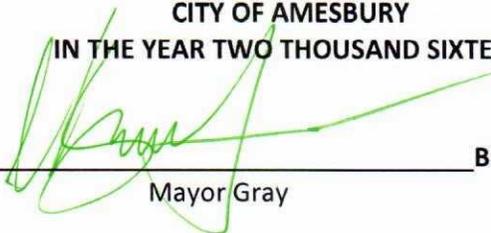




RECEIVED  
16 SEP -2 AM 11:25  
AMESBURY CITY CLERK

**CITY OF AMESBURY  
IN THE YEAR TWO THOUSAND SIXTEEN**

SPONSORED BY:

  
Mayor Gray

BILL No.

2016-083

**An Order** that the Amesbury City Council hereby takes the following actions as individually cited below for the purpose of collectively approving a Tax Increment Financing incentive for Martin Development for 77 Elm Street as described herein and further described in the attachments which are incorporated herein by reference.

**Be it Ordained** by the City Council of the City of Amesbury, assembled, and by the authority of the same, as follows: that the Amesbury City Council hereby votes to approve and authorize the Mayor to take action on the following: Designation of the 77 Elm Economic Opportunity Area, located at 77 Elm Street in Amesbury, Amesbury Assessors Map 53 parcel 38, Essex County Registry of Deeds Book 25907 and Page 136 comprised of 0.41 acres and a building of 24,000 Square feet (hereafter referred to as the PROPERTY), a Tax Increment Financing Zone Application and Tax Increment Financing ("TIF") Plan, a Tax Increment Financing Agreement, by and Between the City of Amesbury and Martin Development, a Massachusetts corporation with a current principal place of business at 481 Hilldale Road, Haverhill MA, represented by David Martin (hereinafter referred to as "COMPANY").

**WHEREAS**, the COMPANY wishes to improve and thereby increase the value of the PROPERTY Attachment C; and,

**WHEREAS**, pursuant to the City of Amesbury Guidelines for Incentives the CITY is willing to grant a tax concession to off-set the project's site-specific development constraints in return for guarantees by the COMPANY as cited herein; and,

**WHEREAS**, the COMPANY is seeking a Tax Increment Financing Exemption from the CITY through the execution of the agreement as provide in Attachment B, in order to enhance the financial viability of the proposed project to be established at the PROPERTY, in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23A and Chapter 19 of the Acts of 1993 and 402 CMR 2.00;

**WHEREAS**, the COMPANY by construction, of the proposed project will create enhanced property values and opputnties for tenancy and job creation as applicable; and,

**WHEREAS**, the proposal by the COMPANY will create additional taxation above the current values of the PROPERTY; and

**WHEREAS**, the Amesbury City Council voted to adopt the Amesbury Incentive Guidelines, contained in the report titled "The City of Amesbury Economic Incentives Strategy An Approach to Leverage Positive Economic Growth March 2014", as a means to support the use of Tax Increment Financing as a tool to encourage economic development within the Northern Essex Regional Economic Target Area; and

**WHEREAS**, The COMPANY has taken the initial steps and filed both a letter of interest and EDIP Preliminary Application as attached;

NOW, THEREFORE BE IT Ordered by the City Council and the City of Amesbury that:

1. The City Council hereby authorizes the Mayor of the City of Amesbury to file an application and seek approval with the state Economic Assistance Coordinating Council (EACC) to establish an Economic Opportunity Area (EOA) for the PROPERTY, to be known as the 77 Elm Economic Opportunity Area;
2. The City Council hereby approves the TAX INCREMENT FINANCING ZONE AND PLAN CITY OF AMESBURY, MASSACHUSETTS and 77 ELM 2016 which is attached hereto and incorporated herein by reference.
3. The City Council hereby authorizes and requests the Mayor to execute on behalf of the City a TIF Agreement and submit the TIF Zone and Plan to the EACC for its approval and certification pursuant to 402 CMR 2.18 and 751 CMR 11.06.
4. The City Council hereby designates the area known the PROPERTY as a TIF Zone pursuant to M.G.L. c.40 Sec. 59 and 751 CMR 11.04.
5. The Mayor shall be authorized to submit any and all required materials to the Commonwealth of Massachusetts Economic Assistance Coordinating Council and take such other action and execute any such documents on behalf of the City as may be necessary to carry out this order, the TIF Plan and the TIF Agreement.

\_\_\_\_\_  
Council Clerk

\_\_\_\_\_  
Council Chairman

Date: \_\_\_\_\_

Approved: \_\_\_\_\_  
Ken Gray  
Mayor



RECEIVED

16 SEP -2 AM 11:25

AMESBURY CITY CLERK

# Amesbury

Mayor C. Kenneth Gray

Office of the Mayor  
City Hall, 62 Friend Street  
Amesbury, MA 01913-2884

(978) 388-8121  
Fax: (978) 388-6727  
mayorgray@amesburyma.gov

September 2, 2016

Christian Scorzoni  
City Council President  
City of Amesbury  
62 Friend Street  
Amesbury, MA 01913

Dear President Scorzoni,

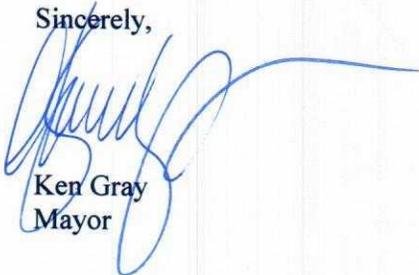
Since March of 2014, we have worked closely with the City Council to bring economic opportunities forward based on the original premise of the TIF program as part of the overall Economic Incentives Strategy. The Hotel led the way and is nearing completion; DesignWerkes has brought us great opportunities in innovative manufacturing and has started partial operations at their new site.

