



**City of Quincy  
Massachusetts**

**OFFICE OF THE CITY COUNCIL  
1305 HANCOCK STREET, QUINCY, MA 02169**

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**Joseph P. Shea, Clerk  
Jeanne E. Reardon  
Clerk of Committees  
Susan M. O'Connor, Auditor**

**MONDAY, NOVEMBER 18, 2013**

**Public Hearings (3): Pending in Public Works Committee**

**7:25 PM      #2013-163 – Petition from Lighttower for proposed  
Conduit Installation Newport Ave. Ext. @ Enterprise Drive**

**7:27 PM      #2013-186 Petition from National Grid (Gas) re:  
Argonne Street & Emerald Streets**

**7:28 PM      #2013-187 Petition from National Grid (Gas) re:  
Richard Street**

**7:30 PM      CITY COUNCIL MEETING**

**Councillor Coughlin Commendation to Eagle Scout Matthew Bryan Enos**

- 1. Quarterly Downtown Update**
- 2. Appointment of a City Clerk for a three-year term**
- 3. Approval of TIF Agreement/Fox Rock Granite, LLC**
- 4. Approval of TIF Agreement/Atlantic-Newport Realty, LLC**
- 5. Approval of MASS EDIP Applications/Fox Rock Granite, LLC and Atlantic-Newport Realty, LLC**

*It is anticipated that one or more matters contained within the City Council Calendar, including any or all listed items pending in Committee, may be discussed and acted upon at this meeting. For a full Council Calendar, go to [www.quincyma.gov](http://www.quincyma.gov)*

**TAX INCREMENT FINANCING AGREEMENT  
BY AND BETWEEN  
THE CITY OF QUINCY  
AND  
FOX ROCK GRANITE, LLC.**

This AGREEMENT is made this 18th day of November, 2013 by and between the City of Quincy, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at City Hall, 1305 Hancock Street, Quincy, Massachusetts 02169 (hereinafter referred to as the "CITY"), and Fox Rock Granite, LLC, a limited liability company having a current place of business at 150 Newport Avenue Extension, Quincy, Massachusetts 02169 (hereinafter referred to, together with any successors in interest, as the "LESSOR").

**WITNESSETH**

WHEREAS, the CITY has been designated as an Economic Target Area ("ETA") by the Massachusetts Economic Coordinating Council (the "EACC");

WHEREAS, the LESSOR is the owner of the property located at 150 Newport Avenue Extension consisting of the parcels of land shown on Quincy Assessors' Map 6159, Block N/A, Lot 30, together with the buildings and improvements thereon, as further described on the map in Exhibit A attached hereto, (the "FACILITY");

WHEREAS, the FACILITY is located within the Newport Avenue Extension Economic Opportunity Area #1 as designated by the EACC and shown on Exhibit B attached hereto (the "EOA");

WHEREAS, the LESSOR has committed to constructing, remodeling, equipping and improving the FACILITY at an estimated cost of \$4,000,000 (including leasehold improvements made from time to time by any tenants at the FACILITY) (the "CERTIFIED PROJECT"). The FACILITY will be leased to one or more tenants (collectively, the "LESSEES");

WHEREAS, the CERTIFIED PROJECT, when completed and fully operational, will create at least one hundred (100) additional, full-time jobs at the FACILITY and the LESSOR will employ at least two (2) full-time persons in connection with the management and operation of the FACILITY;

WHEREAS, the LESSOR is seeking a Tax Increment Financing Exemption from the CITY (the "EXEMPTION") in order to benefit the LESSOR, and any LESSEES that have executed a participating user joinder agreement (the "PARTICIPATING USER JOINDER AGREEMENT") substantially in the form attached hereto as Exhibit C and hereby approved by the CITY (the "PARTICIPATING USERS"), in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23A of the Massachusetts General Laws:

WHEREAS, the aggregate assessed valuation of the FACILITY for fiscal year 2013 is \$14,931,500;

WHEREAS, the CITY strongly supports increased economic development to provide additional jobs for residents of the CITY, to expand commercial and industrial activity within the CITY and to develop a healthy economy and stronger tax base;

WHEREAS, the CERTIFIED PROJECT will assist in the retention and expansion of a Quincy based company that has shown a long term commitment to growing and creating jobs in the CITY and will further the economic development goals and the criteria established for the ETA and the EOA;

NOW, THEREFORE, in consideration of the mutual covenants of the parties' contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, that the parties hereby agree as follows:

**A. TAX INCREMENT FINANCING EXEMPTION**

1. The CITY, as authorized by vote of its City Council adopted on November 18, 2013, hereby enters into this Tax Increment Financing Agreement (the "AGREEMENT") with the LESSOR for the CERTIFIED PROJECT and any PARTICIPATING USERS that are the subject of an approved PARTICIPATING USER JOINDER AGREEMENT.
2. The EXEMPTION is hereby granted by the CITY to the LESSOR in accordance with Chapter 23A, Section 3E; Chapter 40, Section 59; and Chapter 59, Section 5 of the Massachusetts General Laws. The EXEMPTION shall be for a period of fifteen (15) years (the "EXEMPTION PERIOD"), commencing with fiscal year 2015 (which begins July 1, 2014) and ending with fiscal year 2029 (which ends June 30, 2029), and shall provide a percentage exemption from taxation, as described in the table below, on the increased value of the FACILITY. The EXEMPTION shall be calculated and remain unchallenged for each fiscal year as follows:

3.

<b>YEAR</b>	<b>FISCAL YEAR</b>	<b>TAX EXEMPTION</b>
1	2015 (7/1/2014 – 6/30/15)	50% of the increase in valuation
2	2016 (7/1/2015 – 6/30/16)	50% of the increase in valuation
3	2017 (7/1/2016 – 6/30/17)	50% of the increase in valuation
4	2018 (7/1/2017 – 6/30/18)	50% of the increase in valuation
5	2019 (7/1/2018 – 6/30/19)	50% of the increase in valuation
6	2020 (7/1/2019 – 6/30/20)	40% of the increase in valuation
7	2021 (7/1/2020 – 6/30/21)	40% of the increase in valuation
8	2022 (7/1/2021 – 6/30/22)	40% of the increase in valuation
9	2023 (7/1/2022 – 6/30/23)	40% of the increase in valuation
10	2024 (7/1/2023 – 6/30/24)	40% of the increase in valuation
11	2025 (7/1/2024 – 6/30/25)	30% of the increase in valuation
12	2026 (7/1/2025 – 6/30/26)	30% of the increase in valuation
13	2027 (7/1/2026 – 6/30/27)	30% of the increase in valuation
14	2028 (7/1/2027 – 6/30/28)	30% of the increase in valuation

4. The EXEMPTION formula for the CERTIFIED PROJECT will be calculated as prescribed by the Massachusetts General Laws Chapter 40, Section 59 and in 760 CMR 22.00. The EXEMPTION formula shall apply to the incremental difference in the assessed valuation of the FACILITY benefited by the EXEMPTION between the base valuation in the base year, which shall be fiscal year 2013, and the increase in assessed valuation of the FACILITY for the next fifteen (15) years.
5. The base valuation for FY 2013 is the assessed value of the FACILITY in the fiscal year immediately prior to the fiscal year in which the property becomes eligible for the EXEMPTION.
6. The LESSOR hereby agrees to reduce the LESSEES' real estate taxes they will pay for occupancy of the FACILITY on a pro rata basis allocated on the square footage of the facility occupied by each of the LESSEES according to Paragraph A, Section 3 above.

