MAYOR'S
SOLICITORS
MUN FINANCE
ASSESSORS
AUDITORS
Planning

INTRODUCED BY Mayor Thomas P. Koch

CITY OF QUINCY
IN COUNCIL

ORDER NO. 2012-114

ORDERED:

June 4, 2012

Be it ordained by the City Council of the City of Quincy:

That, on January 25, 2011, the City of Quincy entered into a Land Disposition Agreement with Hancock Adams Associates, LLC, ("Hancock Adams") providing for the sale of certain city-owned parcels of land and the redevelopment of the downtown;

That, Hancock Adams agreed to subject its privately owned land to the terms and conditions of the Land Disposition Agreement;

That, Section 2.02 of the Land Disposition Agreement provides for modification of the Development Plan set forth in the Land Disposition Agreement;

That, by letter dated May 31, 2012, Hancock Adams Associates has presented to the City of Quincy a proposal to accelerate the start of redevelopment of the downtown by the redevelopment of certain privately owned land, including 1400 Hancock Street, being detailed as Block Four (4) in the Development Plan;

YEAS Coughlin, Croall, Finn, Gutro, Hughes, Laforest, McFarland, McNamee, Palmucci

NAYS Coughlin, Croall, Finn, Gutro, Hughes, Laforest, McFarland, McNamee, Palmucci

That, under the terms and authority of Section 2.02 of the Land Disposition Agreement, the Mayor and the Director of Urban Redevelopment (as that term is used in the Land Disposition Agreement) have determined the proposed accelerated redevelopment of Block Four (4) to be a minor modification of the Development Plan;

That, in order to effectuate and properly administer and control the accelerated redevelopment of Block Four (4) pursuant to the relevant portions of the Land Disposition Agreement, the City and Hancock Adams, have agreed to enter into a binding Memorandum of Agreement setting forth the terms, conditions and obligations of Hancock Adams with regard to the accelerated redevelopment of Block Four (4);

That, in developing the terms and conditions to be imposed upon Hancock Adams in order to effectuate and properly administer and control the accelerated redevelopment of Block Four (4) pursuant to the relevant portions of the Land Disposition Agreement, the Mayor has determined that certain monetary payments in addition to those set forth in the Land Disposition Agreement must be made to the City of Quincy, and Hancock Adams has agreed to make those payments. Those additional payments are:

1. That in determining the amount of money to be allocated to the City for the City's general fund and general municipal purposes pursuant to Section 4.03 (d) (i)(3) of the Land Disposition Agreement, such amount shall be $150,000.00 or 35% of residual New Growth Tax Payment attributable to Block Four (4), whichever amount is greater. The amount so available to the City for the remainder of Step 1 of the Development Plan shall remain $500,000.00 as detailed in Section 4.03(d)(i)(3);

2. That if construction of Block Four (4) has not commenced as provided for in the Memorandum of Agreement by September 15, 2013, and Hancock Adams has not purchased the Ross Garage parcel on or before September 15, 2013, then Hancock Adams shall pay to the City $1,000,000.00 as an additional Community Benefit, which funds shall be immediately available to the Mayor for use in the same manner and for the same purposes as set forth in Section

   15.18(d) of the Land Disposition Agreement.

That, Mayor Thomas P. Koch has presented to the City Council the proposal for the accelerated redevelopment of Block Four (4), and has requested that the City Council endorse the accelerated redevelopment of Block Four (4), and the terms thereof,

INTRODUCED BY

CITY OF QUINCY

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Now therefore be it ordained that the City Council:

1. **Does hereby endorse the accelerated redevelopment of Block Four (4);**

2. **Does hereby approve of the additional monetary payments above; and**

3. **Confirms that, in all other regards, the Land Disposition Agreement remains in full force and effect.**

APPROVED
JUN 21 2012
MAYOR

PASSED TO BE ORDAINED JUNE 18, 2012

ATTEST:

CLERK OF COUNCIL

YEAS Coughlin, Croall, Finn, Gutro, Hughes, Laforest, McFarland, McNamee, Palmucci

NAYS Coughlin, Croall, Finn, Gutro, Hughes, Laforest, McFarland, McNamee, Palmucci

MEMORANDUM OF AGREEMENT

Agreement made as of this 15th day of June, 2012, by and between the City of Quincy (the "City") and Hancock Adams Associates, LLC (the "Redeveloper").