Now, with the renovation of 77 Elm Street, a key building in our downtown, we have a project with a unique opportunity in Amesbury which will raise the bar on office space and building renovations. The developer obtained all of the permits in June to rehabilitate the dilapidated structure. The building is a difficult renovation with structural issues, a stream flowing below the building, and a host of other deferred issues that create a more costly project.

The TIF for this project is a means to provide the developer with the necessary financial flexibility in a difficult building rehabilitation to make viable lease offers to prospective tenants.

The City has the ability to facilitate change by moving forward as a partner with business. Given the choice between participating to expedite and shape the outcome, or waiting for serendipity, the clear response is we should move forward and provide assistance to raise the bar on the outcome for key buildings such as 77 Elm Street.

Sincerely,



Ken Gray  
Mayor

0



# Amesbury

William Scott  
Director Office of Community Development  
City Hall, 62 Friend Street  
Amesbury, MA 01913-2884

(978) 388-8110 - 313  
scottw@amesburyma.gov

September 1, 2016

Mayor Ken Gray  
City Hall  
City of Amesbury  
62 Friend Street  
Amesbury Massachusetts 01913

Dear Mayor Gray,

The TIF program has provided two clear success stories, in two separate sectors, Hospitality, and Manufacturing. With the 77 Elm project we will have a positive example of office renovations to indicate that the City can facilitate diverse economic growth portfolio. The 77 Elm site is clearly a key site on the downtown. The community entrance qualities and location near the transportation center fulfill the vision held by the City investments in the area.

The developer, David Martin, could move forward with minimal investments, create storage space, or minimally improved space for marginal uses. However he has chosen a program to bring the building back to one that can accommodate higher class office and other uses. The total investment is planned for \$2.5 million in 21,000 square feet. With the purchase price of \$850,000, the costs per square foot is near \$140.00. This does not include tenant fit-up, it is only the building renovations to facilitate the fit-up. It is anticipated all these numbers will be higher when fully occupied.

This TIF is different from the prior approaches. In the case of the Hotel and Manufacturing the property owner and the developer are the occupying business. In this case we are working with a developer and property owner who will attract business, and to facilitate that we are offering an incentive to address taxation and the building investment to fill the space.

As follows the numbers are in the favor of the City as they have been in the past:

- After ten years the City receives an added tax revenue of \$252,173 above the current taxation, an average of \$25,217 per year.
- Without the renovations the City receives \$176,730.31 after ten years, or \$17,600 per year.
- After 15 years, with the TIF ending in ten, the City receives \$491,543.61.
- Without the renovations the City receives \$282,871.00 after fifteen.
- The developer incentive after ten years is \$146,389, an average of \$14,630 per year.
- This TIF is 50% for the first five years, and 25% percent for the next five for a total of ten.
- The offer is 25% less than the prior offers in the first five years, and 10% less from the prior offers in the next five.

With this project we can clearly indicate the City's ability to move forward in multiple sectors to generate new economic growth. As important, we will have a highly visible assets that will be an example of what happens when the City partners with the development community.

I will make myself available for the City Council meeting on September 13, 2016.

Sincerely,

  
William Scott



COMMONWEALTH OF MASSACHUSETTS  
 ECONOMIC ASSISTANCE COORDINATING COUNCIL  
 MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

**Economic Development Incentive Program (EDIP)**  
**LOCAL INCENTIVE-ONLY APPLICATION**

A complete application with all required attachments must be submitted in electronic form to your MOBD Regional Director by 5:00 P.M. on the [application deadline date](#). A hardcopy with original signatures and attachments must be postmarked no later than 1 day after the submission deadline and mailed to: EDIP Manager, MOBD, 10 Park Plaza, Suite 3730, Boston, MA 02116. **Applications that are incomplete or submitted after the deadline will not be considered at the scheduled EACC meeting, without exception.**

For assistance with this application please work with your MOBD Regional Director, local municipal officials and refer to the [EDIP Guidelines](#) and [402 CMR 2.00](#).

PART I. COMPANY OVERVIEW					
1. COMPANY INFORMATION					
Company Name:	Martin Development, LLC				
Project Location Address:	Street Address:	11 Marbleridge Road			
	City:	North Andover	MA	Zip Code:	01845
FEIN # (Federal Employer Identification Number):	#47-2634291				
DUA # (Dept. of Unemployment Assistance Number):	#Pending approval - (applicatiion filed 8-22-16)				
2. COMPANY CONTACT					
Executive Officer/ Company Designee:	Full Name:	David Martin	Title:	President	
Contact (if different from above)	Full Name:		Title:		
Contact Address:	Street Address:	11 Marbleridge Road			
	City:	North Andover	State:	MA	Zip Code: 01845
Telephone Number:	781-389-8040				
Email Address:	dmm0609@hotmail.com				

COMMONWEALTH OF MASSACHUSETTS  
ECONOMIC ASSISTANCE COORDINATING COUNCIL  
MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

value tenant fit-up desired by the city for this former industrial area in downtown Amesbury. The above start date is reflective completion of permits and their appeal period. The intent of this TIF is to financially facilitate a higher value tenant fit-up for pending work. At least one tenant will occupy 10% of the building by the fall. Therefore the above dates reflect lonely a portion of the site to be occupied at a later date and over time.