#### **B. Conditions**

The EXEMPTION granted to the LESSOR by the CITY hereby is in consideration of the LESSOR'S commitments stated hereafter as follows:

1. To create by the end of FY 2015 two (2) new, permanent, full-time job by the LESSOR, or its affiliates, and seventy-five (75) such jobs by the LESSEES as outlined in the CERTIFIED PROJECT APPLICATION, dated November 1, 2013, submitted to the CITY by the LESSOR in connection with the LESSOR'S request for the EXEMPTION, and any additional CERTIFIED PROJECT APPLICATIONS submitted, from time to time, by any LESSEES; and hire residents of the CITY and the ETA as outlined in the WORK FORCE ANALYSIS AND JOB CREATION PLANS section of the CERTIFIED PROJECT APPLICATIONS;
2. To invest at least \$4,000,000 in new construction, improvements, renovations, equipment, and leasehold improvements at the FACILITY as described in the CERTIFIED PROJECT APPLICATIONS which new construction, improvements, renovations, and leasehold improvements, equipment purchases and leasehold improvements in excess of an aggregate of \$4,000,000 may be made and qualified as part of the CERTIFIED PROJECT as long as this Agreement is outstanding;
3. To cooperate with the South Coastal Area Workforce Investment Board, the local Office of the Massachusetts Department of Employment and Training and other agencies, as appropriate, in seeking to fill job vacancies with the PARTICIPATING USERS as they develop, and operate a job outreach program whereby Quincy residents are made aware of job opportunities with the PARTICIPATING USERS, including advertising in the local newspapers encouraging such residents to apply for employment with the PARTICIPATING USERS anytime advertisements are otherwise placed by the PARTICIPATING USERS for employment at the FACILITY and hire properly qualified Quincy residents on a priority basis consistent with any applicable laws or regulations;
4. To use best efforts to afford priority to local contractors, vendors and suppliers, in connection with the construction of the CERTIFIED PROJECT and the operation of the FACILITY, subject to any applicable laws or regulations, and assuming equal qualification;

5. To have all PARTICIPATING USERS' vehicles (except employees' personal vehicles or vehicles under lease) used in connection with the FACILITY, garaged so that any local motor vehicle excise tax owed with respect to such vehicles will be paid to the CITY;
6. To submit the annual EACC reports on job creation, job retention and new investments at the FACILITY to the CITY by **September 30** of each year during the EXEMPTION PERIOD;
7. To pay all taxes owed the CITY relation to the FACILITY premises in a timely fashion;
8. \$10,000 contribution Per Year for the life of the TIF to the Quincy Parks Conservancy
9. \$5,000 contribution Per Year for the life of the TIF to the Montclair/Wollaston Neighborhood Association.
10. \$2,000 Contribution for the ETA Project Application fee paid to the ETA Consortium and an annual fee of \$1,500 during the life of the TIF.

Note: Paragraphs 8-10 require various payments that are mirrored in a companion TIF Agreement, approved and executed herewith relative to the premise located at 100 and 150 Newport Avenue Extension. The City expects only one of each such payment will be made annually; payment may be made by either Lessor. The purpose of including this requirement in each is solely to insure that the negotiated payment is made annually.

11. To permit the CITY, through its Mayor, to manage, administer, monitor and enforce this AGREEMENT, and approve on behalf of the CITY, any PARTICIPATING USERS consistent with this AGREEMENT.

#### **C. Additional Provisions**

1. The PARTICIPATING USERS and the LESSOR agree that the CITY has the right to petition to the EACC to decertify the project and revoke this AGREEMENT if the CITY, acting through its Mayor and City Council, determine that the LESSOR or the PARTICIPATING USERS have failed in any material way to meet any of their obligations as set forth in this AGREEMENT. Upon decertification by the EACC, the CITY shall discontinue the EXEMPTION benefits described above, commencing with the fiscal year immediately following the year for which the LESSOR or the PARTICIPATING USERS so failed to meet their obligations. Prior to filing any such petition for decertification, however, the CITY shall give the PARTICIPATING USERS and the LESSOR written notice of the alleged defaults and an opportunity to be heard at a public hearing on the matter. If the CITY is satisfied that the PARTICIPATING USERS and the LESSOR have made a good faith effort to meet their obligations under this AGREEMENT, the parties will attempt to negotiate a mutually acceptable and reasonable resolution, which may result in amendments to the terms of this AGREEMENT, prior to the CITY filing a decertification petition.

2. The PARTICIPATING USERS and the LESSOR shall give to the city two (2) months written notice prior to any proposed change in the use of, or proposed disposition of the FACILITY by the PARTICIPATING USERS and the LESSOR. Said notice shall be given to the Mayor, City Hall, 1305 Hancock Street, Quincy, MA 02169. The CITY shall not, except as required by law, disclose any information provided by the LESSOR regarding the proposed change in the use of, or proposed disposition of, the FACILITY by the LESSOR or the PARTICIPATING USERS.
3. Pursuant to 760 CMR 22.05 (8) (d), this AGREEMENT shall be binding upon all parties to it, and be binding upon the PARTICIPATING USERS and the LESSOR and their successors and assigns and shall inure to the benefit of affiliates of the PARTICIPATING USERS and the LESSOR so long as the Project has not been decertified by the EACC.
4. The Project becomes eligible for the EXEMPTION on the July 1<sup>st</sup> following the date on which the EACC approves the TIF Plan pursuant to which this AGREEMENT is executed, as provided in 760 CMR 22.05 (4)(d).
5. If any provision of this AGREEMENT shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of this AGREEMENT shall be deemed to be amended to the minimum extent necessary to provide to the CITY, the LESSOR and to the PARTICIPATING USERS substantially the benefits set forth in this AGREEMENT.
6. All notices permitted or required under the provisions of this AGREEMENT shall be in writing, and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier to the addresses listed above or at such other address as may be specified by a party in writing and served upon the other in accordance with this section.
7. If and to the extent that either party is prevented from performing its obligations hereunder by and event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or otherwise, and the parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. For purposes of this AGREEMENT, the term force majeure shall mean any supervening cause beyond the reasonable control of the affected party, including without limitation requirement of statute or regulation; action of any court, regulatory authority, or public authority having jurisdiction; acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnations, laws or orders of governmental or military authorities, denial of, refusal to grant or appeals of any permit, approval or action of any public or quasi public authority, official, agency or subdivision and any litigations relating thereto, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligations.
8. Failure by the Lessor to perform any term or provision of this AGREEMENT shall not constitute a default under this AGREEMENT unless the PARTICIPATING USERS and the LESSOR fail to commence to

cure, correct or remedy such failure within thirty (30) days of the receipt of written notice of such failure from the CITY to PARTICIPATING USERS and the LESSOR and thereafter fails to complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults which cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonably remedy such default, provided the PARTICIPATING USERS and the LESSOR exercise due diligence in the remedying of such default. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.

