2017 Budget	0%	0%	30%	30%	30%	30%
Water sytem Fund balance 6/30/17	\$	\$ 108,732.00				
Water system Fund balance 6/30/18	\$	\$ 151,967.00				
Acct 5980 funded reserve/Capital 6/30/19	\$	\$ 30,420.00				
Transfer /Water Ops budget / Capital 6/30/19	\$	\$ 124,387.00				
Unaudited Water system fund balance 6/30/19	\$	\$ 58,000.00				
PWS capital balance 6/30/18	\$	\$ 54,725.00				
Projected PWS capital balance 6/30/19	\$	\$ 179,112.00				

A decorative graphic consisting of several overlapping, semi-transparent, dark gray and black geometric shapes, primarily triangles and trapezoids, arranged in a horizontal band across the middle of the page.

Broker Opinion Of Value

Prepared for: Town of East Hampton

**20 East High Street AND 1 Watrous Street
East Hampton, CT 06424**

May 9, 2019

Prepared by:

Nicholas R. Morizio, CRE, SIOR
Colliers International
860-616-4022
nicholas.morizio@colliers.com

Sean A. Kumnick
Colliers International
860-616-4040
sean.kumnick@colliers.com

Broker Opinion of Value

20 East High Street AND 1 Watrous Street | East Hampton, CT 06424

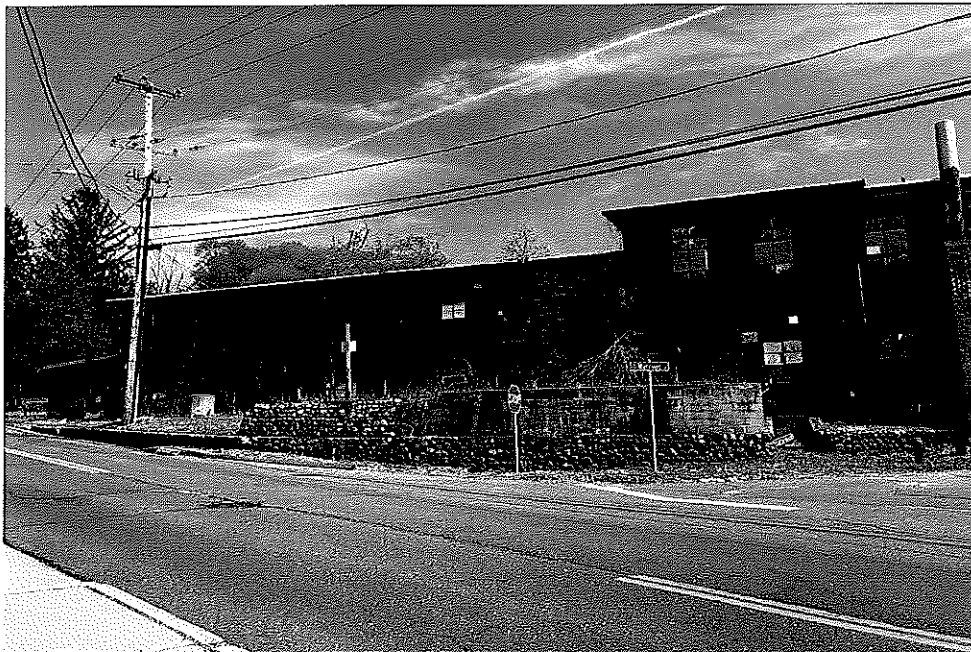
Page 2 of 11

FRONT

20 East High Street Front



1 Watrous Street Front

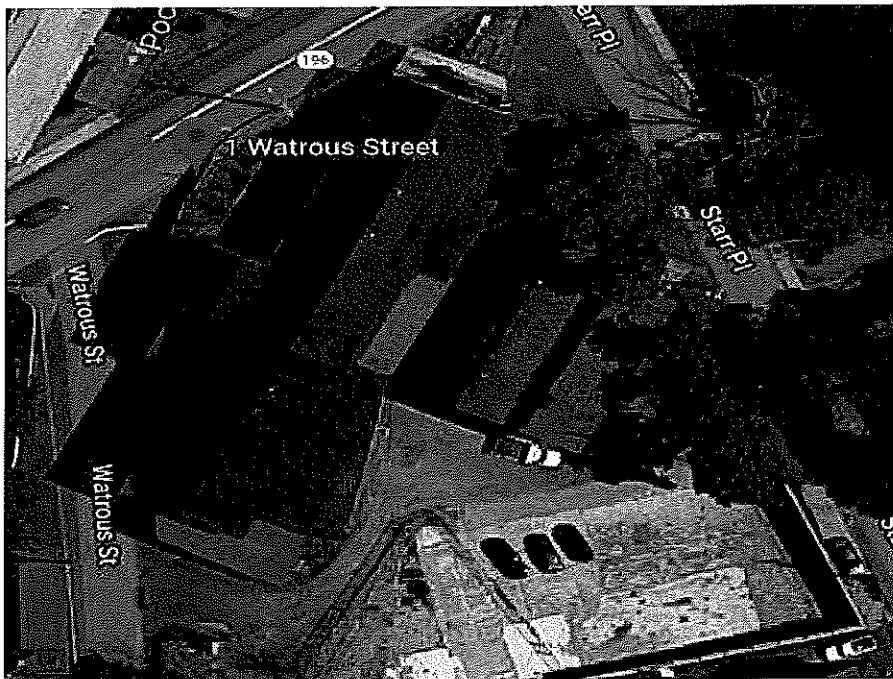


THIS IS NOT AN APPRAISAL: This Real Estate Broker's Opinion of Value is intended for the sole and exclusive use of Colony NorthStar, Inc. ("the Client") and may not be relied upon by any person or entity other than the Client for any purpose whatsoever. This Real Estate Broker's Opinion of Value represents only the opinion of Colliers International as to the value of the Subject Property, subject to the assumptions and qualifications set forth herein. Colliers International is not licensed to perform real property appraisals. Accordingly, this Real Estate Broker's Opinion of Value does not constitute an appraisal of the Subject Property and has not been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Real Estate Broker's Opinion of Value set forth herein is specifically qualified by, and based solely upon, the relevant facts, circumstances, and market conditions that exist as of the date of this Real Estate Broker's Opinion of Value, and we undertake no obligation to update, modify, or supplement this Real Estate Broker's Opinion of Value to the extent that such facts, circumstances or market conditions subsequently change.

AERIAL
20 East High Street



1 Watrous Street



THIS IS NOT AN APPRAISAL: This Real Estate Broker's Opinion of Value is intended for the sole and exclusive use of Colony NorthStar, Inc. ("the Client") and may not be relied upon any person or entity other than the Client for any purpose whatsoever. This Real Estate Broker's Opinion of Value represents only the opinion of Colliers International as to the value of the Subject Property, subject to the assumptions and qualifications set forth herein. Colliers International is not licensed to perform real property appraisals. Accordingly, this Real Estate Broker's Opinion of Value does not constitute an appraisal of the Subject Property and has not been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Real Estate Broker's Opinion of Value set forth herein is specifically qualified by, and based solely upon, the relevant facts, circumstances, and market conditions that exist as of the date of this Real Estate Broker's Opinion of Value, and we undertake no obligation to update, modify, or supplement this Real Estate Broker's Opinion of Value to the extent that such facts, circumstances or market conditions subsequently change.

OPINION OF PRICE

20 East High Street

The East Hampton Town Hall sits on a highly visible location along Route 66 with multiple entrances to the property. However, there are issues with the building including roof age and the lack of potable water. In addition, the layout of the building as it stands is heavily subdivided. Additionally, the holding cells and safes present challenges for potential buyers looking to open up the space. With these considerations and also the previous sales along East High Street and in the area, I would recommend a price of \$530,000 or roughly \$75 per square foot.

1 Watrous Street

The former textile mill sits on the curve of Summit Street right next to the road and across from another large mill building. The building has concrete slab floors which are in good condition, but the upstairs wood flooring has warping and dipping in some areas. The brickwork, windows, and other exterior features are in need of attention. There are no obvious signs of current leaks in the main structure, but there are multiple plywood ceiling patches and a small enclosed area on the north side of the building has a collapsed roof. With these considerations and also the previous sales for apartment, retail, restaurant, and industrial properties in the area I would recommend a price of \$225,000 or roughly \$11.50 per square foot.

OPINION OF THE MARKET

20 East High Street


The town of East Hampton has a 4.2% unemployment rate and 254 employers representing 1,897 employees. Forecasted growth for the town is larger than the state average and as such, this location would serve well for restaurant, gas station, retail, office or other commercial use. The location is across from a McDonald's, office space, a gas station, and Stop and Shop – all of which have been newly renovated or refurbished which shows that the area is prime for development.


1 Watrous Street

With a 4.2% unemployment rate and median rent standing at \$1,147, the town could use more small scale apartment housing – 33 percent of renters in the town are overburdened. Additionally, the location would be prime for restaurant or brewery space given its history and character. Once again, the growth rate for the area is above the state average and Main Street and Route 66 are both close by to the property.

COMPARABLE SALES

20 East High Street

	Town EAST HAMPTON			Use RST
	County MIDDLESEX			Sale Price \$475,000
	Property 62 West High St, EAST HAMPTON			Date 04/05/2016
Seller ALM Realty Group LLC 199 White Birch Rd, East Hampton Ct				Vol/Pg 564/256
Buyer Stone Hill Realty LLC				Age 1951
Map/Block/Lot 19 / 39 / 16A	\$/Unit N/A	Zone C	Const BR	\$/SqFt \$127
Land to Building Ratio 40.83 : 1	Units 0	Acres 3.5	Floors 1	Sq Ft 3,734
Memo				


	Town EAST HAMPTON			Use DC
	County MIDDLESEX			Sale Price \$425,000
	Property 3 Smith St & 45 Colchester Ave, EAST HAMPTON			Date 03/27/2018
Seller Fatscher, Ed & Nancy				Vol/Pg 583/936
Buyer Belltown Discovery Center Realty 8 Hawkins St, A#2 Norwalk Ct 06855				Age 1935
Map/Block/Lot 7A / 56 / 14-4&15	\$/Unit N/A	Zone R25	Const CBL	\$/SqFt \$102
Land to Building Ratio 10.07 : 1	Units	Acres 0.96	Floors 1	Sq Ft 4,151
Memo				


Broker Opinion of Value

20 East High Street AND 1 Watrous Street | East Hampton, CT 06424

Page 6 of 11

COMPARABLE SALES**20 East High Street**


	Town EAST HAMPTON			Use BK, OFC
	County MIDDLESEX			Sale Price \$1,250,000
	Property 8 East High St, EAST HAMPTON			Date 03/27/2018
Seller ARC CBEHNCT001 LLC				Vol/Pg 583/997
Buyer SPP CIlizens Net Lease R.E San Francisco Ca				Age 1984
Map/Block/Lot 5A / 62 / 9	\$/Unit N/A	Zone C	Const FR	\$/SqFt \$396
Land to Building Ratio 14.08 : 1	Units	Acres 1.02	Floors 1	Sq Ft 3,156
Memo sale & lease back?				


	Town EAST HAMPTON			Use RST
	County MIDDLESEX			Sale Price \$250,000
	Property 37 East High St, EAST HAMPTON			Date 11/09/2017
Seller Cherokee Hill LLC				Vol/Pg 580/31
Buyer American Equities LLC				Age 1958
Map/Block/Lot 5A / 84 / 1A	\$/Unit N/A	Zone C	Const BR	\$/SqFt \$138
Land to Building Ratio 10.36 : 1	Units	Acres 0.43	Floors 1	Sq Ft 1,808
Memo				

THIS IS NOT AN APPRAISAL: This Real Estate Broker's Opinion of Value is intended for the sole and exclusive use of Colony NorthStar, Inc. ("the Client") and may not be relied upon by any person or entity other than the Client for any purpose whatsoever. This Real Estate Broker's Opinion of Value represents only the opinion of Colliers International as to the value of the Subject Property, subject to the assumptions and qualifications set forth herein. Colliers International is not licensed to perform real property appraisals. Accordingly, this Real Estate Broker's Opinion of Value does not constitute an appraisal of the Subject Property and has not been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Real Estate Broker's Opinion of Value set forth herein is specifically qualified by, and based solely upon, the relevant facts, circumstances, and market conditions that exist as of the date of this Real Estate Broker's Opinion of Value, and we undertake no obligation to update, modify, or supplement this Real Estate Broker's Opinion of Value to the extent that such facts, circumstances or market conditions subsequently change.

COMPARABLE SALES

20 East High Street

	Town EAST HAMPTON			Use RTL, RST
	County MIDDLESEX			Sale Price \$550,000
	Property 26 East High St, EAST HAMPTON			Date 06/19/2014
Seller Kilpatrick, Rosemary 22 West Point Rd, E Hampton Ct 06424				Vol/Pg 548/749
Buyer D'Mello, Francis 567 Ballfall Rd, Middletown Ct 06457				Age 0
Map/Block/Lot 5A / 62 / 4	\$/Unit N/A	Zone C	Const	\$/SqFt \$143
Land to Building Ratio 5.1 : 1	Units 0	Acres 0.45	Floors 0	Sq Ft 3,845
Memo 2 bldgs				


	Town EAST HAMPTON		Use RTL, APT	
	County MIDDLESEX		Sale Price \$575,000	
	Property 36 East High St, EAST HAMPTON		Date 10/28/2013	
Seller Topside LLC 173 Wopowog Rd, East Hampton Ct 06424			Vol/Pg 543/833	
Buyer B&H Lala LLC 7 Nutmeg La, East Hampton Ct 06424			Age 1945	
Map/Block/Lot 5A / 62 / 1A	\$/Unit N/A	Zone C	Const FR/BR	\$/SqFt \$66
Land to Building Ratio 2.55 : 1	Units 0	Acres 0.51	Floors 2	Sq Ft 8,698
Memo				


Broker Opinion of Value

20 East High Street AND 1 Watrous Street | East Hampton, CT 06424

Page 8 of 11

COMPARABLE SALES**1 Watrous Street**


	Town EAST HAMPTON				Use WH
	County MIDDLESEX				Sale Price \$80,000
	Property 90 Main St & Main, EAST HAMPTON				Date 02/23/2015
Seller Peterson, John 64 Riverview St, Portland Ct 06480					Vol/Pg 553/724
Buyer IH90 Main LLC 17 Watrous st, E Hampton Ct 06424					Age 0
Map/Block/Lot 2A / 48A / 2&2A	\$/Unit N/A	Zone VL	Const BR	\$/SqFt \$25	
Land to Building Ratio 15.07 : 1	Units 0	Acres 1.09	Floors 1	Sq Ft 3,150	

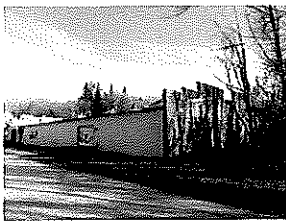
	Town EAST HAMPTON			Use IND, WH
	County MIDDLESEX			Sale Price \$400,000
	Property 11 Skinner St, EAST HAMPTON			Date 05/31/2016
Seller 11 Skinner Street LLC				Vol/Pg 565/540
Buyer Ener-G LLC				Age 1967
Map/Block/Lot 2A / 49 / 1-1	\$/Unit N/A	Zone I	Const BR	\$/SqFt \$13
Land to Building Ratio 3.26 : 1	Units 0	Acres 2.24	Floors 1	Sq Ft 29,910
Memo				

THIS IS NOT AN APPRAISAL: This Real Estate Broker's Opinion of Value is intended for the sole and exclusive use of Colony NorthStar, Inc. ("the Client") and may not be relied upon by any person or entity other than the Client for any purpose whatsoever. This Real Estate Broker's Opinion of Value represents only the opinion of Colliers International as to the value of the Subject Property, subject to the assumptions and qualifications set forth herein. Colliers International is not licensed to perform real property appraisals. Accordingly, this Real Estate Broker's Opinion of Value does not constitute an appraisal of the Subject Property and has not been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Real Estate Broker's Opinion of Value set forth herein is specifically qualified by, and based solely upon, the relevant facts, circumstances, and market conditions that exist as of the date of this Real Estate Broker's Opinion of Value, and we undertake no obligation to update, modify, or supplement this Real Estate Broker's Opinion of Value to the extent that such facts, circumstances or market conditions subsequently change.