**3. PRIVATE INVESTMENT**

Total Projected Private Investment: \$2,500,000

**Additional Information** (if necessary) on Investment: Investment in stages from demolition to tenant fit up. final amount may exceed above number dependent on final tennants.

**4. MASSACHUSETTS EMPLOYMENT**

(a) Is the applicant new to Massachusetts?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(i) If no, where are the existing Massachusetts facilities?		Martin Development, LLC is the current owner of the building at 77 Elm Street	N/A <input checked="" type="checkbox"/>
(b) Will the proposed economic development project require and/or trigger the closing or consolidation of any Massachusetts facilities or the elimination of any other jobs currently in Massachusetts? If yes, please give location of facility and explain.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
		If yes, please explain:	

**5. EMPLOYMENT & JOB CREATION**

**(a) Martin Development, LLC EXISTING EMPLOYMENT AT PROJECT LOCATION**

Please indicate the number of Permanent Full-Time Jobs to be created in total and by year. If job creation timeline exceeds five years, please complete the "Extended Job Creation Schedule" and attach as an addendum.

(i) Permanent Full-Time Employment at Project Location at Date of Application:	(ii) Permanent Full-Time Employees to be Transferred from other Massachusetts Site to Project Location:	(iii) Total Permanent Full-Time Existing Jobs to be Retained at Project Location (sum of questions 5 (a) i. & ii.):
0	0	0

Notes (if necessary) on Current Project Location Employment:

**(b) MARTIN DEVELOPMENT, LLC JOB CREATION SCHEDULE AT PROJECT LOCATION**

Permanent Full-Time Jobs to be Created (net new to facility and Massachusetts):	2017	2018	2019	2020	2021
0	0	0	0	0	0

Notes (if necessary) on Job Creation: The purpose of the project is to facilitate the renovation and rehabilitation of the former mill building into three floors (with a net rental space of 21,000 SF) of commercial office space with associated off-street parking.

COMMONWEALTH OF MASSACHUSETTS  
ECONOMIC ASSISTANCE COORDINATING COUNCIL  
MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

ii) Exemption Schedule of Local Incentive:	50% 50% 50% 50% 50% 25% 25% 25% 25% 25%	
iii) Start & Expiration Date of Local Incentive:  If Agreement commences upon certificate of occupancy please check box:	Start Date: 7/1/2017  Expiration Date: 6/30/2026  <input type="checkbox"/> Local Incentive Agreement commences upon certificate of occupancy and the dates represent best projections of the start & expiration of the local incentive based on the project timeline.	
iv) Date Municipality Approved Local Tax Incentive or Date of Scheduled Vote:	10/11/2016	
(d) Attachment A: Economic Opportunity Area (EOA) Designation Application (for newly designated EOA's only) Please attached a signed copy of the EOA Designation Application.	Attached <input checked="" type="checkbox"/>	
	N/A <input type="checkbox"/>	
(e) Attachment B: Local Incentive Agreement Please attach a signed copy of the TIF or STA Agreement.	Attached <input checked="" type="checkbox"/>	
(f) Attachment D: Municipal Vote by Authoritative Body Approving Incentive Please attach a copy of the vote approving the local incentive.	Attached <input checked="" type="checkbox"/>	
(g) Attachment E: Municipal Vote by Authoritative Body Approving submission of application of the Economic Assistance Coordinating Council (EACC)	Attached <input checked="" type="checkbox"/>	
(h) Exhibit 1: Local Incentive Valuation Please complete the attached exhibit detailing the estimated property tax exemption over the life of the agreement.	Complete <input checked="" type="checkbox"/>	

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ECONOMIC ASSISTANCE COORDINATING COUNCIL  
MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

**V. AUTHORIZATION & CERTIFICATIONS**

**1. CERTIFICATE OF GOOD STANDING**

Provide proof of good tax standing in the Commonwealth of Massachusetts via a Massachusetts Department of Revenue Certificate of Good Standing for **each of the businesses** intending to take advantage of the state tax incentives.

\*Applications will not be reviewed by the Economic Assistance Coordinating Council until a Certificate of Good Standing has been received.