9. After receiving written notice from any person, firm or other entity, that such party holds a mortgage which includes as part of all of the mortgaged premises, any part of the FACILITY, the CITY shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to the PARTICIPATING USERS and the LESSOR under the terms of this AGREEMENT, but such notice May be given by the CITY to the PARTICIPATING USERS and the LESSOR and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default as is available to the LESSOR and that such holder shall have forty-five (45) days more to cure any such default than would be available to the PARTICIPATING USERS and the LESSOR under the provisions of this AGREEMENT. In addition, so long as any such holder, within seventy-five (75) days of receiving any such notice from the CITY, shall commence proceedings for foreclosure of any such mortgage and shall, in the meantime, keep and perform or cause to be kept and performed all the obligations of the PARTICIPATING USERS and the LESSOR, or shall undertake to cure any default under or failure of PARTICIPATING USERS and the LESSOR to satisfy any condition of this AGREEMENT, to the extent that any such actions can be performed or undertaken by a party proceeding under foreclosure under applicable law, no default or failure of any condition shall exist under this AGREEMENT. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.

WITNESSETH the execution and delivery of this AGREEMENT by the CITY OF QUINCY, and Fox Rock Properties, LLC, as an instrument under seal as of the date first above written.

**CITY OF QUINCY**

**FOX ROCK GRANITE, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Attachments:

Exhibit A: Site Plan

Exhibit B: EOA Map

Exhibit C: Participating User Joinder Agreement

REQUEST FOR APPROVAL OF THE CERTIFIED PROJECT FOX ROCK-GRANITE, LLC  
AND GRANITE TELECOMMUNICATIONS, INC. PURSUANT TO THE MASSACHUSETTS  
ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

INTRODUCTION

Fox Rock-Granite, LLC (the "Lessor") is a Massachusetts based limited liability company headquartered at 100 Newport Avenue, Extension Quincy, Massachusetts. It is the legal owner of the real estate at 150 Newport Avenue, Extension being developed for the use of its affiliate, Granite Telecommunications and other unrelated tenants. The property is being improved for office and commercial purposes. Attracted to the site by the affiliates's long-term association with the City of Quincy, the availability of multiple transportation options and a solid workforce from which to recruit from Granite will be expanding its operation at the facility. Granite will be using the facility to maintain and grow its national business base. Granite will also be expanding into, at least, one other line of business which they expect will generate significant employment opportunity and tax revenue. The Lessor and the tenants will invest at least \$4,000,000 in building and infrastructure improvements. The incentives under the Economic Development Incentive Program available from the City and the State were necessary to attract these tenants (and additional future tenants) to the property in a very competitive market place.

MASSACHUSETTS ECONOMIC DEVELOPMENT INCENTIVE PROGRAM ("EDIP")

The City of Quincy has chosen to be competitive with many other Massachusetts towns and cities by virtue of its application to become an Economic Target Area and its designation as such by the Commonwealth. The EDIP has been designed to permit the City to negotiate a Tax Increment Financing Agreement ("TIF") with existing Quincy businesses or with firms wishing to expand in the City such as the tenants of the Lessor. The program is only available to companies that are constructing new, or improving existing facilities and creating new employment opportunities. The Lessor and its identified and future tenants will be undertaking real estate improvements and creating at least seventy-five new jobs when the property is fully leased. The TIF is a contract that exempts a portion of only the increased valuation of real estate and requires a company to honor specific obligations such as completing the project and favoring local residents for new hires.

The TIF Agreement will be between the City of Quincy and the Lessor. The tenants are tied into the TIF Agreement through the execution of Participating User Joinder Agreements. The identified and future tenants that seek the benefits of the Program must each execute this Agreement. The City Council and the Mayor are required to approve the TIF, the designation of the real estate as an Economic Opportunity Area and authorize the completion and filing of an application to approve the project with the Massachusetts Economic Assistance Coordinating Council (the "EACC"). The project will be deemed certified once it has been approved by the EACC at its meeting on December 18, 2013.

## BASIC TERMS OF THE TIF

The Lessor and the tenants are requesting a twenty-year TIF with a fifty (50%) percent exemption of any increases in valuation. See the attached TIF for the Schedule. The exemption applies ONLY to increased valuations and will not affect the estimated base valuation of \$14,931,500 for FY 2013. In consideration of the exemption, The Lessor and its tenants will:

1. Agree to invest at least \$4,000,000 in real estate improvements to the property.
2. Cooperate with the City and local public employment agencies to fill job vacancies with Quincy residents.
3. On a best efforts basis, afford priority to local contractors, vendors and suppliers in connection with the project.
4. Register in Quincy all of the tenants' vehicles that may be so registered, in order to maximize motor vehicle excise tax receipts for the City.
5. The Lessor will pass local property tax savings on to its tenants.

## BENEFITS TO THE CITY OF QUINCY

The renovation, remodeling and leasing of the vacant office and commercial space owned by the Lessor and its tenants and the improvement to the real estate will provide numerous benefits to the City. These include:

1. The reconstruction, renovation and remodeling of underused commercial/industrial property in need of such work.
2. The stimulation of business in the North Quincy Area in particular, and Quincy in general, produced by a business that, at full build out, will likely employ several hundred, highly paid employees purchasing goods and services in the area.
3. Increased property tax receipts for the City generated by the occupancy and improvements to be made by the Lessor and its tenants.
4. Expected increases in the number of Quincy residents employed with the tenants.
5. Enhancement of Quincy's business climate through the expansion of a well-respected and established company in the City.
6. \$10,000 contribution Per Year for the Life of the TIF to the Quincy Parks Conservancy\*
7. \$5,000 contribution Per Year for the Lift of the TIF to the Montclair/Wollaston Neighborhood Association.\*
8. \$2,000 Contribution for the ETA Project Application fee paid to the ETA Consortium and an annual fee of \$1,500 during the life of the TIF. \*

\*= Contribution is for 100 and 150 Newport Avenue Extension.

Submitted by Fox Rock-Granite, LLC

6.

Exhibit C

### Participating User Joinder Agreement

Reference is made to that certain Tax Increment Financing Agreement dated as of November, 2013 between the City of Quincy (the "CITY") and Fox Rock – Granite, LLC ("the LESSEE") (the "TIF Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the TIF Agreement.

WHEREAS, the LESSEE is constructing, remodeling, equipping and improving the FACILITY, and the undersigned wishes to qualify its capital investments that it will make at the FACILITY as part of the CERTIFIED PROJECT and desires to become a Participating User under the terms of the TIF Agreement;

WHEREAS, the undersigned expects to employ 942 full-time employees upon initial occupancy at the FACILITY and commits to increase the number of its employees in accordance with the provisions set forth below;

WHEREAS, the CITY, acting through its Mayor, has reviewed this agreement and such other materials as the undersigned may have submitted to the CITY;

WHEREAS, the CITY, acting through its Mayor, has determined that the undersigned qualifies as a Participating User;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees as follows:

The undersigned expects to expand its labor force according to the following table in addition to the 942 full-time positions that the undersigned currently anticipates will work at its premises with the FACILITY upon initial occupancy.