COMPARABLE SALES

1 Watrous Street


	Town EAST HAMPTON			Use GAR, WH	
	County MIDDLESEX			Sale Price \$220,000	
	Property 12 & 13 Niles St, EAST HAMPTON			Date 03/06/2018	
Seller Jmar Properties LLC					Vol/Pg 583/379
Buyer 12-13 Niles St 190 Olde stae Rd, Glastonbury Ct 06033					Age
Map/Block/Lot 2A	\$/Unit N/A	Zone I	Const	\$/SqFt \$23	
Land to Building Ratio 10.35 : 1	Units	Acres 2.27	Floors	Sq Ft 9,554	
Memo 3 bldgs					


	Town EAST HAMPTON			Use WH	
	County MIDDLESEX			Sale Price \$89,900	
	Property 8 Walnut Ave, EAST HAMPTON			Date 02/12/2018	
Seller Mellen, Jason etal					Vol/Pg 582/812
Buyer Nichols, Raymond 71 Daniel St, E Hampton Ct 06424					Age 1875
Map/Block/Lot 6A / 57 / 2A	\$/Unit N/A	Zone VC	Const FR/BR	\$/SqFt \$3	
Land to Building Ratio 1.79 : 1	Units	Acres 1.09	Floors 1	Sq Ft 26,570	
Memo vacant at time of sale					

THIS IS NOT AN APPRAISAL: This Real Estate Broker's Opinion of Value is intended for the sole and exclusive use of Colony NorthStar, Inc. ("the Client") and may not be relied upon any person or entity other than the Client for any purpose whatsoever. This Real Estate Broker's Opinion of Value represents only the opinion of Colliers International as to the value of the Subject Property, subject to the assumptions and qualifications set forth herein. Colliers International is not licensed to perform real property appraisals. Accordingly, this Real Estate Broker's Opinion of Value does not constitute an appraisal of the Subject Property and has not been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Real Estate Broker's Opinion of Value set forth herein is specifically qualified by, and based solely upon, the relevant facts, circumstances, and market conditions that exist as of the date of this Real Estate Broker's Opinion of Value, and we undertake no obligation to update, modify, or supplement this Real Estate Broker's Opinion of Value to the extent that such facts, circumstances or market conditions subsequently change.

COMPARABLE SALES

1 Watrous Street

	Town EAST HAMPTON			Use IND, WH
	County MIDDLESEX			Sale Price \$205,000
	Property 21 Skinner St, EAST HAMPTON			Date 01/02/2018
Seller TD Bank				Vol/Pg 581/631
Buyer 21 Skinner Street LLC 2712 Hebron Ave, Glastonbury Ct 06033				Age 1978
Map/Block/Lot 2A / 49 / 1-2	\$/Unit N/A	Zone I	Const STL	\$/SqFt \$18
Land to Building Ratio 4.98 : 1	Units	Acres 1.28	Floors 1	Sq Ft 11,200
Memo NU#14				

	Town EAST HAMPTON			Use IND, WH
	County MIDDLESEX			Sale Price \$250,000
	Property 17 Watrous St, EAST HAMPTON			Date 10/01/2013
Seller Phoenix Redevelopment LLC Higganum Ct 06441-4038				Vol/Pg 543/249
Buyer IHEH LLC 17 Watrous st, East Hampton Ct 06424				Age 1910
Map/Block/Lot 6A / 59 / 8	\$/Unit N/A	Zone VC	Const BR	\$/SqFt \$12
Land to Building Ratio 1.83 : 1	Units 0	Acres 0.84	Floors 1	Sq Ft 20,028
Memo				

The market value approach to value is determined by comparing the subject property to similar properties which have been sold or offered for sale. Adjustments are made for differences in date of sale, age, condition, size, location, land/building ration, local tax policies, and other physical characteristics and circumstances influencing the sale. The adjusted baled of those sales considered most comparable (based on physical appearance and condition) establish a range of values for the property.

THIS IS NOT AN APPRAISAL: This Real Estate Broker's Opinion of Value is intended for the sole and exclusive use of Colony NorthStar, Inc. ("the Client") and may not be relied upon any person or entity other than the Client for any purpose whatsoever. This Real Estate Broker's Opinion of Value represents only the opinion of Colliers International as to the value of the Subject Property, subject to the assumptions and qualifications set forth herein. Colliers International is not licensed to perform real property appraisals. Accordingly, this Real Estate Broker's Opinion of Value does not constitute an appraisal of the Subject Property and has not been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Real Estate Broker's Opinion of Value set forth herein is specifically qualified by, and based solely upon, the relevant facts, circumstances, and market conditions that exist as of the date of this Real Estate Broker's Opinion of Value, and we undertake no obligation to update, modify, or supplement this Real Estate Broker's Opinion of Value to the extent that such facts, circumstances or market conditions subsequently change.

ASSUMPTIONS AND LIMITING CONDITIONS

This report is a market comparison of properties of a similar size, age and nature, and not an appraisal.

This is not an engineering report, and should not be considered a report of the physical condition of the property. No attempt was made to evaluate the environmental condition of the property or the potential existence of any hazardous materials.

No responsibility is assumed for matters legal in nature, including the legal description and opinion of title.

The facts and figures contained in this report were obtained from sources deemed reliable and are accurate to the best of our knowledge.

Qualifications: The writer is a licensed real estate broker in the State of Connecticut, and is actively engaged in the sale and leasing of commercial and industrial real estate with Colliers International. Nicholas Morizio, the President of Colliers International's Connecticut offices has been active in the industry for over thirty-five years.

Respectfully submitted,



Nicholas R. Morizio, SIOR, CRE

President, Hartford & New Haven Offices



EXCLUSIVE RIGHT TO SELL AGREEMENT
REALTORS — Industrial • Commercial • Office • Investments

THIS AGREEMENT, entered into on 6/1/19, is between The Town Of East Hampton, with an address as set forth below, the undersigned owner(s) (hereinafter "Owner"), and Dow & Condon, Inc. d/b/a Colliers International ("Broker").

Owner hereby authorizes and grants Broker the exclusive right to offer for SALE the real property (hereinafter the "Property"), located at:

<u>20 East High Street</u>	<u>East Hampton</u>	<u>CT</u>	<u>06424</u>
Street No. & Name	Town or City	State	Zip Code

Known as: 20 East High Street and briefly described as:
East Hampton Town Hall

1. **EXCLUSIVE RIGHT TO SELL.** Broker has the exclusive right to offer the Property for SALE during the term of this Agreement and Owner will refer all inquiries about, or offers for, the Property to Broker.

2. **ROLE OF BROKER.** Broker will use diligent efforts to SELL the Property during the term of this Agreement. Owner acknowledges that Broker is a national brokerage firm and that in some cases it may represent prospective purchasers and tenants. Owner desires that the property be presented to such persons or entities and consents to the dual representation created thereby. Agent shall not disclose the confidential information of one principal to the other.

3. **TERM OF AGREEMENT.** The term of this Agreement is from June 1, 2019 through December 30, 2019 inclusive, after which Broker's obligations hereunder shall cease. Owner and Broker may extend the term upon mutual written consent.

4. **SALE PRICE.** Owner authorizes Broker to quote a SALE price of: \$530,000.

NOTICE: THE AMOUNT OR RATE OF REAL ESTATE COMMISSIONS IS NOT FIXED BY LAW. THEY ARE SET BY EACH BROKER INDIVIDUALLY AND MAY BE NEGOTIABLE BETWEEN THE SELLER AND THE BROKER.

5. **COMMISSION EARNED.** Broker earns its commission, in the amount set forth in paragraph 6 below, if during the term of this Agreement: (a) a prospective buyer or lessee is ready, willing and able to PURCHASE the Property at the price shown in paragraph 4 above, or at any other price or terms acceptable to Owner; or (b) any contract for the SALE of the Property or any portion thereof or interest therein is entered into by Owner, or (c) Owner and a prospective buyer or tenant enter into a legally binding contract for the SALE of the Property or any portion thereof or interest therein and such contract is breached or rescinded by a party or the parties; or (d) Owner SELLS the Property or any portion thereof or interest therein, or (e) Owner contributes or conveys or leases the Property, or any portion thereof or interest therein, to a partnership, joint venture or other entity in exchange for an interest therein or for other consideration, or (f) if Owner is an entity, any interest in Owner is transferred in lieu of a SALE of the Property or any portion thereof or interest therein; or (g) a party enters into an agreement with Owner granting a party the option or right to SELL the Property or any portion thereof or interest therein, including without limitation, an option to purchase or lease, a right of first offer, a right of first refusal, or other right contained in a lease or other agreement with Owner; (h) or otherwise occupies the property. Broker's commission is due and payable and deemed earned upon occurrence of any of the above-described events. The termination of any lease option, agreement or right by the mutual agreement of Owner and the other party shall not affect the right of the Broker to receive the brokerage fee agreed to be paid by Owner under paragraph 6, on the same basis as if such party did not terminate and continued to perform its obligations.

6. **COMMISSION AMOUNT.** The amount of Broker's commission under this Agreement is: 6% of the total SALE price payable in full upon close of sale (including cash and any other consideration received by or on account of Owner).

7. **POST-TERM EVENTS.** Broker shall be paid by Owner the applicable commission amount stated in paragraph 6 if (i) within six (6) months after the term of this Agreement has expired, any of the events entitling Broker to a commission as set forth in paragraph 5 above shall occur with or for the benefit of anyone introduced to the Property or contacted by Broker during the term of this Agreement, or (ii) if during such period active negotiations are commenced or continue with or for the benefit of anyone introduced to the Property or contacted by the Broker during the term of this Agreement and are consummated in such a manner as would entitle Broker to a commission in accordance with paragraph 5 providing such consummation occurs within said six month period (or in the case of continuing negotiations, anytime thereafter, but in no case later than sixty (60) months following the expiration of the term of this Agreement).

8. BROKER'S AUTHORITY. Broker is expressly authorized and empowered to: (a) utilize such marketing techniques and programs as Broker, in Broker's sole discretion and judgment, deems appropriate for and advantageous to the sale/exchange/lease of the Property, including the placement of a "For Sale" sign or signs on the Property; and (b) enter the Property with other brokers and their duly authorized agents and any interested parties for the purpose of showing the Property to prospective buyers; and (c) enter into co-brokerage agreements with other licensed real estate brokers and agents.

9. LEGALLY REQUIRED NOTICES.

THIS AGREEMENT IS SUBJECT TO THE CONNECTICUT GENERAL STATUTES PROHIBITING DISCRIMINATION IN COMMERCIAL AND RESIDENTIAL REAL ESTATE TRANSACTIONS (C.G.S. TITLE 46a, CHAPTER 814c).

"THE REAL ESTATE BROKER MAY BE ENTITLED TO CERTAIN LIEN RIGHTS PURSUANT TO SECTION 20-325a OF THE CONNECTICUT GENERAL STATUTES."

10. ENVIRONMENTAL CONDITIONS. ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES MAY POSE SEVERE HEALTH AND SAFETY RISKS. FEDERAL, STATE AND LOCAL LAWS REGULATE THE PRESENCE, CONTAINMENT AND DISPOSAL OF ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES AND MAY IMPOSE CIVIL AND CRIMINAL PENALTIES FOR IMPROPER TREATMENT OR DISPOSAL. FOR THESE REASONS, THE PAST OR CURRENT PRESENCE OF ANY ENVIRONMENTALLY HAZARDOUS CONDITION OR SUBSTANCE SHOULD BE DISCLOSED TO A PROSPECTIVE BUYER. OWNER AGREES TO COMPLETE AN ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES DISCLOSURE FORM. IF THE EXISTENCE OF ANY ENVIRONMENTALLY HAZARDOUS CONDITIONS OR SUBSTANCES IS KNOWN TO BROKER, THEN BROKER, AS YOUR AGENT, MAY DISCLOSE SUCH CONDITIONS TO PROSPECTIVE BUYERS.

11. HOLD HARMLESS. Owner agrees to hold Broker harmless and pay any and all costs and damages (including without limitation any court costs and attorney fees) arising out of Owner's withholding or incorrectly supplying information about any material condition or defect concerning the Property, or any action by Broker to collect its commissions, or any action by Broker with respect to deposits or escrows, or the successful defense by Broker of any action against it in connection with this Agreement or any sale or transfer or lease of the Property or any interest in the Property.

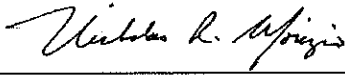
12. GENERAL PROVISIONS. This Agreement shall be binding upon the parties, their heirs, successors, assigns and personal representatives; shall be interpreted under and governed by the laws of the State of Connecticut; and may be modified, waived or discharged only by an agreement in writing signed by all the parties. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

13. ACKNOWLEDGMENT AND WARRANTY. By signing below, Owner also acknowledges receipt of a copy of this Agreement. Each undersigned Owner represents that, except as disclosed to Broker in a writing attached hereto, (i) he or she is the owner of record of the Property, or is the duly authorized agent to execute this Agreement for a corporate or other entity which is owner of record, (ii) there are no other owners of record other than the undersigned (iii) there are no foreclosures pending or threatened with respect to the Property; (iv) the Property has contiguous direct access to a public street; (v) the Property is served by all necessary utilities which connect to the Property directly from a public street; (vi) the buildings and improvements upon the Property are structurally sound and in good condition; (vii) the major systems serving the Property are in good operating condition, including, without limitation, HVAC, electrical, plumbing, water, sewer, elevators and other mechanical systems; and (viii) there are no material defects or adverse conditions associated with the Property.

14. FACSIMILE TRANSMISSIONS. The parties agree that this agreement may be transmitted between them by facsimile machine. The parties intend that faxed signatures constitute original signatures and that a faxed agreement containing the signatures (original and/or faxed) of all the parties is binding on the parties.