To obtain a Certificate of Good Standing visit:

<https://wfb.dor.state.ma.us/webfile/Certificate/Public/WebForms/Welcome.aspx>

Attached

**Date of DOR Application for Certificate of Good Standing: 8/22/2016**

Notes:

**2. APPLICATION AUTHORIZATION, CERTIFICATION & ACKNOWLEDGEMENT**

*I/We, David Martin, President - Martin Development, LLC (names and titles) of the applicant business applying for "Certified Local Incentive Only Project" status from the Commonwealth of Massachusetts, Economic Assistance Coordinating Council hereby certify that I/we have been authorized to file this application and to provide the information within and accompanying this application and that the information provided herein is true and complete and that it reflects the applicant's intentions for investment, job creation and sales to the best of my/our knowledge after having conducted reasonable inquiry. I/We understand that the information provided with this application will be relied upon by the Commonwealth in deciding whether to approve "Certified Local Incentive Only Project" status and that the Commonwealth reserves the right to take action against the applicant or any other beneficiary of the Certified Local Incentive Only Project if the Commonwealth discovers that the applicant intentionally provided misleading, inaccurate, or false information. I/We make this certification under the pains and penalties of perjury. I/we agree to submit a Calendar Year Annual Report to the Massachusetts Office of Business Development to give updates on the progress of the project.*

*The signatories also hereby acknowledge that, under the Public Records law of the Commonwealth of Massachusetts, this application and all documents submitted in support thereof are public records under the provisions of Massachusetts G. L., Ch. 4, sec. 7 (26).*

**Signed:**



**Name**

President, Martin Dev., LLC

**Title**

August 23, 2016

**Date**

**Name**

**Title**

*Select mm/dd/yyyy*

**Date**

**3. DEPARTMENT OF UNEMPLOYMENT ASSISTANCE CONSENT FOR DISCLOSURE OF WAGE REPORTING INFORMATION**

Date June 10, 2016

Mayor Ken Gray  
City Hall  
City of Amesbury  
62 Friend Street  
Amesbury Massachusetts 01913

**RE: Intent to Apply For Massachusetts Economic Development Program (EDIP) in Amesbury**  
Dear Mayor Gray,

This letter of intent from Diesel Realty shall serve to meet the notification requirements as required by the Economic Development Incentive Program, (EDIP).

On Monday March 29<sup>th</sup> as the principal of Diesel Realty I met with William Scott the Community and Economic Development Director, for the City of Amesbury to discuss the EDIP Program and the various incentives available.

The project is a renovation of an existing Mill building at 77 Elm Street. The extensive work, estimated at \$3,000,000 required on the dilapidated mill building places the project in jeopardy of being able to limit the rent to the market rates for the area. Pending an acceptable rent structure the prospective tenants are planning on creating additional jobs from the redevelopment. As a result of the meeting Mr. Scott outlined the project for 77 Elm Street and the need for the incentive in the attached document titled: 77 Elm - Office and Retail TIF Preliminary Assessment. Further information will be forthcoming from my company to meet the EDIP requirements.

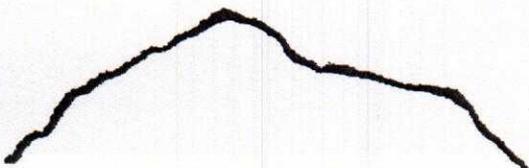
Diesel Realty is therefore requesting that you accept this letter as the formal letter of intent required under the Economic Development Incentive Program, (EDIP).

Sincerely,



David Martin

cc: EDIP Director  
Regional Director





# AMESBURY, MA



- Search
- Street View
- Data Search
- Feedback
- Back
- Home

## 77 ELM ST

- Sales
- Print
- Map It

**Location** 77 ELM ST **Assessment** \$768,000

**Mblu** 53 / / 38 / / **PID** 86

**Acct#** I&E **Building Count** 1

**Owner** BACK RIVER VENTURES LLC

### Current Value

Valuation Year	Assessment		
	Improvements	Land	Total
2016	\$637,300	\$130,700	\$768,000

### Owner of Record

**Owner** BACK RIVER VENTURES LLC **Sale Price** \$850,000  
**Co-Owner** C/O MARTIN DEVELOPMENT LLC **Certificate**  
**Address** 481 HILLDALE AVENUE **Book & Page** 25907/  
 JAVERHILL, WI 01832 136  
**Sale Date** 07/21/2006  
**Instrument** 00

### Ownership History

Ownership History					
Owner	Sale Price	Certificate	Book & Page	Instrument	Sale Date
BACK RIVER VENTURES LLC	\$850,000		25907/ 136	00	07/21/2006
DOUGHTY DOROTHY E TR	\$1		11007/ 501	1F	11/06/1991
DOUGHTY HAROLD W	\$0		06414/0042		11/09/1977

### Building Information

**Building 1 : Section 1**



COMMONWEALTH OF MASSACHUSETTS  
 ECONOMIC ASSISTANCE COORDINATING COUNCIL  
 MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

**Economic Development Incentive Program (EDIP)**  
**ECONOMIC OPPORTUNITY AREA (EOA) DESIGNATION APPLICATION**

A complete application with all required attachments must be submitted in electronic form to your MOBD Regional Director by 5:00 P.M. on the [application deadline date](#). A hardcopy with original signatures and attachments must be postmarked no later than 1 day after the submission deadline and mailed to: EDIP Manager, MOBD, 10 Park Plaza, Suite 3730, Boston, MA 02116. **Applications that are incomplete or submitted after the deadline will not be considered at the scheduled Economic Assistance Coordinating Council (EACC) meeting, without exception.**