Table-Estimated Employee Additions

<u>Year:</u>	<u>Estimated Employee Adds:</u>
<b>2013</b>	(initial employment- 942)
<b>2015</b>	50 NEW employees

The Participating User will spend at least \$100,000 in leasehold improvements and equipment at the facility by the end of FY 2014.

The Undersigned hereby covenants and agrees to be bound by all terms of the TIF Agreement applicable to Participating Users.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2013

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Name and Title  
Hereunto Duly Authorized

APPROVED AS A PARTICPATING  
USER UNDER THE TIF AGREEMENT:

CITY OF QUINCY

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Mayor

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**City of Quincy**  
**North Quincy Economic Opportunity Area #1**  
**Tax Increment Financing Plan and**  
**Tax Increment Financing Zone**  
**(Fox Rock-Granite LLC-Applicant)**

I. Location:

A) The City of Quincy is a member of the Quincy Area Economic Target Area (the "ETA") certified by the Massachusetts Economic Assistance Coordinating Council. Fox Rock-Granite, LLC owns the real estate located at 150 Newport Avenue Extension, Quincy, MA and leased to presently Granite Telecommunications Corporation and other current and future commercial tenants of the Applicant and constituting and designated as an Economic Opportunity Area within the City of Quincy identified as the North Quincy Economic Opportunity Area #1 (the "EOA").

B) The City of Quincy is located in Norfolk County and has a population of approximately 92,000. The City is centrally located 9 miles from Boston, and 43 miles northeast from Providence. The City is 26.9 square miles and is served by Routes 1, I-95, and Route 128. Although the City has a very substantial business base, Quincy is able to offer residents and business community many of the conveniences with all of the tranquility and charm of a coastal urban community.

C). TIF Zone

1. Map

- a. The TIF Zone map is included as Exhibit A
- b. An Assessors' Map delineating the TIF Zone is included as Exhibit A
- c. Not applicable
- d. Not applicable
- e. Zoning permits office use as a matter of right
- f. Not Applicable

2. The TIF Zone is the same as the EOA. The TIF Zone is located on Assessors' Map shown as Exhibit A and is properly zoned and allows the Applicant's and tenants' business as a matter of right

3. The TIF Zone is created to respond to an expression of intent by the Applicant to improving and remodeling the approximately 119,000 s/f commercial building to be

leased to various commercial tenants including Granite Telecommunications. The certified project will be located in an area that seeks more commercial activity with an emphasis on growing existing businesses already in Quincy. The building and land, (approximately. 212,137 acres) constitutes the entire TIF Zone and EOA.

The renovation and remodeling are estimated to cost at least \$4,000,000. The creation of the TIF Zone will benefit business in the City by increasing the workforce and adding to the property tax valuation of the City. The building, built in 1988, is outmoded and inefficient. The renovation will lead to a state-of-the-art, environmentally sensitive hallmark building in the City of Quincy.

4. The present, and only owner of the property within the TIF Zone, is the applicant that is leasing the sit to commercial tenants.

II. Time:

The duration of the TIF Plan and the TIF Zone is 15 years, commencing Fiscal Year **2015**

III. TIF Zone and Economic Development:

- A. The TIF Zone will create new economic development opportunities within the City of Quincy and, in particular, in the North Quincy area. It will be a significant economic development project both in terms of direct and indirect jobs and tax base creation. The city sees this action as a most positive step towards encouraging more business development to occur in the ETA. The EDIP benefits will be offered to the Applicant to speed up the leasing of the building and minimize the higher tax rate found in Quincy.
- B. The major immediate net economic benefit the City of Quincy will receive from the project is a significant number of new high paying positions. Other local businesses should benefit from the business generated by the Applicant's tenants and employees. Significant new property tax revenues in the EOA will be generated and the State will see increased sales and employment taxes.
- C. The land and existing building are currently at full capacity. The building is badly in need of modernization. The uses of this parcel of land and building will not be changed as a result of this renovation.
- D. The zoning designation within the TIF Zone is Commercial. The project is already permitted by the City.
- E. The parcel of land included in the TIF Zone is not a confirmed hazardous waste site, as per the provisions of Massachusetts General Laws, Chapter 21E.

IV. TIF Zone Projects:

For a complete description, please refer to the Certified Project Applications of the Applicant and the tenants.

V. Financing for the TIF Zone Projects:

No public expenditures are required. All infrastructure to support the project is in place. The Applicant is working on construction of building improvements and will do additional leasehold improvements as tenants are secured. The TIF is necessary in order to reduce operational costs and increase the project's viability and, most importantly, create a more efficient building, thereby affording the opportunity to create more jobs in the City of Quincy.

VI. Tax Increment Financing:

The City has granted a tax increment financing exemption to the Applicant in accordance with Massachusetts General Laws, Chapter 23A, Section 3; Chapter 40, Section 59; and Chapter 59, Section 5. The exemption shall be granted and only apply to the increased value on the facility with the improvements in place. The local property tax benefits are required to be passed on to the tenants.

The exemption shall be valid for a period of 15 years beginning with the fiscal year **2014** and ending with the fiscal year **2028**. Said exemption schedule is as follows

YEAR	FISCAL YEAR	TAX EXEMPTION
1	2015 (7/1/2014 – 6/30/15)	50% of the increase in valuation
2	2016 (7/1/2015 – 6/30/16)	50% of the increase in valuation
3	2017 (7/1/2016 – 6/30/17)	50% of the increase in valuation
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AND  
ATLANTIC-NEWPORT REALTY LLC.**

This AGREEMENT is made this 18th day of November, 2013 by and between the City of Quincy, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at City Hall, 1305 Hancock Street, Quincy, Massachusetts 02169 (hereinafter referred to as the "CITY), and Atlantic-Newport Realty, LLC, a limited liability company having a current place of business at 100 Newport Avenue Extension, Quincy, Massachusetts 02169 (hereinafter referred to, together with any successors in interest, as the "LESSOR").