DOW & CONDON, INC.
d/b/a COLLIERS INTERNATIONAL
864 Wethersfield Avenue, Hartford, CT 06114
(860) 249-6521
Fax (860) 247-4067

By:



Date: 5/10/19

Broker/Authorized Agent

Printed Name: Nicholas Morizio

RECORD OWNERS

(All record owners must sign; if record owner is a partnership, all partners must sign;
if a limited partnership, all general partners must sign.)

1.

Owner/Partner/Duly Authorized Corporate Agent

Date

Printed Name: _____

Address: _____

Street No. and Name

City or Town

State

Zip Code

Tel. No.

2.

Owner/Partner/Duly Authorized Corporate Agent

Date

Printed Name: _____

Address: _____

Street No. and Name

City or Town

State

Zip Code

Tel. No.

3.

Owner/Partner/Duly Authorized Corporate Agent

Date

Printed Name: _____

Address: _____

Street No. and Name

City or Town

State

Zip Code

Tel. No.



EXCLUSIVE RIGHT TO SELL AGREEMENT
REALTORS — Industrial • Commercial • Office • Investments

THIS AGREEMENT, entered into on 6/1/19, is between The Town of East Hampton, with an address as set forth below, the undersigned owner(s) (hereinafter "Owner"), and Dow & Condon, Inc. d/b/a Colliers International ("Broker").

Owner hereby authorizes and grants Broker the exclusive right to offer for SALE the real property (hereinafter the "Property"), located at:

<u>1 Watrous Street</u>	<u>East Hampton</u>	<u>CT</u>	<u>06424</u>
Street No. & Name	Town or City	State	Zip Code

Known as: 1 Watrous Street and briefly described as:
Mill building and half acre of land facing Summit Street

1. **EXCLUSIVE RIGHT TO SELL.** Broker has the exclusive right to offer the Property for SALE during the term of this Agreement and Owner will refer all inquiries about, or offers for, the Property to Broker.

2. **ROLE OF BROKER.** Broker will use diligent efforts to SELL the Property during the term of this Agreement. Owner acknowledges that Broker is a national brokerage firm and that in some cases it may represent prospective purchasers and tenants. Owner desires that the property be presented to such persons or entities and consents to the dual representation created thereby. Agent shall not disclose the confidential information of one principal to the other.

3. **TERM OF AGREEMENT.** The term of this Agreement is from June 1, 2019 through December 30, 2019 inclusive, after which Broker's obligations hereunder shall cease. Owner and Broker may extend the term upon mutual written consent.

4. **SALE PRICE.** Owner authorizes Broker to quote a SALE price of: \$225,000.

NOTICE: THE AMOUNT OR RATE OF REAL ESTATE COMMISSIONS IS NOT FIXED BY LAW. THEY ARE SET BY EACH BROKER INDIVIDUALLY AND MAY BE NEGOTIABLE BETWEEN THE SELLER AND THE BROKER.

5. **COMMISSION EARNED.** Broker earns its commission, in the amount set forth in paragraph 6 below, if during the term of this Agreement: (a) a prospective buyer or lessee is ready, willing and able to PURCHASE the Property at the price shown in paragraph 4 above, or at any other price or terms acceptable to Owner; or (b) any contract for the SALE of the Property or any portion thereof or interest therein is entered into by Owner, or (c) Owner and a prospective buyer or tenant enter into a legally binding contract for the SALE of the Property or any portion thereof or interest therein and such contract is breached or rescinded by a party or the parties; or (d) Owner SELLS the Property or any portion thereof or interest therein, or (e) Owner contributes or conveys or leases the Property, or any portion thereof or interest therein, to a partnership, joint venture or other entity in exchange for an interest therein or for other consideration, or (f) if Owner is an entity, any interest in Owner is transferred in lieu of a SALE of the Property or any portion thereof or interest therein; or (g) a party enters into an agreement with Owner granting a party the option or right to SELL the Property or any portion thereof or interest therein, including without limitation, an option to purchase or lease, a right of first offer, a right of first refusal, or other right contained in a lease or other agreement with Owner; (h) or otherwise occupies the property. Broker's commission is due and payable and deemed earned upon occurrence of any of the above-described events. The termination of any lease option, agreement or right by the mutual agreement of Owner and the other party shall not affect the right of the Broker to receive the brokerage fee agreed to be paid by Owner under paragraph 6, on the same basis as if such party did not terminate and continued to perform its obligations.

6. **COMMISSION AMOUNT.** The amount of Broker's commission under this Agreement is: 6% of the total SALE price payable in full upon close of sale (including cash and any other consideration received by or on account of Owner).

7. **POST-TERM EVENTS.** Broker shall be paid by Owner the applicable commission amount stated in paragraph 6 if (i) within six (6) months after the term of this Agreement has expired, any of the events entitling Broker to a commission as set forth in paragraph 5 above shall occur with or for the benefit of anyone introduced to the Property or contacted by Broker during the term of this Agreement, or (ii) if during such period active negotiations are commenced or continue with or for the benefit of anyone introduced to the Property or contacted by the Broker during the term of this Agreement and are consummated in such a manner as would entitle Broker to a commission in accordance with paragraph 5 providing such consummation occurs within said six month period (or in the case of continuing negotiations, anytime thereafter, but in no case later than sixty (60) months following the expiration of the term of this Agreement).

8. BROKER'S AUTHORITY. Broker is expressly authorized and empowered to: (a) utilize such marketing techniques and programs as Broker, in Broker's sole discretion and judgment, deems appropriate for and advantageous to the sale/exchange/lease of the Property, including the placement of a "For Sale" sign or signs on the Property; and (b) enter the Property with other brokers and their duly authorized agents and any interested parties for the purpose of showing the Property to prospective buyers; and (c) enter into co-brokerage agreements with other licensed real estate brokers and agents.

9. LEGALLY REQUIRED NOTICES.

THIS AGREEMENT IS SUBJECT TO THE CONNECTICUT GENERAL STATUTES PROHIBITING DISCRIMINATION IN COMMERCIAL AND RESIDENTIAL REAL ESTATE TRANSACTIONS (C.G.S. TITLE 46a, CHAPTER 814c).

"THE REAL ESTATE BROKER MAY BE ENTITLED TO CERTAIN LIEN RIGHTS PURSUANT TO SECTION 20-325a OF THE CONNECTICUT GENERAL STATUTES."

10. ENVIRONMENTAL CONDITIONS. ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES MAY POSE SEVERE HEALTH AND SAFETY RISKS. FEDERAL, STATE AND LOCAL LAWS REGULATE THE PRESENCE, CONTAINMENT AND DISPOSAL OF ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES AND MAY IMPOSE CIVIL AND CRIMINAL PENALTIES FOR IMPROPER TREATMENT OR DISPOSAL. FOR THESE REASONS, THE PAST OR CURRENT PRESENCE OF ANY ENVIRONMENTALLY HAZARDOUS CONDITION OR SUBSTANCE SHOULD BE DISCLOSED TO A PROSPECTIVE BUYER. OWNER AGREES TO COMPLETE AN ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES DISCLOSURE FORM. IF THE EXISTENCE OF ANY ENVIRONMENTALLY HAZARDOUS CONDITIONS OR SUBSTANCES IS KNOWN TO BROKER, THEN BROKER, AS YOUR AGENT, MAY DISCLOSE SUCH CONDITIONS TO PROSPECTIVE BUYERS.

11. HOLD HARMLESS. Owner agrees to hold Broker harmless and pay any and all costs and damages (including without limitation any court costs and attorney fees) arising out of Owner's withholding or incorrectly supplying information about any material condition or defect concerning the Property, or any action by Broker to collect its commissions, or any action by Broker with respect to deposits or escrows, or the successful defense by Broker of any action against it in connection with this Agreement or any sale or transfer or lease of the Property or any interest in the Property.

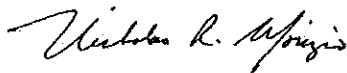
12. GENERAL PROVISIONS. This Agreement shall be binding upon the parties, their heirs, successors, assigns and personal representatives; shall be interpreted under and governed by the laws of the State of Connecticut; and may be modified, waived or discharged only by an agreement in writing signed by all the parties. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

13. ACKNOWLEDGMENT AND WARRANTY. By signing below, Owner also acknowledges receipt of a copy of this Agreement. Each undersigned Owner represents that, except as disclosed to Broker in a writing attached hereto, (i) he or she is the owner of record of the Property, or is the duly authorized agent to execute this Agreement for a corporate or other entity which is owner of record, (ii) there are no other owners of record other than the undersigned (iii) there are no foreclosures pending or threatened with respect to the Property; (iv) the Property has contiguous direct access to a public street; (v) the Property is served by all necessary utilities which connect to the Property directly from a public street; (vi) the buildings and improvements upon the Property are structurally sound and in good condition; (vii) the major systems serving the Property are in good operating condition, including, without limitation, HVAC, electrical, plumbing, water, sewer, elevators and other mechanical systems; and (viii) there are no material defects or adverse conditions associated with the Property.

14. FACSIMILE TRANSMISSIONS. The parties agree that this agreement may be transmitted between them by facsimile machine. The parties intend that faxed signatures constitute original signatures and that a faxed agreement containing the signatures (original and/or faxed) of all the parties is binding on the parties.

DOW & CONDON, INC.
d/b/a COLLIERS INTERNATIONAL
864 Wethersfield Avenue, Hartford, CT 06114
(860) 249-6521
Fax (860) 247-4067

By:



Date: 5/10/19

Broker/Authorized Agent

Printed Name: Nicholas Morizio

RECORD OWNERS

(All record owners must sign; if record owner is a partnership, all partners must sign;
if a limited partnership, all general partners must sign.)

1.

Owner/Partner/Duly Authorized Corporate Agent

Date

Printed Name: _____

Address: _____

Street No. and Name

City or Town

State

Zip Code

Tel. No.

2.

Owner/Partner/Duly Authorized Corporate Agent

Date

Printed Name: _____

Address: _____

Street No. and Name

City or Town

State

Zip Code

Tel. No.

3.

Owner/Partner/Duly Authorized Corporate Agent

Date

Printed Name: _____

Address: _____

Street No. and Name

City or Town

State

Zip Code

Tel. No.



Nicholas R. Morizio CRE, SIOR

PRESIDENT

Connecticut and Western Massachusetts



nicholas.morizio@colliers.com

EDUCATION OR QUALIFICATIONS

University of Connecticut, B.S.
Major in Real Estate
and Finance Program

AFFILIATIONS OR MEMBERSHIPS

CRE
SIOR

CONTACT DETAILS

DIR +1 860 616 4022
FAX +1 860 247 4067
MOB +1 860 690 7000

Colliers International
864 Wethersfield Avenue
Hartford, CT 06114

www.colliers.com

AREA OF EXPERTISE

Nicholas R. Morizio, CRE, SIOR is a multi discipline commercial real estate broker with Colliers International, a global real estate service provider. His market area includes Connecticut and Western Massachusetts.

He has completed a wide variety of sales, leasing and consulting assignments of various property types including industrial, office, land, retail and special purpose properties. He has over 30 years experience in commercial real estate in addition to extensive experience as a business owner.

PROFESSIONAL ACCOMPLISHMENTS

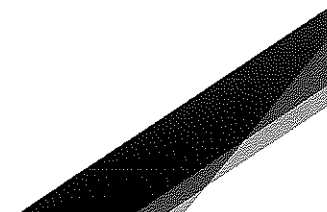
- The Society of Industrial and Office Realtors (SIOR) Office & Industrial Designations (Past President Connecticut Chapter)
- The Counselors of Real Estate (CRE), Chapter Chairman, 2006 & 2007
- CoreNet Global
- Recipient of numerous Commercial Real Estate Council's Pinnacle Awards for industrial, office and retail sales and leasing.
- CoStar 2010, 2011, 2012, 2013, 2014 Power Broker - Industrial Leasing Transactions
- CoStar 2010, 2011, 2012, 2013, 2014 Power Broker - Sales Transactions
- 2012, 2015, 2017 Everest Award - Top 10% of all Colliers brokers in North America
- Lifetime Achievement Award
UConn Real Estate Center 2018

BUSINESS AND EDUCATIONAL BACKGROUND

Nicholas joined Colliers in 1981 and earned his SIOR designation as an office and industrial specialist in 1981. Nicholas marketed a wide variety of properties at a value in excess of \$800 million, totaling over 100,000,000 square feet (including Industrial Facilities, Development Sites, Office Buildings, Distribution/Warehouse Facilities, Apartment Buildings and Investment Properties). Nicholas earned a B.S. in Real Estate and Finance at the University of Connecticut.

COMMUNITY INVOLVEMENT

- Real Estate Finance Association (REFA)
- Greater Hartford Association of Realtors
- Commercial Investment Division (CID)
- Corporator, - Saint Francis/Mount Sinai Hospital
- YMCA Youth Committee
- Counselor, University of Connecticut Real Estate Program
- Appointed to The University of Connecticut School of Business Dean's Advisory Cabinet in 2016





Nicholas R. Morizio CRE, SIOR

PRESIDENT

Connecticut and Western Massachusetts



REPRESENTATIVE CLIENTS AND PROJECTS

SIMS METAL MANAGEMENT AEROSPACE

Sims Metal Management is the global leader in metals and electronics recycling. Sims Metal Management today has over 230 locations on 4 continents, and 5,500+ employees. Nicholas Morizio was instrumental in the signing of a long term lease to occupy the entire 324,000 square foot building in the City's North Meadows. Nicholas represented both parties. This transaction was valued in excess of \$48 million dollars.

FREMONT GROUP, LLC

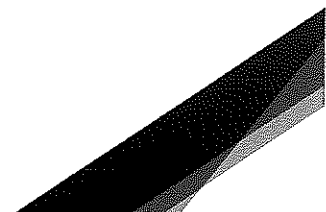
The Fremont Group, LLC is located in West Hartford. Nicholas was the listing and the sales agent in the acquisition of a portfolio of 20 properties totaling over 1,000,000 square feet. The Fremont Group purchased the East Hartford portfolio, including a 325,000 square foot office complex and 16 industrial properties from Beckenstein Enterprises for \$58,000,000.

SF BRISTOL, LLC

Nicholas Morizio was engaged to dispose The Bristol Business Center, a 1.2 million square foot industrial facility, for SF Bristol LLC. At \$23,500,000, this was one of the largest industrial transactions recorded in central Connecticut. He then leased approximately 300,000 square feet of space in the building.