PART I. PROPOSED EOA	
1. DESIGNATION OVERVIEW	
<b>Name of Proposed EOA:</b>	77 Elm Street
<b>Municipality:</b>	Amesbury
<b>EOA Designation is for:</b>	<input checked="" type="checkbox"/> New EOA within a previously approved Economic Target Area <input type="checkbox"/> Amendment to a previously approved EOA
The area is being proposed for designation as the applicable parcels meet the eligibility criteria (see definitions as defined in M.G.L. Chapter 121A, §1 and M.G.L. Chapter 23A §3E):	<input type="checkbox"/> Blighted Open Area <input type="checkbox"/> Decadent Area <input checked="" type="checkbox"/> Substandard Area <input type="checkbox"/> Cumulative Job Loss
<b>Effective Time Period for EOA Designation</b> (Designation must remain in effect for a minimum of 5 Years and Maximum of 20 Years)	20 Years
2. EOA BOUNDARIES	
<b>(a) Attachment  Map of Proposed EOA</b> Please attach a detailed map of the proposed EOA, indicating the existing streets, highways, waterways, natural boundaries and other physical features.	<input checked="" type="checkbox"/> <b>Attached</b>
<b>(i)</b> Please provide a detailed description of the EOA boundaries including parcel numbers and how said area conforms to the definition of either “Blighted Open Area”, “Decadent Area”, “Substandard Area and/or “Cumulative Job Loss” as marked in section 1.	
Specifically the proposed 77 Elm Street Opportunity Area, located at 77 Elm Street in Amesbury, Amesbury Assessors Map 53 parcel 38,, Essex County Registry of deeds 25907 book and 136 page.	

**2. LOCAL APPROVAL STREAMLINING**

(a) Provide a proposal and plan (or attach existing plan) to increase the ease of doing business by streamlining delivery of local services within the EOA such as the municipality's permit, approval and license procedures. See: "[Best Practice Model for Streamlined Local Permitting](#)"

The City coordinates projects through a central technical review process to streamline permits. The City of Amesbury has established a planning and implementation relationship with the Amesbury Chamber of Commerce through the Chamber Economic Development Committee. The City worked directly with the committee and property owners to establish the Amesbury Economic Incentive Guidelines. The guidelines have framed the opportunity for this proposal.

(b) **Compliance with Community Reinvestment Act:** Include a copy of a municipal plan or policy, if any exists, which links the municipality's choice of banking institutions to the bank's compliance with the requirements of the Community Reinvestment Act.

Attached

N/A

**PART III. SPECIAL REQUIREMENTS FOR LARGE MUNICIPALITIES**

**This section must be completed by any municipality or member of a regional ETA with a population that exceeds fifty thousand (50,000) people. The population threshold should be calculated based on the most recent statistics available from the U.S. Bureau of the Census.**

**Please check appropriate selection:**

Municipality or regional ETA population exceeds 50,000 people (if checked, please complete the below Part III).

Municipality or regional ETA population is less than 50,000 people (if checked, Part III. is not required, please skip to Part IV.)

**1. MUNICIPAL INFRASTRUCTURE SUPPORT**

Provide an analysis of the existing infrastructure support and municipal services, including transportation access, water and sewer hook-ups, lighting, and fire and police protection to and for certified projects within the proposed EOA(s). Indicate if the existing level of services and infrastructure is adequate to support the anticipated development in the proposed EOA(s).

Provide a proposal for meeting additional demand for municipal services and infrastructure improvement, including costs and funding sources available for these improvements.

The project is served by municipal sewer and water and NGRID for gas and electrical services.

**2. JOB TRAINING PROGRAMS**

Describe the municipality's plans to secure access to publicly or privately sponsored training programs for employees of certified projects and for residents of the municipality/ETA.

The City plans to work with the One-Stop Career Center, Valley Works, located at Northern Essex Community College, 100 Elliott Street, Haverhill, MA. In addition, the City will request that prospective tenants advertise job openings in the Amesbury weekly area news.

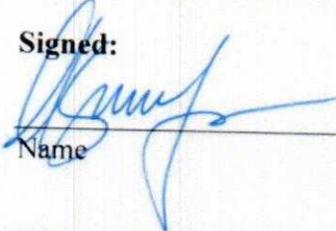
COMMONWEALTH OF MASSACHUSETTS  
ECONOMIC ASSISTANCE COORDINATING COUNCIL  
MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

**PART V. APPLICATION AUTHORIZATION, CERTIFICATION & ACKNOWLEDGEMENT**

I/We Mayor Ken Gray (fill in name and title) of the applicant municipality applying for "Economic Opportunity Area" Designation from the Commonwealth of Massachusetts, Economic Assistance Coordinating Council hereby certify that I/we have been authorized to file this application and to provide the information within and accompanying this application and that the information provided herein is true and complete. I/we understand that the information provided with this application will be relied upon by the Commonwealth in deciding whether to approve "Economic Opportunity Area" Designation and that the Commonwealth reserves the right to take action against the applicant or any other beneficiary of the Economic Opportunity Area if the Commonwealth discovers that the applicant intentionally provided misleading, inaccurate, or false information. I/we make this certification under the pains and penalties of perjury.

The signatories also hereby acknowledge that, under the Public Records law of the Commonwealth of Massachusetts, this application and all documents submitted in support thereof are public records under the provisions of Massachusetts G. L., Ch. 4, sec. 7 (26).