BACKGROUND

A. The City and the Redeveloper executed a Land Disposition Agreement (the "LDA") dated as of January 25, 2011, with respect to the Redevelopment Project (as defined in the LDA). The capitalized terms used in this Memorandum of Agreement and defined in the LDA shall have the meanings ascribed to them in the LDA unless the context otherwise provides;

B. Since the execution of the LDA, the Redeveloper, in conjunction with the City, has continued to refine the Development Plan and the schedule for the Redevelopment Project. As detailed in the Redeveloper's letter to the City dated May 31, 2012, the Redeveloper has determined that the Redeveloper, with minor revision to the Development Plan, as allowed under Section 2.02 of the LDA, has the opportunity to begin construction of a portion of Step 1 ("Block 4") earlier than anticipated under the LDA, and without the need to purchase the Ross Garage. The acquisition of the Ross Garage and the construction of the balance of Step 1 would occur following the issuance of the COC and the approval of the Final Reimbursement Budget for Step 1 as a whole; and

C. Because no purchase of City Parcels is required for the development of Block 4, the Redeveloper has requested the City to confirm the administrative process that the City will follow under the LDA in reviewing Block 4 and its Implementing Public Improvements and its Final Reimbursement Budget. The purpose of this Memorandum of Agreement is to set forth and to confirm such process and the agreement of the Redeveloper and the City to observe its standards and requirements.

In consideration of the mutual understandings and undertakings set forth herein, the City and the Redeveloper hereby agree as follows:

1. The provisions of Article V Closing and Article VI Conditions to Closing (except as provided in Section 5 below) of the LDA shall not be applicable to Block 4;

2. A separate COC process shall be undertaken for Block 4 and a separate COC shall be issued for Block 4. At the time the Redeveloper makes application for such COC, the Redeveloper shall pay to the City a non-refundable additional deposit of $37,500.00, which shall not be credited against the purchase price for any City Parcel. As required under the LDA, the additional deposit under Section 1.04(b) of $500,000.00 shall continue to be paid in full at the time of the submission of the COC for the balance of Step 1.

3. The Pre-Requisites to the making of a Financial Submission under Section 4.06(a)(i) of the LDA and each of the standards set forth in Sections 4.06(a)(ii), (iii) and (iv), and Sections 4.06(b), (c), (d) and (e) of the LDA shall be applicable to the City's separate purchase of the Implementing Public Improvements associated with, and required only for, Block 4.

   For Block 4 alone, the minimum amount under Section 4.03(d)(i)(3) shall be $150,000.00. The minimum amount for the balance of Step 1 shall continue to be $500,000.00. Accordingly, if the development of Block 4 proceeds separately from the balance of Step 1, the total minimum amount for Step 1 under said Section 4.03(d)(i)(3) shall be increased from $500,000.00 to $650,000.00.

4. A separate Final Reimbursement Budget shall be determined for the Implementing Public Improvements to be constructed in respect of Block 4 and, at the time the Redeveloper submits the Proposed Reimbursement Budget for such Implementing Public Improvements to the City, the Redeveloper shall pay to the City a non-refundable additional deposit of $37,500.00, which shall not be credited against the purchase price for any City Parcel. As required under the LDA, the additional deposit under Section 1.04(c) of $500,000.00 shall continue to be paid in full at the time of the Financial Submission for the balance of Step 1;

5. In view of the fact that there will not be any "closing" (as referred to in the LDA) of any City Parcel in connection with Block 4, the submissions and events (other than those which relate to the use of a City Parcel) under Articles III and IV, and Sections 6.01(a)(6) and 15.23 of the LDA, which are required to be completed by, or to occur prior to, a "closing" shall, if not already completed or observed prior to the filing of the application for the COC for Block 4, be completed or shall occur in accordance with a schedule and an enforcement mechanism to be established by the City in the Block 4 COC decision.