HAMPSHIRE REAL ESTATE COMPANIES

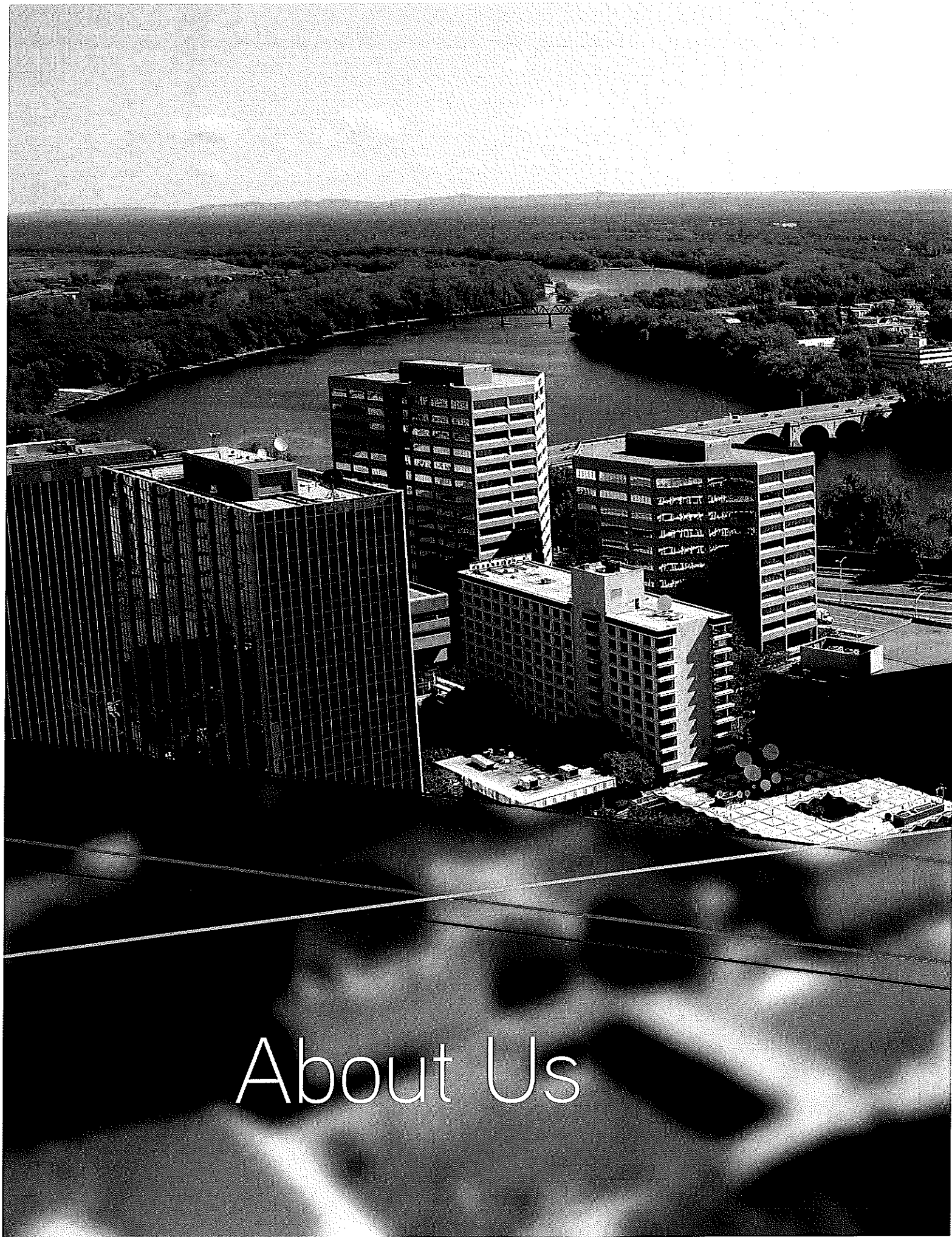
The Hampshire Companies, headquartered in Morristown, New Jersey is a privately held, fully integrated real estate firm. Nicholas sold a 600,000 square foot industrial property located in Newington, CT for \$13,000,000 to Hampshire Companies. This is one of the largest industrial buildings available in the Greater Hartford Market. Nicholas represented both parties. Nicholas also represented Hampshire Companies in their purchase of a 400,000 square foot Class A office building in Hartford's Central Business District.





Colliers International Hartford, Connecticut

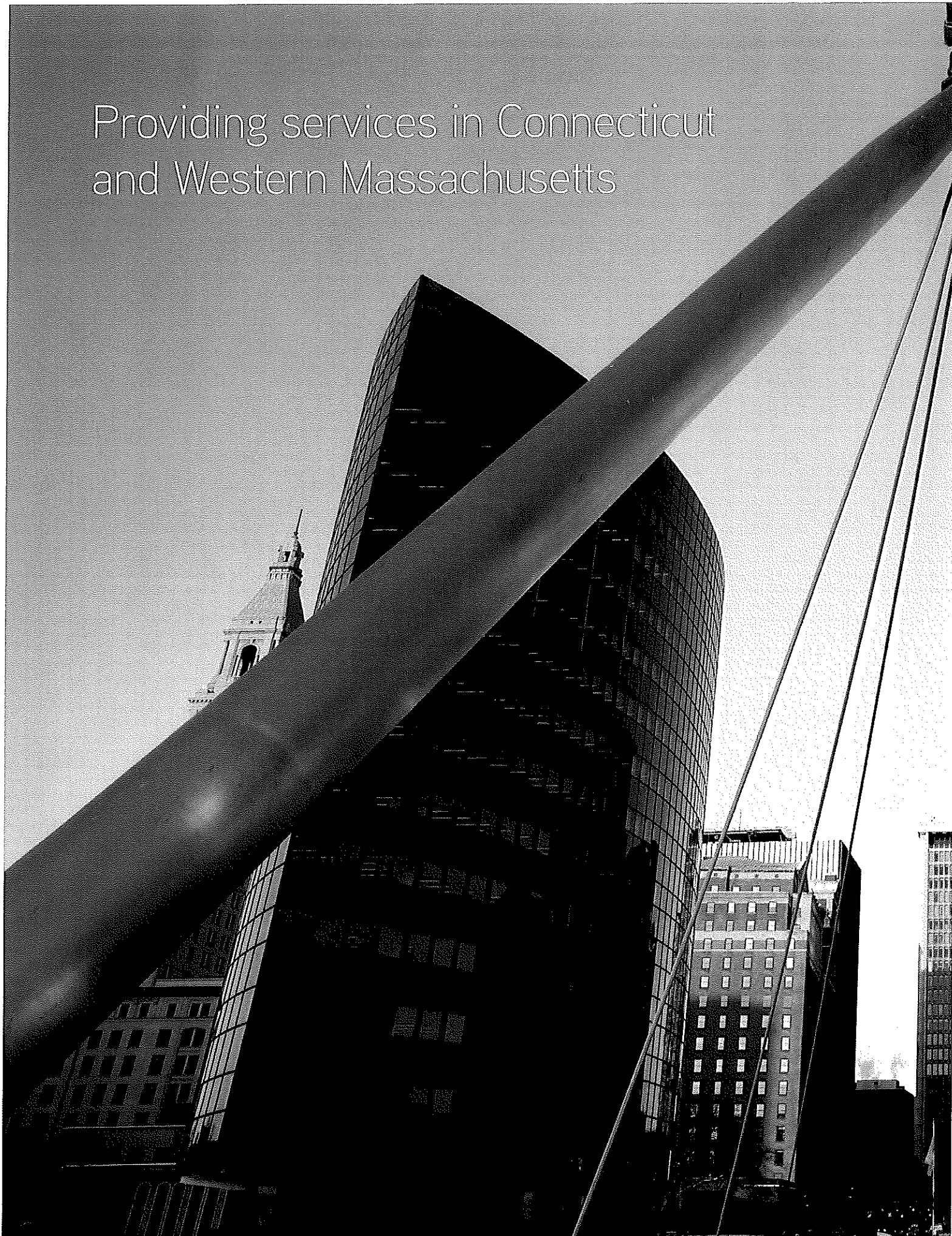
Since 1941 we have been providing services in Connecticut and western Massachusetts. Our local offices in Hartford and New Haven, Connecticut are staffed with seasoned professionals to assist you in all facets of real estate.

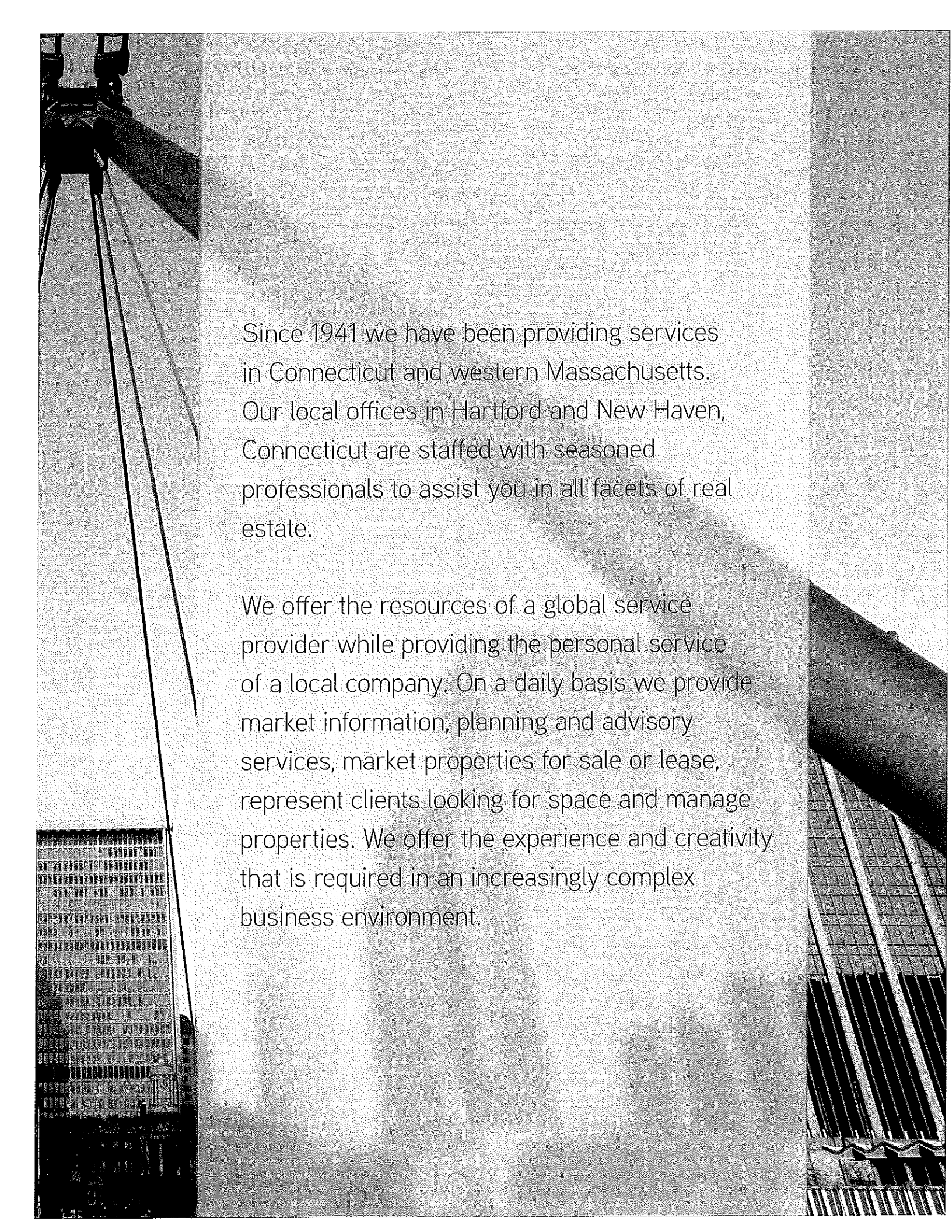


About Us



Providing services in Connecticut
and Western Massachusetts



A black and white photograph of a city skyline. In the foreground, a crane's cables and pulley system are visible on the left side. The background shows several tall buildings, including a prominent one with a grid-like facade on the right. The sky is filled with soft, white clouds.

Since 1941 we have been providing services in Connecticut and western Massachusetts. Our local offices in Hartford and New Haven, Connecticut are staffed with seasoned professionals to assist you in all facets of real estate.

We offer the resources of a global service provider while providing the personal service of a local company. On a daily basis we provide market information, planning and advisory services, market properties for sale or lease, represent clients looking for space and manage properties. We offer the experience and creativity that is required in an increasingly complex business environment.

OUR PROFFESIONALS



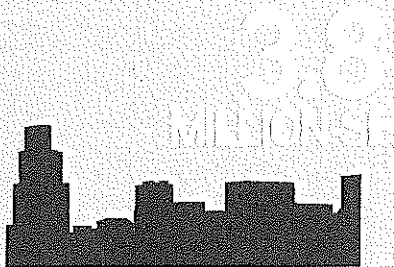
25
YEARS

TWENTY-TWO DEDICATED
PROFESSIONALS WITH MORE
THAN 25 AVERAGE YEARS
EXPERIENCE.



140
YEARS

OUR LEADERSHIP HAS OVER
140 YEARS EXPERIENCE IN THE
COMMERCIAL REAL ESTATE FIELD
IN THE CONNECTICUT MARKET.



+/- 3,810,624 SQUARE FEET
LEASED OR SOLD IN 2016 & 2017.



+/- \$211,250,107 IN TRANSACTIONS
IN 2016 & 2017.