**Signed:**



Name

Mayor  
Title

August 23, 2016

Date

Name

Title

Select mm/dd/yyyy

Date



**TAX INCREMENT FINANCING AGREEMENT  
CITY OF AMESBURY, MASSACHUSETTS  
and  
Martin Development LLC**

This document and all attachments hereto and incorporated herein, hereinafter referred to as "AGREEMENT" is made this \_\_\_\_\_ day of OCTOBER 2016 by and between the CITY OF AMESBURY, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at City Hall, 62 Friend Street, Amesbury, Massachusetts, 01913, acting through the Mayor Ken Gray (hereinafter referred to as "CITY") and MARTIN DEVELOPMENT LLC a Massachusetts corporation with a principal place of business at 481 HILDALE AVENUE, HAVERHILL represented by President DAVID MARTIN (hereinafter referred to as "COMPANY"). The exemptions associated with this AGREEMENT will take effect beginning in the year the COMPANY receives the certificate of occupancy for the COMPANY's proposed building renovations.

**WHEREAS**, the COMPANY wishes to improve the land and buildings thereon, and thereby increase the value of the property located at 77 Elm Street, Amesbury, hereafter known as PROPERTY as shown in Attachment "Exhibit A"; and

**WHEREAS**, pursuant to the City of Amesbury Guidelines for Incentives the CITY is willing to grant a tax concession to off-set the project's site-specific development constraints in return for guarantees by the COMPANY as cited herein; and,

**WHEREAS**, the COMPANY is seeking a Tax Increment Financing Exemption from the CITY (the "EXEMPTION") in order to enhance the financial viability of the proposed project to be established at the PROPERTY, in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23A of the Massachusetts General Laws;

**WHEREAS**, the COMPANY by construction, occupancy, and operations of the proposed project will create employment opportunities by leasing the PROPERTY to office and retail uses where it was formerly an abandoned building; and

**WHEREAS**, the proposal by the COMPANY will invest in excess of \$2.5 million dollars and create additional taxation above the current values of the PROPERTY; and

**WHEREAS**, the Amesbury City Council voted to adopt the Amesbury Incentive Guidelines, contained in the report titled "The City of Amesbury Economic Incentives Strategy An Approach to Leverage Positive Economic Growth March 2014", as a means to support the use of Tax Increment Financing as a tool to encourage economic development within the Northern Essex Regional Economic Target Area; and

**WHEREAS**, The COMPANY has taken the initial steps and filed both a letter of interest, EDIP Preliminary Application, in "EXHIBIT B", and Final application which is incorporated herein by reference.