WITNESSETH

WHEREAS, the CITY has been designated as an Economic Target Area ("ETA") by the Massachusetts Economic Coordinating Council (the "EACC");

WHEREAS, the LESSOR is the owner of the property located at 100 Newport Avenue Extension consisting of the parcels of land shown on Quincy Assessors' Map 6162, Block N/A, Lot 40E, together with the buildings and improvements thereon, as further described on the map in Exhibit A attached hereto, (the "FACILITY");

WHEREAS, the FACILITY is located within the Newport Avenue Extension Economic Opportunity Area #2 as designated by the EACC and shown on Exhibit B attached hereto (the "EOA");

WHEREAS, the LESSOR has committed to constructing, remodeling, equipping and improving the FACILITY at an estimated cost of \$3,000,000 (including leasehold improvements made from time to time by any tenants at the FACILITY) (the "CERTIFIED PROJECT"). The FACILITY will be leased to one or more tenants (collectively, the "LESSEES");

WHEREAS, the CERTIFIED PROJECT, when completed and fully operational, will create at least one hundred (100) additional, full-time jobs at the FACILITY and the LESSOR will employ at least two (2) full-time persons in connection with the management and operation of the FACILITY;

WHEREAS, the LESSOR is seeking a Tax Increment Financing Exemption from the CITY (the "EXEMPTION") in order to benefit the LESSOR, and any LESSEES that have executed a participating user joinder agreement (the "PARTICIPATING USER JOINDER AGREEMENT") substantially in the form attached hereto as Exhibit C and hereby approved by the CITY (the "PARTICIPATING USERS"), in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23A of the Massachusetts General Laws:

WHEREAS, the aggregate assessed valuation of the FACILITY for fiscal year 2013 is \$13,883,900;

WHEREAS, the CITY strongly supports increased economic development to provide additional jobs for residents of the CITY, to expand commercial and industrial activity within the CITY and to develop a healthy economy and stronger tax base;

WHEREAS, the CERTIFIED PROJECT will assist in the retention and expansion of a Quincy based company that has shown a long term commitment to growing and creating jobs in the CITY and will further the economic development goals and the criteria established for the ETA and the EOA;

NOW, THEREFORE, in consideration of the mutual covenants of the parties' contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, that the parties hereby agree as follows:

**A. TAX INCREMENT FINANCING EXEMPTION**

1. The CITY, as authorized by vote of its City Council adopted on November 18, 2013, hereby enters into this Tax Increment Financing Agreement (the "AGREEMENT") with the LESSOR for the CERTIFIED PROJECT and any PARTICIPATING USERS that are the subject of an approved PARTICIPATING USER JOINDER AGREEMENT.
2. The EXEMPTION is hereby granted by the CITY to the LESSOR in accordance with Chapter 23A, Section 3E; Chapter 40, Section 59; and Chapter 59, Section 5 of the Massachusetts General Laws. The EXEMPTION shall be for a period of fifteen (15) years (the "EXEMPTION PERIOD"), commencing with fiscal year 2015 (which begins July 1, 2014) and ending with fiscal year 2029 (which ends June 30, 2029), and shall provide a percentage exemption from taxation, as described in the table below, on the increased value of the FACILITY. The EXEMPTION shall be calculated and remain unchallenged for each fiscal year as follows:

3.

<b>YEAR</b>	<b>FISCAL YEAR</b>	<b>TAX EXEMPTION</b>
1	2015 (7/1/2014 – 6/30/15)	50% of the increase in valuation
2	2016 (7/1/2015 – 6/30/16)	50% of the increase in valuation
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4	2018 (7/1/2017 – 6/30/18)	50% of the increase in valuation
5	2019 (7/1/2018 – 6/30/19)	50% of the increase in valuation
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13	2027 (7/1/2026 – 6/30/27)	30% of the increase in valuation

14	2028 (7/1/2027 – 6/30/28)	30% of the increase in valuation
15	2029 (7/1/2028 – 6/30/29)	30% of the increase in valuation

4. The EXEMPTION formula for the CERTIFIED PROJECT will be calculated as prescribed by the Massachusetts General Laws Chapter 40, Section 59 and in 760 CMR 22.00. The EXEMPTION formula shall apply to the incremental difference in the assessed valuation of the FACILITY benefited by the EXEMPTION between the base valuation in the base year, which shall be fiscal year 2013, and the increase in assessed valuation of the FACILITY for the next fifteen (15) years.
5. The base valuation for FY 2013 is the assessed value of the FACILITY in the fiscal year immediately prior to the fiscal year in which the property becomes eligible for the EXEMPTION.
6. The LESSOR hereby agrees to reduce the LESSEES' real estate taxes they will pay for occupancy of the FACILITY on a pro rata basis allocated on the square footage of the facility occupied by each of the LESSEES according to Paragraph A, Section 3 above.

**B. Conditions**

The EXEMPTION granted to the LESSOR by the CITY hereby is in consideration of the LESSOR'S commitments stated hereafter as follows:

1. To create by the end of FY 2015 two (2) new, permanent, full-time job by the LESSOR, or its affiliates, and seventy-five (75) such jobs by the LESSEES as outlined in the CERTIFIED PROJECT APPLICATION, dated July 1, 2014, submitted to the CITY by the LESSOR in connection with the LESSOR'S request for the EXEMPTION, and any additional CERTIFIED PROJECT APPLICATIONS submitted, from time to time, by any LESSEES; and hire residents of the CITY and the ETA as outlined in the WORK FORCE ANALYSIS AND JOB CREATION PLANS section of the CERTIFIED PROJECT APPLICATIONS;
2. To invest at least \$3,000,000 in new construction, improvements, renovations, equipment, and leasehold improvements at the FACILITY as described in the CERTIFIED PROJECT APPLICATIONS which new construction, improvements, renovations, and leasehold improvements, equipment purchases and leasehold improvements in excess of an aggregate of \$3,000,000 may be made and qualified as part of the CERTIFIED PROJECT as long as this Agreement is outstanding;
3. To cooperate with the South Coastal Area Workforce Investment Board, the local Office of the Massachusetts Department of Employment and Training and other agencies, as appropriate, in seeking to fill job vacancies with the PARTICIPATING USERS as they develop, and operate a job outreach program whereby Quincy residents are made aware of job opportunities with the PARTICIPATING USERS, including advertising in the local newspapers encouraging such residents to apply for employment with the PARTICIPATING USERS anytime advertisements are otherwise placed by the PARTICIPATING USERS for employment at the FACILITY and hire properly qualified Quincy residents on a priority basis consistent with any applicable laws or regulations;

4. To use best efforts to afford priority to local contractors, vendors and suppliers, in connection with the construction of the CERTIFIED PROJECT and the operation of the FACILITY, subject to any applicable laws or regulations, and assuming equal qualification;
5. To have all PARTICIPATING USERS' vehicles (except employees' personal vehicles or vehicles under lease) used in connection with the FACILITY, garaged so that any local motor vehicle excise tax owned with respect to such vehicles will be paid to the CITY;
6. To submit the annual EACC reports on job creation, job retention and new investments at the FACILITY to the CITY by **September 30** of each year during the EXEMPTION PERIOD;
7. To pay all taxes owed the CITY relation to the FACILITY premises in a timely fashion;
8. \$10,000 contribution Per Year for the life of the TIF to the Quincy Parks Conservancy
9. \$5,000 contribution Per Year for the life of the TIF to the Montclair/Wollaston Neighborhood Association.
10. \$2,000 Contribution for the ETA Project Application fee paid to the ETA Consortium and an annual fee of \$1,500 during the life of the TIF.

Note: Paragraphs 8-10 require various payments that are mirrored in a companion TIF Agreement, approved and executed herewith relative to the premise located at 100 and 150 Newport Avenue Extension. The City expects only one of each such payment will be made annually; payment may be made by either Lessor. The purpose of including this requirement in each is solely to insure that the negotiated payment is made annually.