   Periods of time to be measured from the "closing" under the LDA shall be measured from the Commencement of Construction of any portion of Block 4. Commencement of Construction shall be as defined in Section 4.06(c) of the LDA. The calculation of such dates from Commencement of Construction shall include, without limitation, the requirement that the Redeveloper make certain payments to the City pursuant to Section 4.03(b) and Sections 14.03(a)(i) and (ii) of the LDA.

   The requirements set forth in Sections 6.01(a)(8) (to the extent the dates for performance of the items in the Benchmark Schedule, as duly extended under the LDA, shall then have occurred), (17), (20) and (23) of the LDA otherwise applicable at the closing for Step 1 shall instead be satisfied in respect of Block 4 and its Implementing Public Improvements (but not for the balance of Step 1) prior to the granting of a building permit for any portion of Block 4.

   The requirements set forth in Section 6.01(a)(7), (9), (11), (12), (14), (15), (16), (18) (as to cross-easement or similar agreements, if necessary), (22), (24), (25)

and (28) of the LDA otherwise applicable at the closing for Step 1 shall instead be satisfied in respect of Block 4 and its Implementing Public Improvements (but not for the balance of Step 1) prior to the Commencement of Construction of any portion of Block 4.

For purposes of this Memorandum of Agreement, to provide certainty concerning the measurement of dates from and after the Commencement of Construction, the Mayor and the Redeveloper shall execute and file with the Planning Department and the City Clerk a letter confirming the actual date of the earliest Commencement of Construction of any portion of Block 4.

6. Referring to Section 5.01 of the LDA, the Redeveloper agrees that:

   (a) If (i) construction of the Block 4 portion of Step 1 has not commenced by September 15, 2013, and is not proceeding continuously to completion as required by Section 14.03 of the LDA, and (ii) if the Redeveloper has not purchased the Ross Garage by September 15, 2013, then the Redeveloper may extend the Step 1 Closing Date for up to twelve (12) months beyond September 15, 2013 only by both (x) establishing and funding an additional Community Benefit Account in the amount of $1,000,000, which funds shall be immediately available to the Mayor for use solely in the same manner and for the same purposes as are set forth in Section 15.18(d) of the LDA, and such funds shall not be considered an additional deposit and shall not be credited against the purchase price of any City Parcel, and (y) making the additional non-refundable deposit of $250,000 as required by said Section 5.01, which deposit payment shall be credited against the purchase price for the Ross Garage at the Step 1 Closing;

   (b) If Block 4 has so commenced construction by September 15, 2013, and is proceeding continuously to completion as required by Section 14.03 of the LDA, but the Redeveloper has not given notice to purchase the Ross Garage by September 15, 2013, then the Redeveloper may extend the Step 1 Closing Date for up to twelve (12) months beyond September 15, 2013, only upon payment to the City prior to September 15, 2013, of the non-refundable deposit of $250,000 as required by said Section 5.01, which payment shall be credited against the purchase price for the Ross Garage at the Step 1 Closing; and

   (c) For purposes of this Section 6, commencement of construction of the Block 4 portion of Step 1 shall be defined as mobilization, demolition, and, incident to new construction, the earlier to occur of (i) excavation and removal of at least 500 cubic yards of material from the site, or (ii) no less than 50 foundation piles having been driven on the site.

7. This Memorandum of Agreement is applicable only to Block 4.

8. As clarified and applied above, the whole of the LDA otherwise remains in full force and effect.

[Signatures Appear on the Following Page]

Executed as a sealed instrument as of the day and year first above written.

CITY OF QUINCY

By: _____
Name: Thomas P. Koch
Title: Mayor

REDEVELOPER:

HANCOCK ADAMS ASSOCIATES, LLC

By: _____
Name: Kenneth D. Narva
Title: Managing Member

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