NICHOLAS MORIZIO, CRE, SIOR
President
Hartford & New Haven
860 616 4022
nicholas.morizio@colliers.com



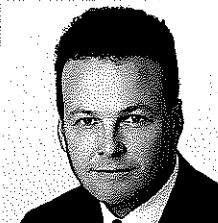
JAY WAMESTER, SIOR
Principal | Colliers Market Leader
Hartford & New Haven
860 616 4031
jay.wamester@colliers.com



KEITH KUMNICK, SIOR
Principal | Treasurer
Hartford & New Haven
860 616 4019
keith.kumnick@colliers.com



JOHN CAFASSO, CCIM
Principal
Hartford & New Haven
860 616 4013
john.cafasso@colliers.com

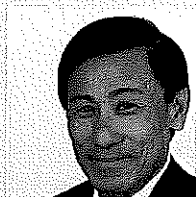


PHILIP GAGNON, SIOR
Principal
Hartford & New Haven
860 616 4016
philip.gagnon@colliers.com



BOB PAGANI, SIOR
Principal
Hartford & New Haven
860 616 4024
bob.pagani@colliers.com

HARTFORD OFFICE



RICH ABO
Senior Associate
860 616 4011
rich.abo@colliers.com



JAMES BASQUIL
Associate
860 616 4014
james.basquil@colliers.com



STEPHANIE CABRAL JD, LLM
Associate
860 616 4018
stephanie.cabral@colliers.com



IAN HUNT
Associate
860 616 4020
ian.hunt@colliers.com



PETER LANGE
Senior Associate
860 428 0454
peter.lange@colliers.com



CONOR LEBLANC
Associate
860 616 4023
conor.leblanc@colliers.com



STEPHANIE PIOUS
Senior Associate
860 916 5940
stephanie.pious@colliers.com



DAVID RICHARD
Senior Associate
860 616 4026
david.richard@colliers.com



TERRI ROCKEFELLER
Senior Associate
860 616 4017
terri.rockefeller@colliers.com



JAMES STANULIS, SIOR
Senior Associate
860 616 4028
james.stanulis@colliers.com



RAY THOMAS
Senior Associate
860 616 4029
ray.thomas@colliers.com



BIFF ZOEPHEL
Senior Associate
860 616 4032
biff.zoepfel@colliers.com

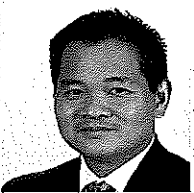
NEW HAVEN OFFICE



BOB ADNOPOZ
Broker
203 497 3952
bob.adnopo@colliers.com



JOHN KEOGH
Broker
203 497 3953
john.keogh@colliers.com

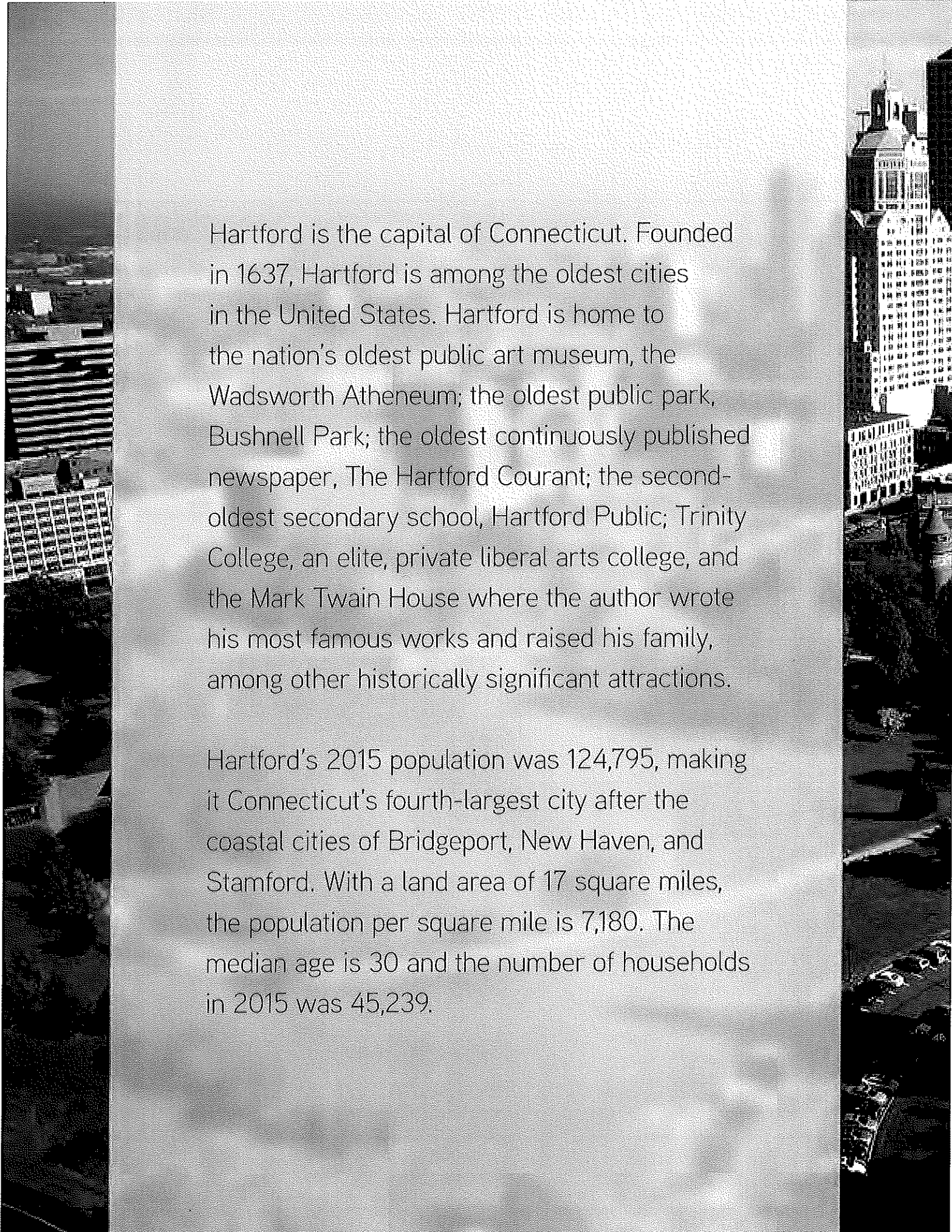


PETER SHIUE
Broker
203 497 3955
peter.shiue@colliers.com



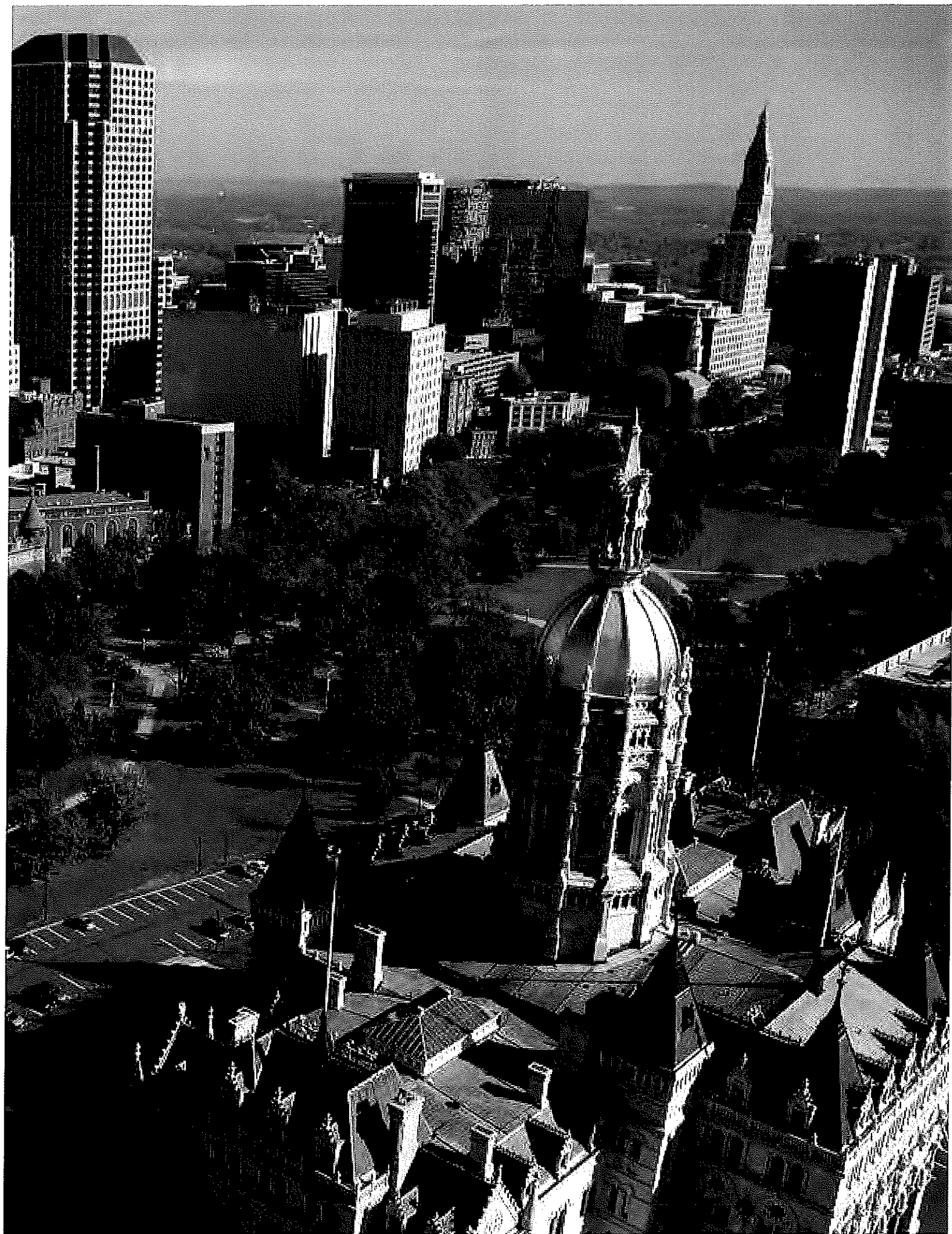
Hartford Market



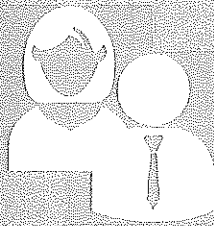


Hartford is the capital of Connecticut. Founded in 1637, Hartford is among the oldest cities in the United States. Hartford is home to the nation's oldest public art museum, the Wadsworth Atheneum; the oldest public park, Bushnell Park; the oldest continuously published newspaper, The Hartford Courant; the second-oldest secondary school, Hartford Public; Trinity College, an elite, private liberal arts college, and the Mark Twain House where the author wrote his most famous works and raised his family, among other historically significant attractions.

Hartford's 2015 population was 124,795, making it Connecticut's fourth-largest city after the coastal cities of Bridgeport, New Haven, and Stamford. With a land area of 17 square miles, the population per square mile is 7,180. The median age is 30 and the number of households in 2015 was 45,239.

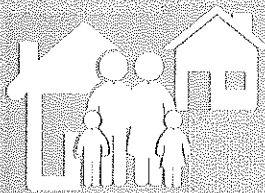


Hartford Area Demographics



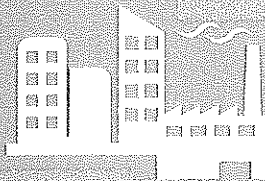
Population

	Town	County	State
2000	121,573	857,183	3,405,565
2010	124,775	894,014	3,574,097
2015	124,795	896,943	3,574,097
2020	126,656	925,492	3,702,469
Land Area	17	735	4,842
Pop./Sq. Mile	7,180	1,220	742



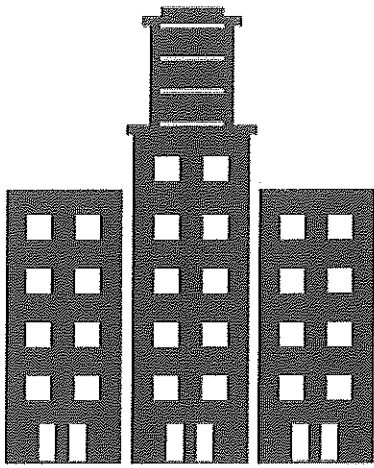
Households

	Town	County	State
Median Age	30	40	40
No. of HH	45,239	346,362	1,352,583
Median HH Income	\$30,630	\$66,395	\$70,331
Total Housing Units	45,801	348,204	1,356,206
House Sales	240	6,413	26,310



Major Employers in Hartford (2015)

- » Northeast Utilities
- » Hartford Financial Svcs Group
- » The Hartford
- » Travelers Indemnity Co.
- » Aetna Inc.



THE HARTFORD OFFICE MARKET ended the first quarter 2018 with a vacancy rate of 8.1%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling positive 71,042 square feet in the first quarter. Vacant sublease space increased in the quarter, ending the quarter at 416,798 square feet. Rental rates ended the first quarter at \$18.95, a decrease over the previous quarter. A total of two buildings delivered to the market in the quarter totaling 12,674 square feet, with 289,285 square feet still under construction at the end of the quarter.

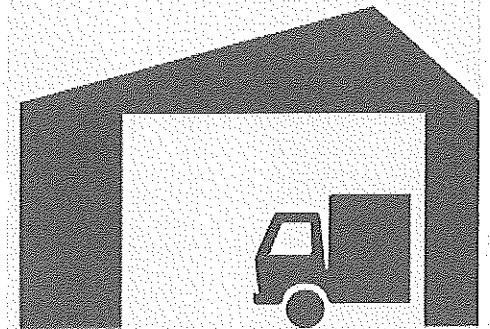
ABSORPTION

Net absorption for the overall Hartford office market was positive 71,042 square feet in the first quarter 2018. That compares to positive 626,052 square feet in the fourth quarter 2017, positive 151,382 square feet in the third quarter 2017, and positive 238,283 square feet in the second quarter 2017.

VACANCY

The office vacancy rate in the Hartford market area remained at 8.1% at the end of the first quarter 2018. The vacancy rate was 8.1% at the end of the fourth quarter 2017, 8.2% at the end of the third quarter 2017, and 8.4% at the end of the second quarter 2017.

THE HARTFORD INDUSTRIAL MARKET ended the first quarter 2018 with a vacancy rate of 5.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 918,167 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 197,443 square feet. Rental rates ended the first quarter at \$4.96, an increase over the previous quarter. A total of four buildings delivered to the market in the quarter totaling 418,200 square feet, with 1,543,903 square feet still under construction at the end of the quarter.



ABSORPTION

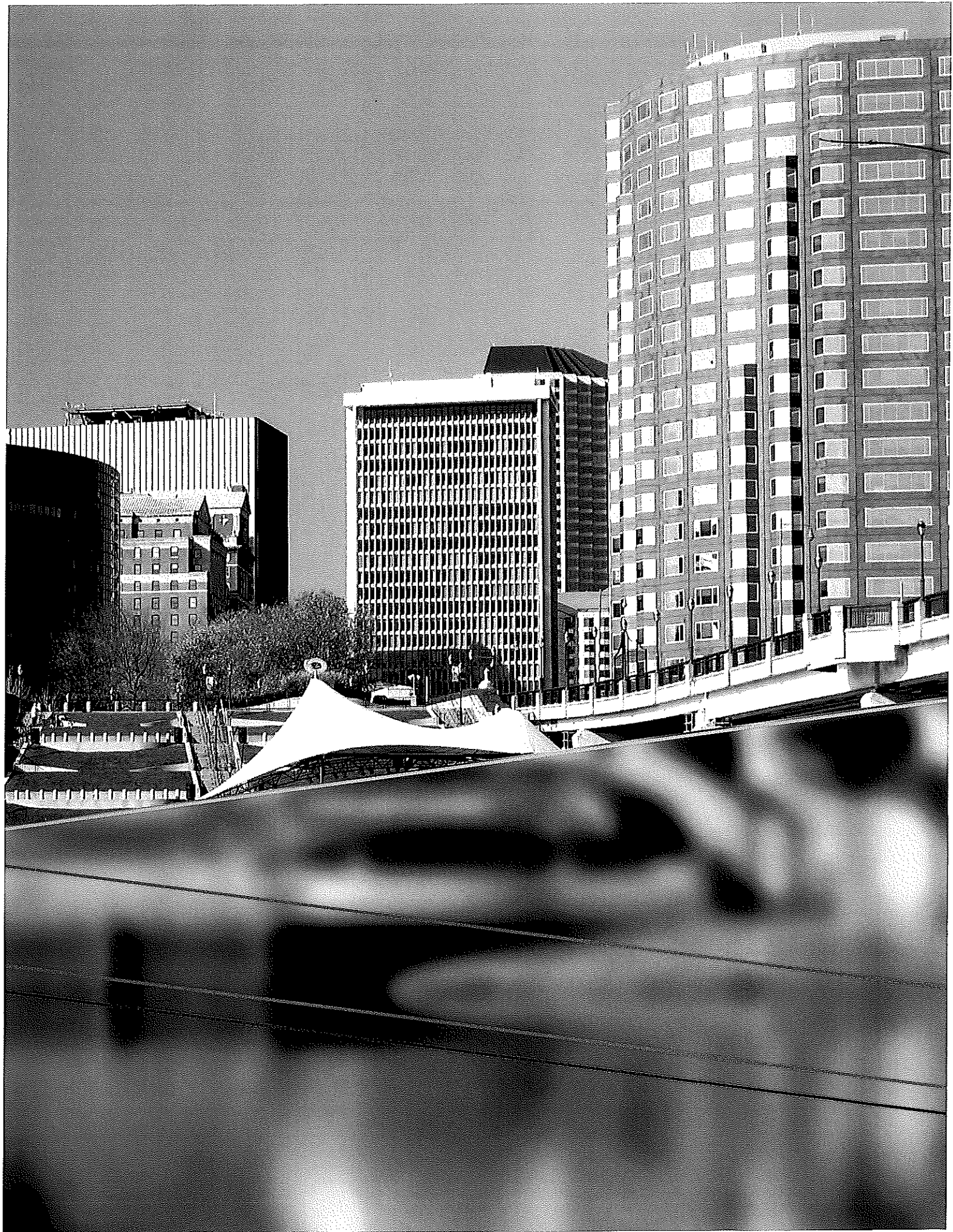
Net absorption for the overall Hartford Industrial market was positive 918,167 square feet in the first quarter 2018. That compares to positive 192,460 square feet in the fourth quarter 2017, positive 503,963 square feet in the third quarter 2017, and positive 968,676 square feet in the second quarter 2017.