11. To permit the CITY, through its Mayor, to manage, administer, monitor and enforce this AGREEMENT, and approve on behalf of the CITY, any PARTICIPATING USERS consistent with this AGREEMENT; and

**C. Additional Provisions**

1. The PARTICIPATING USERS and the LESSOR agree that the CITY has the right to petition to the EACC to decertify the project and revoke this AGREEMENT if the CITY, acting through its Mayor and City Council, determine that the LESSOR or the PARTICIPATING USERS have failed in any material way to meet any of their obligations as set forth in this AGREEMENT. Upon decertification by the EACC, the CITY shall discontinue the EXEMPTION benefits described above, commencing with the fiscal year immediately following the year for which the LESSOR or the PARTICIPATING USERS so failed to meet their obligations. Prior to filing any such petition for decertification, however, the CITY shall give the PARTICIPATING USERS and the LESSOR written notice of the alleged defaults and an opportunity to be heard at a public hearing on the matter. If the CITY is satisfied that the PARTICIPATING USERS and the LESSOR have made a good faith effort to meet their obligations under this AGREEMENT, the parties will attempt to

negotiate a mutually acceptable and reasonable resolution, which may result in amendments to the terms of this AGREEMENT, prior to the CITY filing a decertification petition.

2. The PARTICIPATING USERS and the LESSOR shall give to the city two (2) months written notice prior to any proposed change in the use of, or proposed disposition of the FACILITY by the PARTICIPATING USERS and the LESSOR. Said notice shall be given to the Mayor, City Hall, 1305 Hancock Street, Quincy, MA 02169. The CITY shall not, except as required by law, disclose any information provided by the LESSOR regarding the proposed change in the use of, or proposed disposition of, the FACILITY by the LESSOR or the PARTICIPATING USERS.
3. Pursuant to 760 CMR 22.05 (8) (d), this AGREEMENT shall be binding upon all parties to it, and be binding upon the PARTICIPATING USERS and the LESSOR and their successors and assigns and shall inure to the benefit of affiliates of the PARTICIPATING USERS and the LESSOR so long as the Project has not been decertified by the EACC.
4. The Project becomes eligible for the EXEMPTION on the July 1<sup>st</sup> following the date on which the EACC approves the TIF Plan pursuant to which this AGREEMENT is executed, as provided in 760 CMR 22.05 (4)(d).
5. If any provision of this AGREEMENT shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of this AGREEMENT shall be deemed to be amended to the minimum extent necessary to provide to the CITY, the LESSOR and to the PARTICIPATING USERS substantially the benefits set forth in this AGREEMENT.
6. All notices permitted or required under the provisions of this AGREEMENT shall be in writing, and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier to the addresses listed above or at such other address as may be specified by a party in writing and served upon the other in accordance with this section.
7. If and to the extent that either party is prevented from performing its obligations hereunder by and event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or otherwise, and the parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. For purposes of this AGREEMENT, the term force majeure shall mean any supervening cause beyond the reasonable control of the affected party, including without limitation requirement of statute or regulation; action of any court, regulatory authority, or public authority having jurisdiction; acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnations, laws or orders of governmental or military authorities, denial of, refusal to grant or appeals of any permit, approval or action of any public or quasi public authority, official, agency or subdivision and any litigations relating thereto, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligations.

8. Failure by the Lessor to perform any term or provision of this AGREEMENT shall not constitute a default under this AGREEMENT unless the PARTICIPATING USERS and the LESSOR fail to commence to cure, correct or remedy such failure within thirty (30) days of the receipt of written notice of such failure from the CITY to PARTICIPATING USERS and the LESSOR and thereafter fails to complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults which cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonably remedy such default, provided the PARTICIPATING USERS and the LESSOR exercise due diligence in the remedying of such default. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.
9. After receiving written notice from any person, firm or other entity, that such party holds a mortgage which includes as part of all of the mortgaged premises, any part of the FACILITY, the CITY shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to the PARTICIPATING USERS and the LESSOR under the terms of this AGREEMENT, but such notice may be given by the CITY to the PARTICIPATING USERS and the LESSOR and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default as is available to the LESSOR and that such holder shall have forty-five (45) days more to cure any such default than would be available to the PARTICIPATING USERS and the LESSOR under the provisions of this AGREEMENT. In addition, so long as any such holder, within seventy-five (75) days of receiving any such notice from the CITY, shall commence proceedings for foreclosure of any such mortgage and shall, in the meantime, keep and perform or cause to be kept and performed all the obligations of the PARTICIPATING USERS and the LESSOR, or shall undertake to cure any default under or failure of PARTICIPATING USERS and the LESSOR to satisfy any condition of this AGREEMENT, to the extent that any such actions can be performed or undertaken by a party proceeding under foreclosure under applicable law, no default or failure of any condition shall exist under this AGREEMENT. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.

WITNESSETH the execution and delivery of this AGREEMENT by the CITY OF QUINCY, and Fox Rock Properties, LLC, as an instrument under seal as of the date first above written.

**CITY OF QUINCY**

**ATLANTIC-NEWPORT REALTY, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Attachments:

Exhibit A: Site Plan

Exhibit B: EOA Map

Exhibit C: Participating User Joinder Agreement

**TAX INCREMENT FINANCING AGREEMENT  
BY AND BETWEEN  
THE CITY OF QUINCY  
AND  
ATLANTIC-NEWPORT REALTY LLC.**

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WITNESSETH

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**C. Additional Provisions**

1. The PARTICIPATING USERS and the LESSOR agree that the CITY has the right to petition to the EACC to decertify the project and revoke this AGREEMENT if the CITY, acting through its Mayor and City Council, determine that the LESSOR or the PARTICIPATING USERS have failed in any material way to meet any of their obligations as set forth in this AGREEMENT. Upon decertification by the EACC, the CITY shall discontinue the EXEMPTION benefits described above, commencing with the fiscal year immediately following the year for which the LESSOR or the PARTICIPATING USERS so failed to meet their obligations. Prior to filing any such petition for decertification, however, the CITY shall give the PARTICIPATING USERS and the LESSOR written notice of the alleged defaults and an opportunity to be heard at a public hearing on the matter. If the CITY is satisfied that the PARTICIPATING USERS and the LESSOR have made a good faith effort to meet their obligations under this AGREEMENT, the parties will attempt to

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7. If and to the extent that either party is prevented from performing its obligations hereunder by and event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or otherwise, and the parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. For purposes of this AGREEMENT, the term force majeure shall mean any supervening cause beyond the reasonable control of the affected party, including without limitation requirement of statute or regulation; action of any court, regulatory authority, or public authority having jurisdiction; acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnations, laws or orders of governmental or military authorities, denial of, refusal to grant or appeals of any permit, approval or action of any public or quasi public authority, official, agency or subdivision and any litigations relating thereto, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligations.