**B. THE CITY'S OBLIGATIONS**

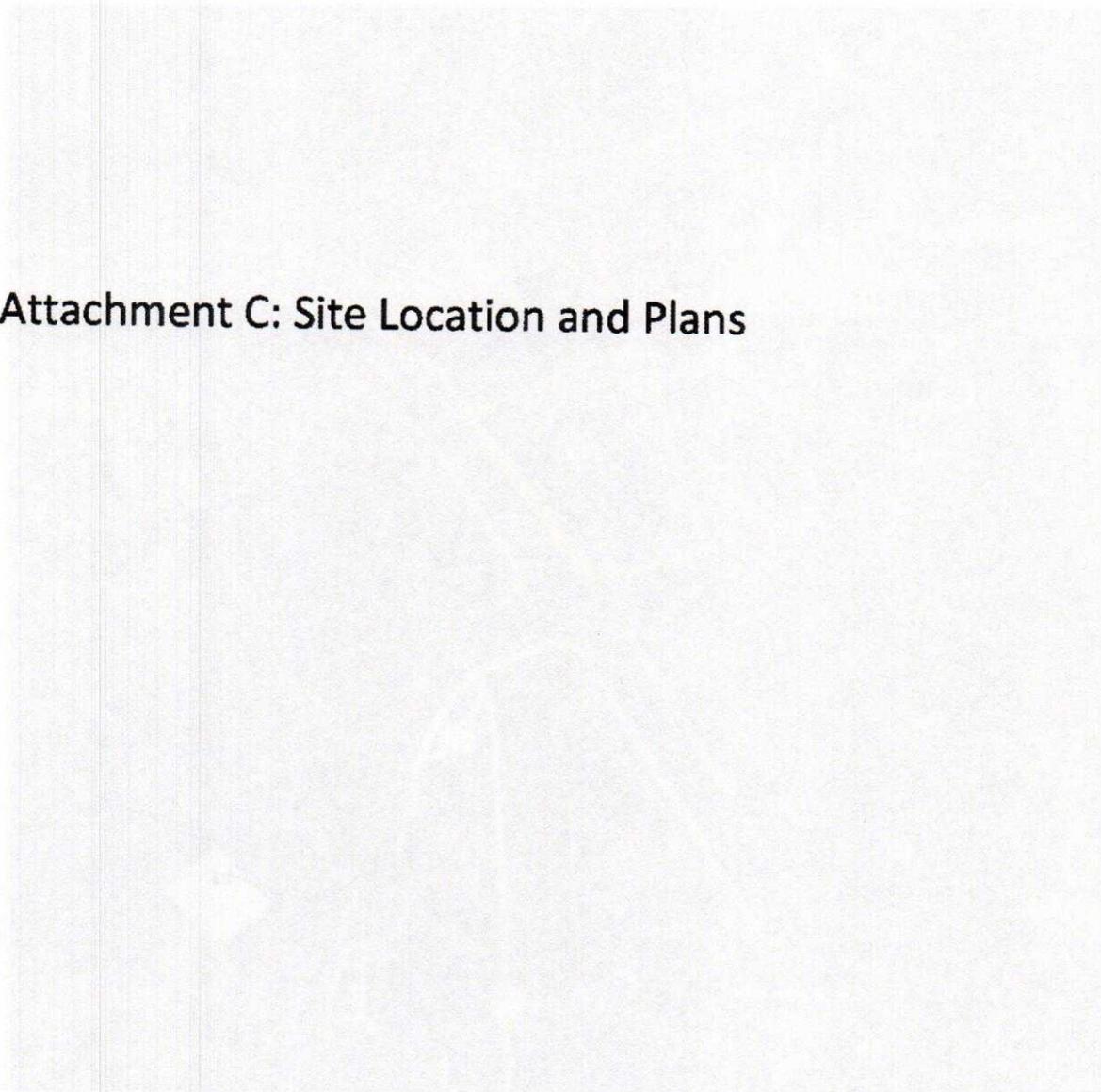
1. The CITY shall grant a tax increment financing exemption to the COMPANY in accordance with Massachusetts General Laws, Chapter 23A, Section 3E, Chapter 40, Section 59, and Chapter 59, Section 5. The exemption shall be for the period of TEN (10) years (the "EXEMPTION PERIOD"), commencing with Fiscal Year 2018 (which begins July 1, 2017) and ending with Fiscal Year 2027 (which ends June 30, 2027) and shall provide a percentage EXEMPTION from taxation, as described in the table below, on the increased value of the FACILITY resulting from the FACILITY improvements.
2. The agreed base valuation of \$768,000 for FY 2016 is established as the assessed value of the FACILITY (see Exhibit D). The Tax Increment Financing Exemption formula for the FACILITY will be calculated as prescribed by Massachusetts General Laws and regulated by the Department of Revenue, and shall apply to the incremental difference in the above assessed real property tax valuation of the PROPERTY, and its assessed valuation for each of the next TEN (10) fiscal years.
3. The Base Valuation is adjusted annually by an adjustment factor which reflects increased commercial and industrial property values within the community, as defined in Massachusetts General Laws. Any increase in the assessed value of the PROPERTY over the Base Valuation, or "increment", attributable to the renovations and/or improvements made in connection with the FACILITY is that amount eligible for exemption from taxation (the "Tax Increment Financing Exemption").
4. The EXEMPTION becomes effective on the July 1st following the both of the 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), and the issuance of the occupancy permit for the FACILITY use as outlined herein.
5. The CITY finds that the development costs of the site requires a term in excess of five years and hereby affords a term of TEN years. The exemption schedule on the value of the FACILITY is as follows: for the TEN years of this AGREEMENT, the COMPANY will be granted a Real Estate exemption of the approved percentage of the full value of the FACILITY and pay taxes on the non-exempt value of the FACILITY. In Fiscal Year 2028, the COMPANY will pay taxes on the full value of the FACILITY. The EXEMPTION shall not include Personnel Property taxes. The EXEMPTION shall be calculated and remain unchallenged for each fiscal year as follows:

Fiscal / Month Year	Percent	Fiscal / Month Year	Percent
2018/ July 2017	50%	2023/ July 2022	25%
2019 / July 2018	50%	2024 / July 2023	25%
2020/ July 2019	50%	2025 / July 2024	25%
2021 / July 2020	50%	2026 / July 2025	25%
2022 / July 2021	50%	2027/ July 2026	25%

**C. OTHER CONSIDERATIONS**

1. If after 30 days written notice to the COMPANY by the CITY, the COMPANY fails to meet the investment commitments specified herein, or fails to comply with all reporting requirements specified in this agreement, the CITY, acting through its Mayor, may, at its sole discretion, take action to request decertification of the project by the Economic Assistance Coordinating Council (EACC). Upon decertification, the CITY shall discontinue the Tax Increment Financing Exemption benefits described