VACANCY

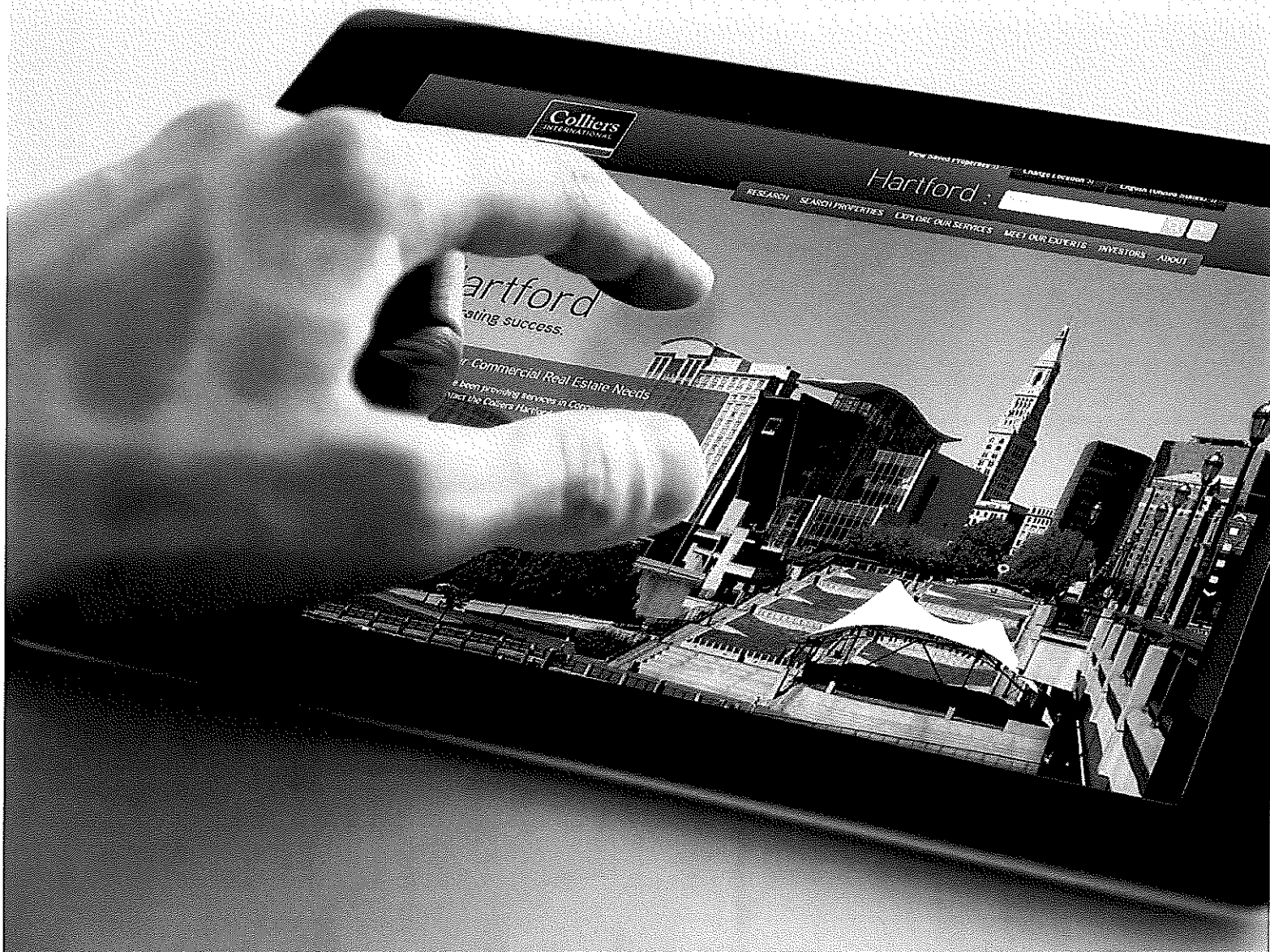
The Industrial vacancy rate in the Hartford market area decreased to 5.5% at the end of the first quarter 2018. The vacancy rate was 5.8% at the end of the fourth quarter 2017, 5.8% at the end of the third quarter 2017, and 6.0% at the end of the second quarter 2017.



Marketing Strategy



We understand the primary goal of any marketing strategy is to position the project to gain the greatest exposure among qualified prospective tenants or purchasers as well as the brokerage community at large.



A New Approach For A New Market

The brokerage team will use its extensive skills, strategies and unique database of existing leads created over the years of specializing in commercial real estate in the Hartford, Connecticut Market in order to maximize the value and accelerate the sale or lease of the property.

Targeted Marketing

- » Focus on size-specific tenants or investors
- » Personalized contact with key decision makers
- » Utilization of Real Capital Markets (RCM) for “broadly” marketed listings

Broker/Referral Marketing

- » Local and national listing services
- » Foster referral marketing through demonstrated performance
- » Leverage vast network of local and national brokerages

Print Media

- » Customized brochures showcasing property attributes
- » Market and demographic information
- » Property floor plans, site plans and photos
- » Access and amenities aerial maps

Electronic Media

- » E-campaign & digital collateral
- » CoStar/LoopNet, CERC, and Colliers.com listings
- » Customized website, if deemed necessary

Mobile Marketing

- » Immediate conversion of interest to commitment through quick access to agreements
- » Distinct client advantages through speed-to-market and real-time access to information

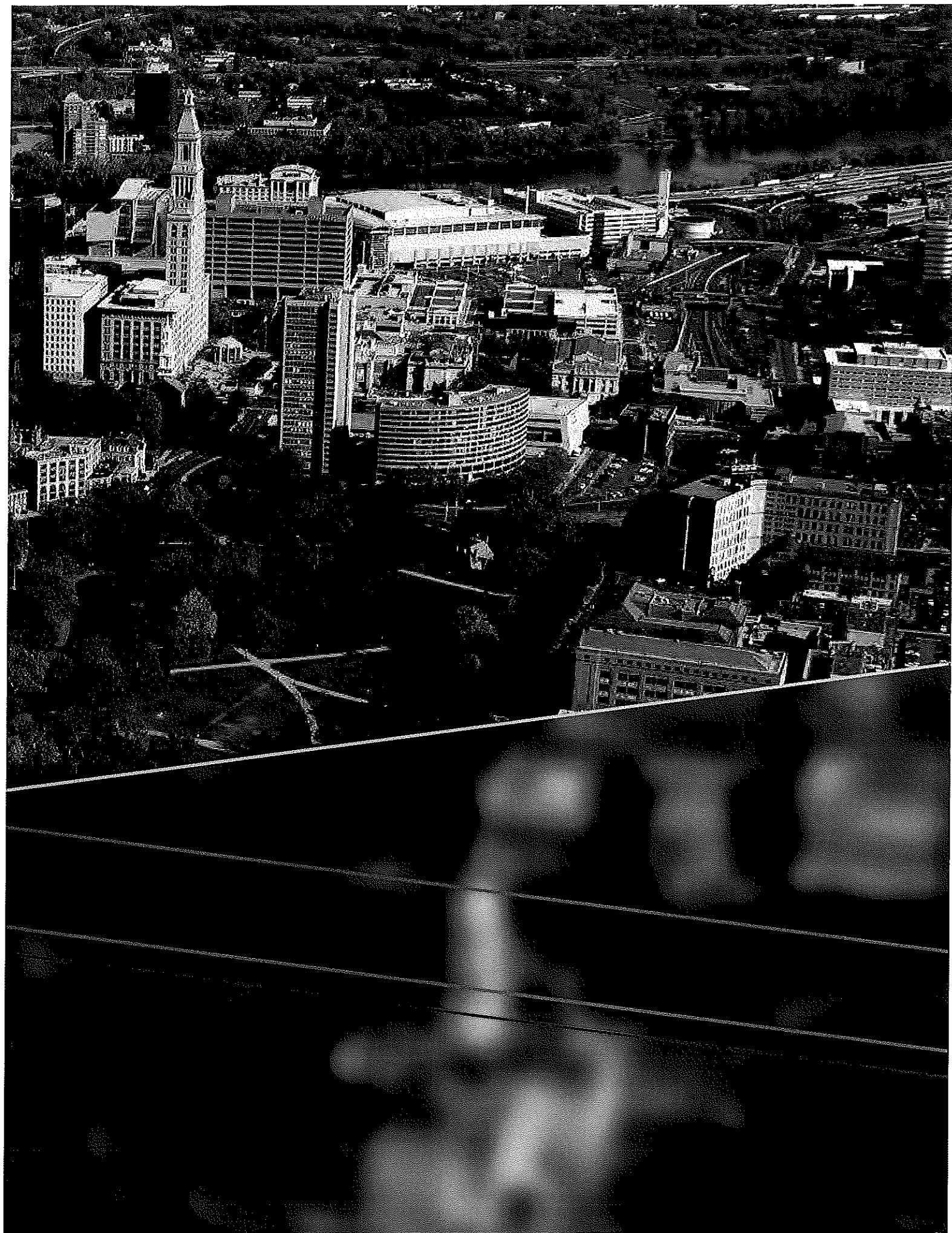
Social Media

- » Leverage valuable LinkedIn distribution channels
- » Direct marketing to prospective buyers and the brokerage community





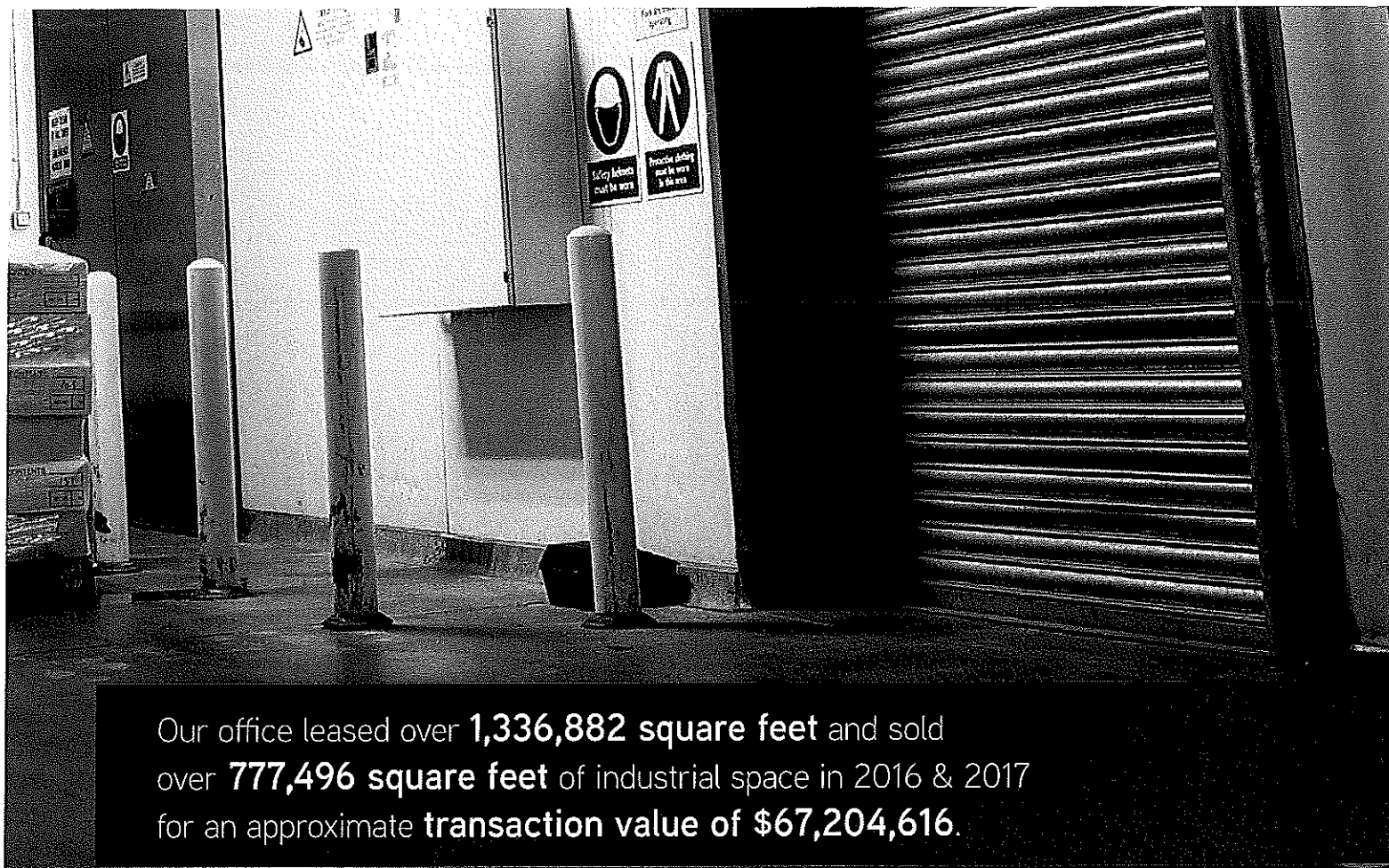
Recent Transactions





Recent Industrial Transactions

Address	City, State	Sq. Ft.	Sale/Lease	Close Date
60 & 64 East Dudley Town Road	Bloomfield, CT	15,000	Lease	February 2017
130 Addison Road	Windsor, CT	15,000	Lease	January 2016
299 Industrial Park Road	Middletown, CT	15,693	Lease	September 2016
124 White Oak Drive	Berlin, CT	18,000	Sale	February 2016
75 Neal Court	Plainville, CT	18,700	Lease	December 2017
837 Boston Post Road	Bolton, CT	20,000	Sale	January 2017
90 Industrial Lane	Agawam, MA	20,000	Sale	September 2017
255 Nutmeg Road	South Windsor, CT	20,328	Sale	December 2017
929 Riverside Drive	North Grosvenordale, CT	22,633	Lease	May 2017
48 Hayden Station Road	Windsor, CT	24,000	Lease	December 2016
561-567 New Park Avenue	Hartford, CT	25,000	Sale	October 2016
146 Sheldon Road	Manchester, CT	28,300	Sale	February 2017
One Hartford Square	New Britain, CT	28,550	Lease	November 2016
580 Tolland Street	East Hartford, CT	31,140	Sale	January 2016
75 Neal Court	Plainville, CT	31,250	Lease	December 2016