8. Failure by the Lessor to perform any term or provision of this AGREEMENT shall not constitute a default under this AGREEMENT unless the PARTICIPATING USERS and the LESSOR fail to commence to cure, correct or remedy such failure within thirty (30) days of the receipt of written notice of such failure from the CITY to PARTICIPATING USERS and the LESSOR and thereafter fails to complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults which cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonably remedy such default, provided the PARTICIPATING USERS and the LESSOR exercise due diligence in the remedying of such default. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.
  
9. After receiving written notice from any person, firm or other entity, that such party holds a mortgage which includes as part of all of the mortgaged premises, any part of the FACILITY, the CITY shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to the PARTICIPATING USERS and the LESSOR under the terms of this AGREEMENT, but such notice may be given by the CITY to the PARTICIPATING USERS and the LESSOR and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default as is available to the LESSOR and that such holder shall have forty-five (45) days more to cure any such default than would be available to the PARTICIPATING USERS and the LESSOR under the provisions of this AGREEMENT. In addition, so long as any such holder, within seventy-five (75) days of receiving any such notice from the CITY, shall commence proceedings for foreclosure of any such mortgage and shall, in the meantime, keep and perform or cause to be kept and performed all the obligations of the PARTICIPATING USERS and the LESSOR, or shall undertake to cure any default under or failure of PARTICIPATING USERS and the LESSOR to satisfy any condition of this AGREEMENT, to the extent that any such actions can be performed or undertaken by a party proceeding under foreclosure under applicable law, no default or failure of any condition shall exist under this AGREEMENT. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.

WITNESSETH the execution and delivery of this AGREEMENT by the CITY OF QUINCY, and Fox Rock Properties, LLC, as an instrument under seal as of the date first above written.

**CITY OF QUINCY**

**ATLANTIC-NEWPORT REALTY, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Attachments:

Exhibit A: Site Plan

Exhibit B: EOA Map

Exhibit C: Participating User Joinder Agreement

REQUEST FOR APPROVAL OF THE CERTIFIED PROJECT OF ATLANTIC-NEWPORT  
REALTY, LLC AND GRANITE TELECOMMUNICATIONS, INC. PURSUANT TO THE  
MASACHUSSETS ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

INTRODUCTION

Atlantic-Newport Realty, LLC (the "Lessor") is a Massachusetts based limited liability company headquartered at 100 Newport Avenue, Extension Quincy, Massachusetts. It is the legal owner of the real estate at 100 Newport Avenue, Extension being developed for the use of its affiliate, Granite Telecommunications and other unrelated tenants. The property is being improved for office and commercial purposes. Attracted to the site by the affiliates's long-term association with the City of Quincy, the availability of multiple transportation options and a solid workforce from which to recruit from Granite will be expanding its operation at the facility. Granite will be using the facility to maintain and grow its national business base. Granite will also be expanding into at least, one other line of business which they expect will generate significant employment opportunity and tax revenue. The Lessor and the tenants will invest at least \$3,000,000 in building and infrastructure improvements. The incentives under the Economic Development Incentive Program available from the City and the State were necessary to attract these tenants (and additional future tenants) to the property in a very competitive market place.

MASSACHUSETTS ECONOMIC DEVELOPMENT INCENTIVE PROGRAM ("EDIP")

The City of Quincy has chosen to be competitive with many other Massachusetts towns and cities by virtue of its application to become an Economic Target Area and its designation as such by the Commonwealth. The EDIP has been designed to permit the City to negotiate a Tax Increment Financing Agreement ("TIF") with existing Quincy businesses or with firms wishing to expand in the City such as the tenants of the Lessor. The program is only available to companies that are constructing new, or improving existing facilities and creating new employment opportunities. The Lessor and its identified and future tenants will be undertaking real estate improvements and creating at least seventy-five new jobs when the property is fully leased. The TIF is a contract that exempts a portion of only the increased valuation of real estate and requires a company to honor specific obligations such as completing the project and favoring local residents for new hires.

The TIF Agreement will be between the City of Quincy and the Lessor. The tenants are tied into the TIF Agreement through the execution of Participating User Joinder Agreements. The identified and future tenants that seek the benefits of the Program must each execute this Agreement. The City Council and the Mayor are required to approve the TIF, the designation of the real estate as an Economic Opportunity Area and authorize the completion and filing of an application to approve the project with the Massachusetts Economic Assistance Coordinating Council (the "EACC"). The project will be deemed certified once it has been approved by the EACC at its meeting on December 18, 2013.

## BASIC TERMS OF THE TIF

The Lessor and the tenants are requesting a fifteen-year TIF with a fifty (50%) percent exemption of any increases in valuation for the first five (5) years forty (40%) percent for the next five (5) years and thirty (30%) percent for the next five (5) years. See the attached TIF for the Schedule. The exemption applies ONLY to increased valuations and will not affect the estimated base valuation of \$13,883,900 for FY 2012. In consideration of the exemption, The Lessor and its tenants will:

1. Agree to invest at least \$3,000,000 in real estate improvements to the property.
2. Cooperate with the City and local public employment agencies to fill job vacancies with Quincy residents.
3. On a best efforts basis, afford priority to local contractors, vendors and suppliers in connection with the project.
4. Register in Quincy all of the tenants' vehicles that may be so registered, in order to maximize motor vehicle excise tax receipts for the City.
5. The Lessor will pass local property tax savings on to its tenants.

## BENEFITS TO THE CITY OF QUINCY

The renovation, remodeling and leasing of the vacant office and commercial space owned by the Lessor and its tenants and the improvement to the real estate will provide numerous benefits to the City. These include:

1. The reconstruction, renovation and remodeling of underused commercial/industrial property in need of such work.
2. The stimulation of business in the North Quincy Area in particular, and Quincy in general, produced by a business that, at full build out, will likely employ several hundred, highly paid employees purchasing goods and services in the area.
3. Increased property tax receipts for the City generated by the occupancy and improvements to be made by the Lessor and its tenants.
4. Expected increases in the number of Quincy residents employed with the tenants.
5. Enhancement of Quincy's business climate through the expansion of a well-respected and established company in the City.
6. \$10,000 contribution Per Year for the Life of the TIF to the Quincy Parks Conservancy\*
7. \$5,000 contribution Per Year for the Lift of the TIF to the Montclair/Wollaston Neighborhood Association.\*
8. \$2,000 Contribution for the ETA Project Application fee paid to the ETA Consortium and an annual fee of \$1,500 during the life of the TIF. \*

\*= Contribution is for 100 and 150 Newport Avenue Extension.

Submitted by Atlantic-Newport Realty, LLC

## Participating User Joinder Agreement

Reference is made to that certain Tax Increment Financing Agreement dated as of November, 2013 between the City of Quincy (the "CITY") and Atlantic-Newport Realty ("the LESSEE") (the "TIF Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the TIF Agreement.