Our office leased over **1,336,882 square feet** and sold over **777,496 square feet** of industrial space in 2016 & 2017 for an approximate **transaction value of \$67,204,616.**

Address	City, State	Sq. Ft.	Sale/Lease	Close Date
81 Alumni Road	Newington, CT	40,000	Lease	June 2016
125 McKee Place	East Hartford, CT	42,180	Sale	May 2017
55 Gerber Road	South Windsor, CT	60,047	Lease	July 2017
Berlin Turnpike	Berlin, CT	62,000	Lease	January 2018
88, 118-120 Tolland Street	East Hartford, CT	63,000	Sale	August 2017
51 Bradley Park Road	East Granby, CT	68,000	Sale	October 2017
35 Manning Road	Enfield, CT	70,323	Lease	April 2016
297 State Street	North Haven, CT	76,270	Lease	May 2016
8 Northrup Industrial Park Road	Wallingford, CT	80,500	Lease	December 2017
90 River Street	New Haven, CT	82,261	Sale	December 2017
24 Maple Street	Wethersfield, CT	85,000	Sale	September 2017
580 Parker Street	Manchester, CT	100,000	Sale	September 2017
1640 John Fitch Boulevard	South Windsor, CT	124,373	Lease	January 2017
250 Knotter Drive	Cheshire, CT	160,000	Lease	September 2016
101 Almgren Drive	Agawam, MA	186,030	Sale	March 2017

Recent Office Transactions

Our office leased over **639,283 square feet** and sold over **394,062 square feet** of office space in 2016 & 2017 for an approximate **transaction value of \$85,033,902.**

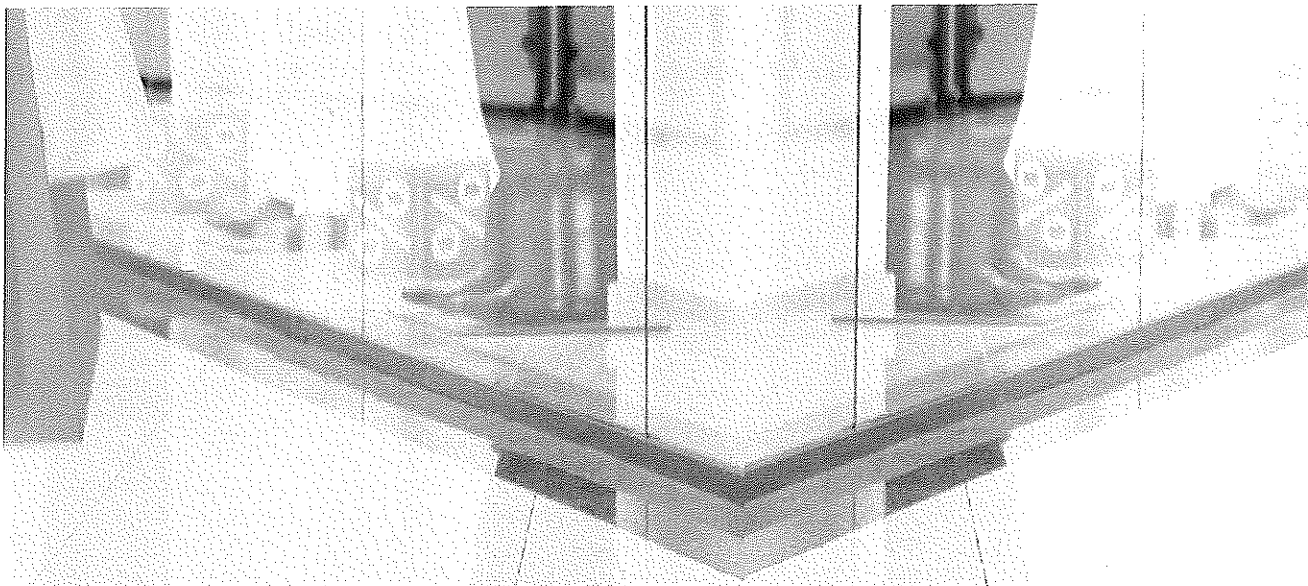


Address	City, State	Sq. Ft.	Sale/Lease	Close Date
28 Britton Drive	Bloomfield, CT	9,875	Lease	February 2016
40 Westover Road	Ludlow, MA	10,000	Lease	June 2017
435 South Main Street	West Hartford, CT	10,314	Lease	July 2017
195 Scott Swamp Road	Farmington, CT	10,860	Lease	April 2017
100 Northfield Drive	Windsor, CT	11,283	Lease	September 2016
110 Hopmeadow Street	Simsbury, CT	11,300	Sale	June 2017
835 Bloomfield Avenue	Windsor, CT	12,000	Sale	February 2016
628 Hebron Avenue	Glastonbury, CT	12,493	Lease	May 2017
62 Church Street	Putnam, CT	13,000	Sale	December 2017
900 Chapel Street	New Haven, CT	13,122	Lease	May 2017
334 Ella Grasso Turnpike	Windsor Locks, CT	13,600	Lease	February 2016
6 Batterson Park Road	Farmington, CT	14,813	Lease	July 2016
574 Westcott Road	Putnam, CT	15,000	Lease	January 2016
809 Main St & 37 Connecticut Blvd	East Hartford, CT	16,000	Sale	October 2016
76 Batterson Park Road	Farmington, CT	16,719	Lease	January 2017
48 Capital Drive	West Springfield, MA	17,685	Lease	January 2017
5 Science Park	New Haven, CT	19,705	Lease	June 2016
10 North Main Street	Bristol, CT	20,324	Sale	July 2016
2 Waterside Crossing	Windsor, CT	20,382	Lease	May 2016
936 Silas Deane Highway	Wethersfield, CT	21,396	Lease	October 2017
2 Waterside Crossing	Windsor, CT	21,410	Lease	December 2017
300 Research Parkway	Meriden, CT	35,404	Sale	February 2016
245 Alvord Park Road	Torrington, CT	37,731	Sale	November 2017
936 Silas Deane Highway	Wethersfield, CT	44,000	Sale	November 2016
171 Bridge Street	East Windsor, CT	59,424	Sale	July 2017
333 East River Drive	East Hartford, CT	100,000	Sale	July 2017



Recent Retail Transactions

Address	City, State	Sq. Ft.	Sale/Lease	Close Date
632 Cromwell Avenue	Rocky Hill, CT	2,900	Lease	July 2017
134 Main Street, Units D, L1,L2	Putnam, CT	3,000	Lease	September 2017
504 Hazard Avenue	Enfield, CT	3,089	Lease	May 2017
6 Wintonbury Mall	Bloomfield, CT	3,200	Lease	April 2016
156 E Main Street	Clinton, CT	3,479	Sale	March 2017
135 West Road	Ellington, CT	3,500	Lease	November 2016
99 Farmington Avenue	Bristol, CT	3,500	Lease	September 2016
1275 Boston Post Road	Fairfield, CT	3,508	Lease	Jun 2016
939 Main Street	Bridgeport, CT	3,988	Lease	March 2017
227 Shunpike Road	Cromwell, CT	4,000	Lease	Nov 2016
561 Hazard Avenue	Enfield, CT	4,250	Sale	June 2017
6 Killingworth Road	Higganum, CT	4,492	Lease	October 2017
892 Main Street	Hartford, CT	4,781	Lease	September 2016
145 Talcottville Road	Vernon, CT	5,000	Lease	October 2017



Our office leased over **133,168 square feet** and sold over **178,979 square feet** of retail space in 2016 & 2017 for an approximate **transaction value of \$16,737,082.**

Address	City, State	Sq. Ft.	Sale/Lease	Close Date
496 South Broad Street	Meriden, CT	5,100	Lease	May 2017
110 Albany Turnpike, Suite 925	Canton, CT	5,691	Lease	February 2016
87 Church Street	Willimantic, CT	6,000	Sale	January 2017
85 Gillett Street	Hartford, CT	6,100	Lease	April 2017
West Service Road	Hartford, CT	7,600	Sale	April 2017
130, 135 & 136 Main Street	Putnam, CT	9,600	Lease	March 2017
23 Raccio Park Road	Hamden, CT	9,780	Lease	May 2016
380 New Hartford Road	Barkhamsted, CT	10,000	Lease	August 2017
955 Ferry Boulevard	Stratford, CT	10,422	Lease	June 2016
521 Davis Street	Killingly, CT	11,000	Sale	June 2017
51 Pomfret Street	Pomfret, CT	11,600	Sale	December 2016
1371 East Main Street	Meriden, CT	12,000	Sale	August 2017
89 Midway Road	Ocala, FL	14,550	Sale	November 2016
99 Shield Street	West Hartford, CT	21,100	Sale	March 2017



Colliers International
Advantage





The Colliers International A

\$2.7 BILLION
IN ANNUAL REVENUE

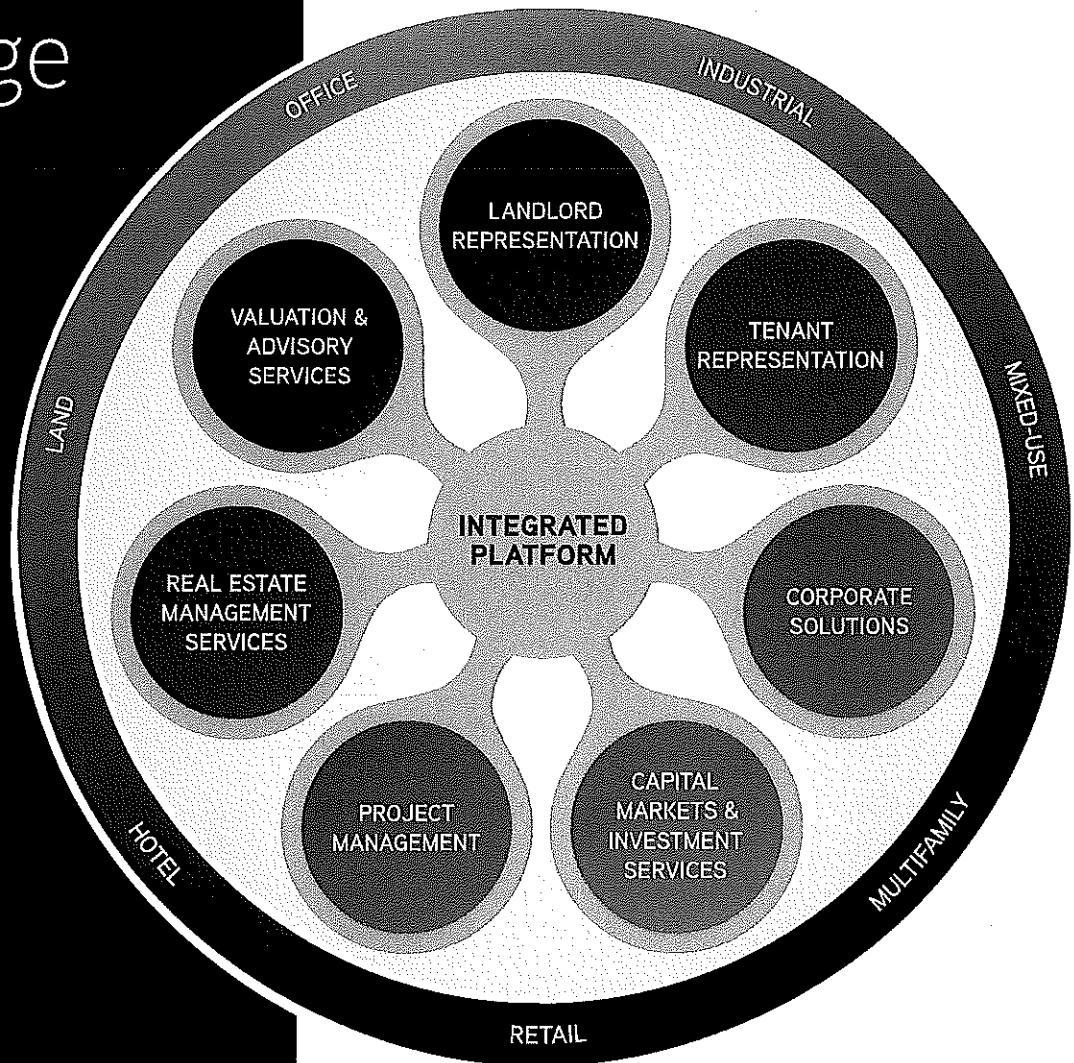
\$116 BILLION
IN OVER 68,000 TRANSACTIONS