WHEREAS, the LESSEE is constructing, remodeling, equipping and improving the FACILITY, and the undersigned wishes to qualify its capital investments that it will make at the FACILITY as part of the CERTIFIED PROJECT and desires to become a Participating User under the terms of the TIF Agreement;

WHEREAS, the undersigned expects to employ 942 full-time employees upon initial occupancy at the FACILITY and commits to increase the number of its employees in accordance with the provisions set forth below;

WHEREAS, the CITY, acting through its Mayor, has reviewed this agreement and such other materials as the undersigned may have submitted to the CITY;

WHEREAS, the CITY, acting through its Mayor, has determined that the undersigned qualifies as a Participating User;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees as follows:

The undersigned expects to expand its labor force according to the following table in addition to the 942 full-time positions that the undersigned currently anticipates will work at its premises with the FACILITY upon initial occupancy.

Table-Estimated Employee Additions

<u>Year:</u>	<u>Estimated Employee Adds:</u>
<b>2013</b>	(initial employment- 942)
<b>2015</b>	50 NEW employees

The Participating User will spend at least \$100,000 in leasehold improvements and equipment at the facility by the end of FY 2014.

The Undersigned hereby covenants and agrees to be bound by all terms of the TIF Agreement applicable to Participating Users.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2013

\_\_\_\_\_  
Name and Title  
Hereunto Duly Authorized

APPROVED AS A PARTICPATING  
USER UNDER THE TIF AGREEMENT:

CITY OF QUINCY

\_\_\_\_\_  
Mayor

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**City of Quincy**  
**North Quincy Economic Opportunity Area #2**  
**Tax Increment Financing Plan and**  
**Tax Increment Financing Zone**  
**(Atlantic-Newport Realty LLC-Applicant)**

I. Location:

- A) The City of Quincy is a member of the Quincy Area Economic Target Area (the "ETA") certified by the Massachusetts Economic Assistance Coordinating Council. Atlantic-Newport Realty LLC owns the real estate located at 100 Newport Avenue Extension, Quincy, MA and leased to presently Granite Telecommunications Corporation and other future commercial tenants of the Applicant and constituting and designated as an Economic Opportunity Area within the City of Quincy identified as the North Quincy Economic Opportunity Area #1 (the "EOA").
  
- B) The City of Quincy is located in Norfolk County and has a population of approximately 92,000. The City is centrally located 9 miles from Boston, and 43 miles northeast from Providence. The City is 26.9 square miles and is served by Routes 1, I-95, and Route 128. Although the City has a very substantial business base, Quincy is able to offer residents and business community many of the conveniences with all of the tranquility and charm of a coastal urban community.

C). TIF Zone

1. Map

- a. The TIF Zone map is included as Exhibit A
- b. An Assessors' Map delineating the TIF Zone is included as Exhibit A
- c. Not applicable
- d. Not applicable
- e. Zoning permits office use as a matter of right
- f. Not Applicable

2. The TIF Zone is the same as the EOA. The TIF Zone is located on Assessors' Map shown as Exhibit A and is properly zoned and allows the Applicant's and tenants' business as a matter of right

3. The TIF Zone is created to respond to an expression of intent by the Applicant to improving and remodeling the approximately 123,250 s/f commercial building to be

leased to various commercial tenants including Granite Telecommunications. The certified project will be located in an area that seeks more commercial activity with an emphasis on growing existing businesses already in Quincy. The building and land, (approximately 181,210 s/f) constitutes the entire TIF Zone and EOA.

The renovation and remodeling are estimated to cost at least \$3,000,000. The creation of the TIF Zone will benefit business in the City by increasing the workforce and adding to the property tax valuation of the City. The building, built in 1988, is outmoded and inefficient. The renovation will lead to a state-of-the-art, environmentally sensitive hallmark building in the City of Quincy.

4. The present, and only owner of the property within the TIF Zone, is the applicant that is leasing the sit to commercial tenants.

II. Time:

The duration of the TIF Plan and the TIF Zone is 15 years, commencing Fiscal Year **2015**

III. TIF Zone and Economic Development:

- A. The TIF Zone will create new economic development opportunities within the City of Quincy and, in particular, in the North Quincy area. It will be a significant economic development project both in terms of direct and indirect jobs and tax base creation. The city sees this action as a most positive step towards encouraging more business development to occur in the ETA. The EDIP benefits will be offered to the Applicant to speed up the leasing of the building and minimize the higher tax rate found in Quincy.
- B. The major immediate net economic benefit the City of Quincy will receive from the project is a significant number of new high paying positions. Other local businesses should benefit from the business generated by the Applicant's tenants and employees. Significant new property tax revenues in the EOA will be generated and the State will see increased sales and employment taxes.
- C. The land and existing building are currently at full capacity. The building is badly in need of modernization. The uses of this parcel of land and building will not be changed as a result of this renovation.
- D. The zoning designation within the TIF Zone is Commercial. The project is already permitted by the City.
- E. The parcel of land included in the TIF Zone is not a confirmed hazardous waste site, as per the provisions of Massachusetts General Laws, Chapter 21E.

IV. TIF Zone Projects:

For a complete description, please refer to the Certified Project Applications of the Applicant and the tenants.

V. Financing for the TIF Zone Projects:

No public expenditures are required. All infrastructure to support the project is in place. The Applicant is working on construction of building improvements and will do additional leasehold improvements as tenants are secured. The TIF is necessary in order to reduce operational costs and increase the project's viability and, most importantly, create a more efficient building, thereby affording the opportunity to create more jobs in the City of Quincy.

VI. Tax Increment Financing:

The City has granted a tax increment financing exemption to the Applicant in accordance with Massachusetts General Laws, Chapter 23A, Section 3; Chapter 40, Section 59; and Chapter 59, Section 5. The exemption shall be granted and only apply to the increased value on the facility with the improvements in place. The local property tax benefits are required to be passed on to the tenants.

The exemption shall be valid for a period of 15 years beginning with the fiscal year **2014** and ending with the fiscal year **2028**. Said exemption schedule is as follows

YEAR	FISCAL YEAR	TAX EXEMPTION
1	2015 (7/1/2014 – 6/30/15)	50% of the increase in valuation
2	2016 (7/1/2015 – 6/30/16)	50% of the increase in valuation
3	2017 (7/1/2016 – 6/30/17)	50% of the increase in valuation
4	2018 (7/1/2017 – 6/30/18)	50% of the increase in valuation
5	2019 (7/1/2018 – 6/30/19)	50% of the increase in valuation
6	2020 (7/1/2019 – 6/30/20)	40% of the increase in valuation
7	2021 (7/1/2020 – 6/30/21)	40% of the increase in valuation
8	2022 (7/1/2021 – 6/30/22)	40% of the increase in valuation
9	2023 (7/1/2022 – 6/30/23)	40% of the increase in valuation
10	2024 (7/1/2023 – 6/30/24)	40% of the increase in valuation
11	2025 (7/1/2024 – 6/30/25)	30% of the increase in valuation
12	2026 (7/1/2025 – 6/30/26)	30% of the increase in valuation
13	2027 (7/1/2026 – 6/30/27)	30% of the increase in valuation
14	2028 (7/1/2027 – 6/30/28)	30% of the increase in valuation
15	2029 (7/1/2028 – 6/30/29)	30% of the increase in valuation