500+ OFFICES
IN 69 COUNTRIES

15,400
PROFESSIONALS

2 BILLION
SQUARE FEET MANAGED

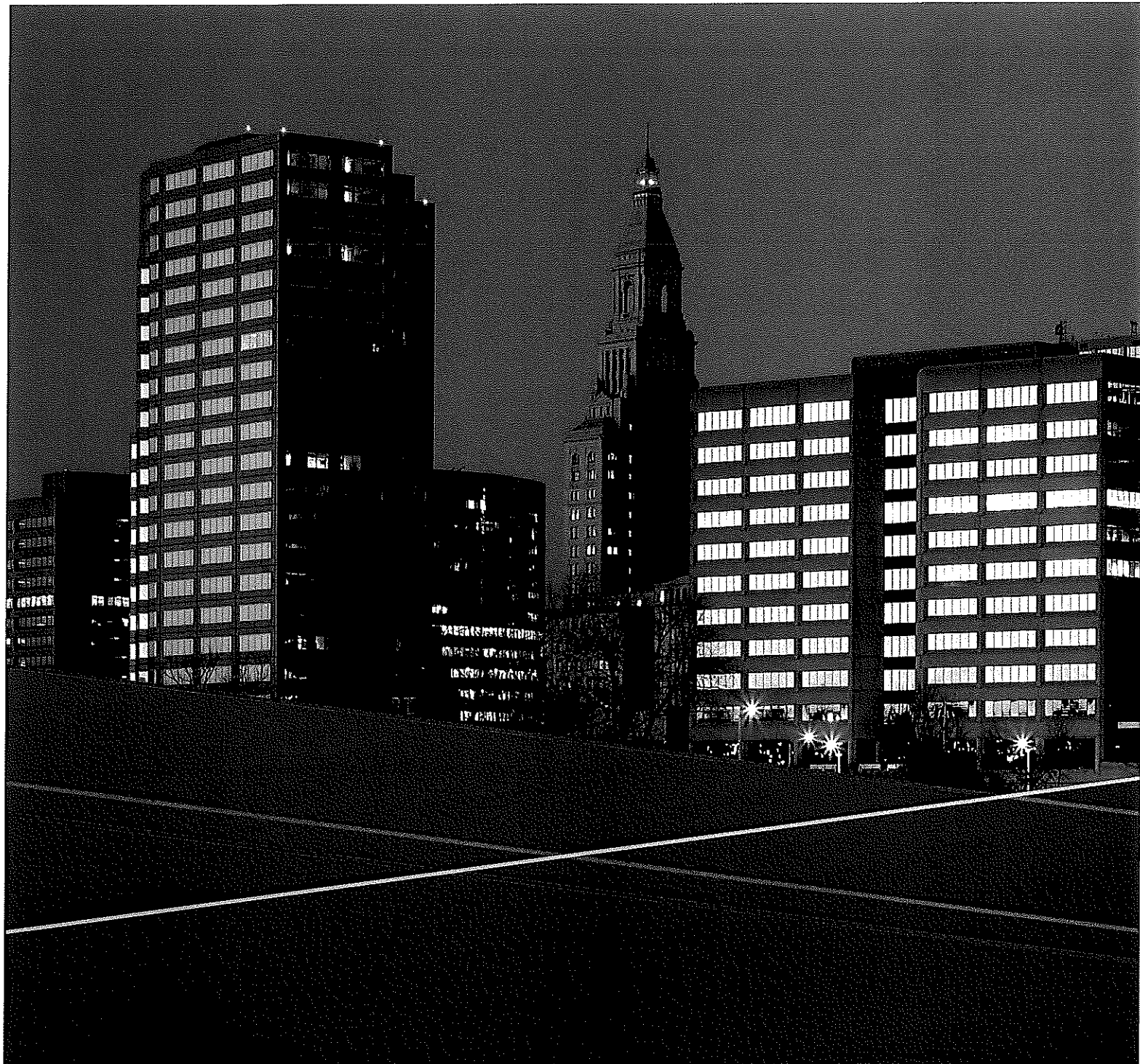
Advantage



OUR SERVICES

The foundation of our service is the strength and depth of our specialists. Our clients depend on our ability to draw on years of direct experience in their local market. Our professionals know their communities and the industry inside and out.

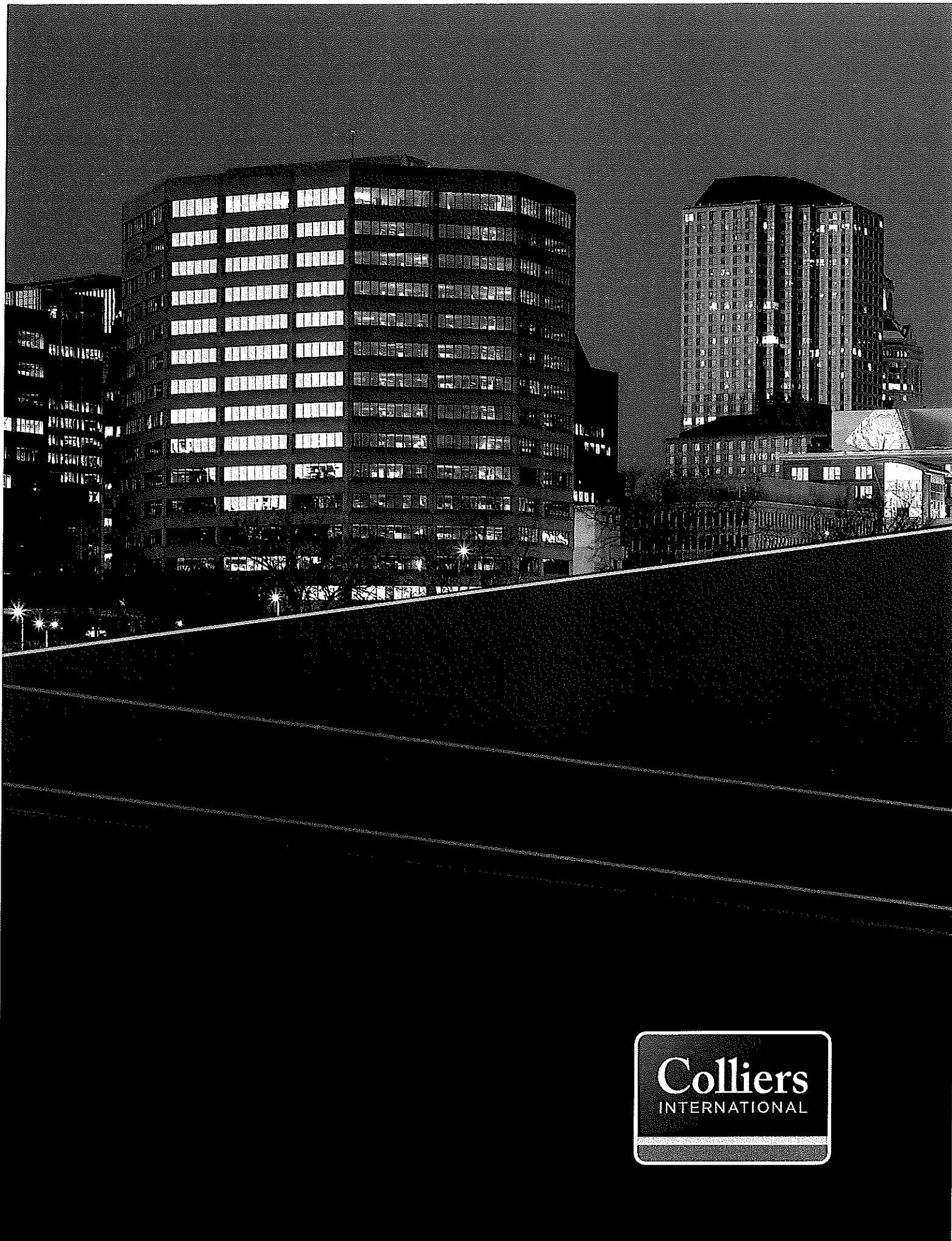
Whether you are a local firm or a global organization, we provide creative solutions for all your real estate needs.



Colliers International
864 Wethersfield Avenue
Hartford, CT 06114

860 249 6521 Main
860 247 4067 Fax

colliers.com/hartford



Colliers
INTERNATIONAL



AGENDA
ITEM # 14

Office of the COLLECTOR OF REVENUE

KRISTY MERRIFIELD, CCMC

kmerrifield@easthamptonct.gov

May 28, 2019

To: The East Hampton Town Council,

The documentation for the tax refunds listed below is available in the Office of the Collector of Revenue for your review. There are twenty four (24) refunds totaling \$4,957.46.

Respectfully Submitted,

Kristy L. Merrifield, CCMC

Kristy L. Merrifield, CCMC
Collector of Revenue

760.30	⊕
643.24	⊕
99.34	⊕
94.44	⊕
19.14	⊕
225.15	⊕
392.51	⊕
18.55	⊕
458.41	⊕
7.51	⊕
42.20	⊕
16.00	⊕
196.77	⊕
48.95	⊕
6.99	⊕
22.72	⊕
83.21	⊕
16.16	⊕
31.03	⊕
23.57	⊕
1,693.79	⊕
11.82	⊕
26.69	⊕
18.97	⊕

024

4,957.46 ⊕

**BOARD AND COMMISSION SUMMARY
APRIL 2019**

Arts & Culture Commission

Members of the East Hampton Arts & Culture Commission met April 18 from 6:30 to 8:30 p.m. at the Joseph N. Goff House Museum. A commissioner suggested to use EHACC budget funds in the coming year for extra publicity for area events on social media. Guidelines on what type of events and which town organizations would be needed.

Commissioners met and heard presentations from individuals regarding five grant proposal submissions to the EHACC Grant initiative. Members voted on and selected proposals submitted by Stacey Gibson and Janet Hoffhine.

Board of Finance

The Board of Finance met 3 times in the month of April. Two Special Budget Meetings occurred on April 2nd and April 11th, as well as, the regular meeting which took place on April 15th.

- April 2nd – Budget Deliberation
- April 11th Budget Deliberation and votes resulting in a recommended FY19-20 Budget.
- April 15th – With limited members in attendance, no items in need of being hi-lighted were discussed and/or voted on.

Brownfields Redevelopment Agency

The Brownfields Redevelopment Agency met on April 22, 2019. The members discussed updates on the topics for the DECD STEAP Grant project, the Main Street ELUR, and the SEH update.

Clean Energy Task Force

No meeting

Commission on Aging

The Commission on Aging met on April 11th. Ms. Ewing provided an overview on the ongoing programs and activities. Reusable bags and a flyer for the Thriving in Place workshops will be handed out at the Lions Club Health Fair on Saturday, April 13th. The Advocacy Group met with Representative Irene Haines. The Ice Cream Social will be held on May 30th at 2:30pm at the Senior Center.

Conservation-Lake Commission

The Conservation Lake Commission met on April 11th. Mr. Jenks presented his plan review to the members and answered any questions from the members. They couldn't vote on the plan since there weren't enough members to vote. The second plan was reviewed and voted on. There were no updates for the watershed projects, the sub-committee on education, or the lake smart program. The members briefly discussed the advisory panel meeting that took place on April 1st and the discussion of the lake level. During the new business section; Mr. Jenks announced that he was looking into running for a position on the Board of

Finance instead of the Town Council. He stated that he hopes he has the support of the committee.

Design Review Board

No meeting

Economic Development Commission

The Economic Development Commission met for a special meeting on April 29th. The members were presented with a tax incentive plan for KOCO in their new location. The representative for KOCO was Wayne Rand of West High LLC. He is the contractor and in charge of building the new facility for KOCO. The members approved of the plan.

Ethics Commission

No meeting

Fire Commission

The Fire Commission met on April 8th. The members tabled the Presentation ACG Associates 2018 Awards since the presenter was not in attendance. The members approved of a few payouts from the budget lines 5633 and 5438. The Fire Marshal and Fire Chief gave their reports. There was a request for a payout by the widow of a firefighter. The commissioner members received an update about the visit by Mark from GDW about the dry hydrants in the area. There were updates for the new Engine 2-12 and an update on the capital budget.

High School Building Committee

No meeting

Inland Wetland Watercourses Agency

The Inland Wetland Watercourses Agency met on April 24th.

Agent Approvals:

- A. Application IW-19-013, DW Excavation, LLC., 40 Old Middletown Ave., to excavate to repair the septic system within the Upland Review Area. Map 01C/Block 3A/Lot 1.
- B. Application IW-19-016, William O'Brien, 23 Young St., to construct a 12' x 20' deck within the Upland Review Area.
- C. Application IW-19-017, DW Excavation, LLC, 111 Main St. to install an approximately 70 linear foot curtain drain in an upland review area, Map 06A/Block 57/ Lot 4

Continued Applications:

- A. Application IW-19-011, Alison Richard, 22 Knowles Rd., to construct a new single-family home within Upland Review Area. Map 02C/Block 19A/Lot 6. Approved with conditions (5-0)

New Applications:

- A. Application IW-19-012, Wesley Jenks, 45 Meeks Pt. Rd., to excavate the foundation to provide waterproofing and to repair existing I-beam within the Upland Review Area. Map 10A/Block 83/Lot 9. Continued to 5/29/2019 meeting. (5-0)
- B. Application IW-19-015, Town of East Hampton, Old Marlborough Drainage Project O'Neill Lane Site, Map10A/Block 83/Lot 26-7 . Continued to 5/29/2019 meeting. (5-0)

Joint Facilities

No meeting

Library Advisory Board

No meeting

Middle Haddam Historic District Commission

The Middle Haddam Historic District Commission met on April 25, 2019. The members were presented with the plans to build a new home for a certificate of appropriateness at 22 Knowles Road to build a new 4,865 GSF house to replace the original house which was destroyed in a fire on February 2, 2018 for applicant Alison F. Richard. The plans for the house were presented to the members by Agatha from Centerbrook Architecture. The members approved of the plans and the certificate for the applicant. The members elected and voted for officers for the commission. The members mentioned that the commission needs one or two more members to be at full membership.

Parks & Recreation Advisory Board

At the April Parks and Recreation Advisory Board meeting the board discussed the upcoming Seamster Park Playground build and the role the board and volunteers will play in the process. Jeremy Hall presented the board with a proposed plan revision to the Sears Park master plan, everyone was given a copy. This will be re-visited at future meetings. Shawn Mullen gave a report on the status of programming and the upcoming summer schedule.

Planning & Zoning Commission

The Planning & Zoning Commission met on April 3rd.

Public Hearings for April 3, 2019:

- A. PZC-19-003: Sheila Mullen, 91 Main St., for a Special Permit to sell alcohol as an accessory to a used book/record shop. Map 06A/Block 60/Lot 3.
Approved with conditions (7-0)
- B. PZC-19-004: Theater Square, LLC., 11 North Main St., for a Special Permit for a frozen yogurt shop. Map 01A/Block 39A/Lot 28A
Approved with conditions (7-0)

Old Business:

- A. Updates to Sec. 3.5 Lake Pocotopaug Protection Zone – Continued (7-0)
- B. Amendments to Regulation requiring Public Hearing for new Commercial construction. Continued (7-0)

Town Facilities Building Committee

The Town Facilities Building Committee met on April 4th. The members were given an update from the architect, construction manager, and operating project manager's areas for the project. The members discussed making a document for the change orders to show the affects the change orders have on the budget. This document will be like the one for the budget for the project. The members approved of three invoices. There was a brief discussion about the topping off ceremony.

Water Pollution Control Authority

The Water Pollution Control Authority Committee held their regular meeting on Tuesday April 2nd. The WPCA committee approved the recommended operating expense budget for 19/20 fiscal year. Expense Budget of \$1,661,081.34 reflects a proposed increase in expenses of \$217,308.22 or 13.08% over last year. Proposed revenue budget included the increase of sewer use fees to \$455.00 and grinder pumps fees to \$150.00. Sewer use fee discussion included the increase of 25% for the 19/20 FY with a possible tiered reduction going forward. Approval of Sewer Rates to be determined at a public hearing in September.

Mr. Smith presented the proposed 2019/20 Water Budget for review. Any changes or correction will be made at the May 7, 2019 meeting prior to sending to Town Council for consideration.

Zoning Board of Appeals

The Zoning Board of Appeals met on April 8th.

Application ZBA-19-003, Jon and Cheryl Beaulieu, 47 Highland Terrace, for a variance to increase the lot coverage to install an in-ground pool and associated patio. Map18/Block 44/Lot 18-25 - Approved