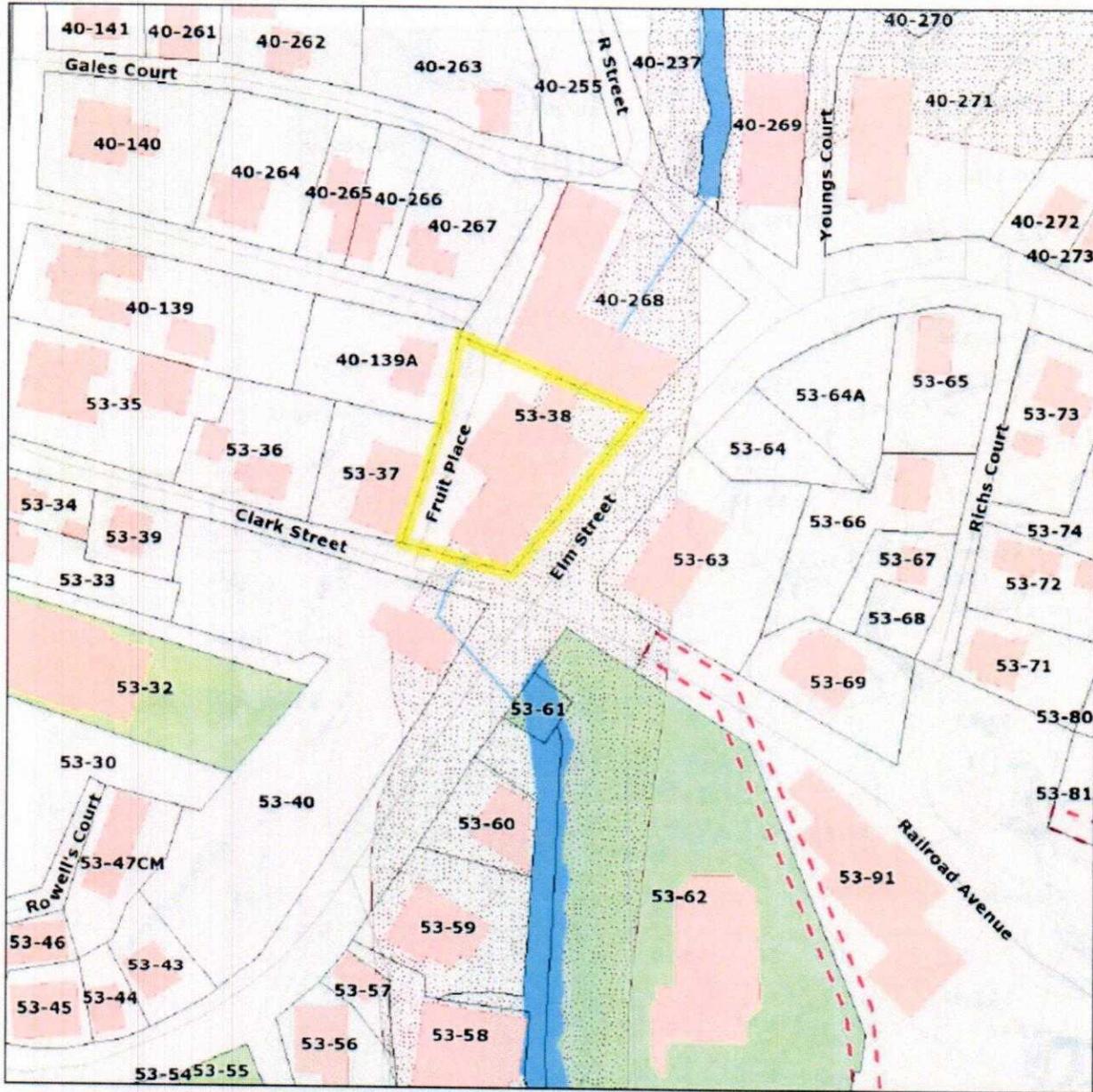
## Attachment C: Site Location and Plans



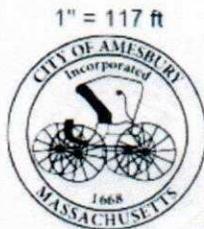
Site Location and Plans



Site Location and Plans



Data Sources: The data for this map was produced by Merrimack Valley Planning Commission (MVPC) and provided by the City of Amesbury and by the Executive Office of Environmental Affairs/MassGIS. The information depicted on this map is for planning purposes only. It may not be adequate for legal boundary definition or regulatory interpretation.



- Amesbury Boundary
- Parcels
- Roads
  - Interstate
  - Major Road
  - Local Road
- Building Footprints
- Trails
- Easements
- Hydrographic Features
- Streams



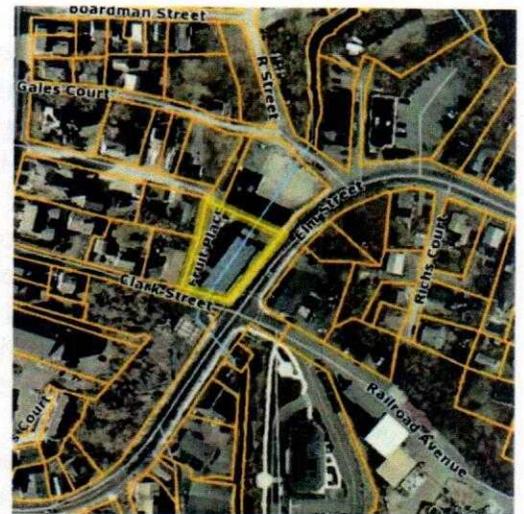


**TAX INCREMENT FINANCING ZONE AND PLAN**  
**EDIP Submittal 77 ELM STREET**  
**CITY OF AMESBURY, MASSACHUSETTS**  
**and**  
**MARTIN DEVELOPMENT**  
**AUGUST 23, 2016**

**I. TIF Plan and Zone**

**A. Site**

The site is located within the Northern Essex Regional ETA . The location is within the area known as ELM STREET within the Downtown. The 77 Elm EOA is being submitted to the EACC for their September 21<sup>st</sup> 2016 meeting. The project is served by municipal sewer, water, and NGRID Gas and Electric. The site contains a 24,000 square foot building which has been abandoned for over two years.

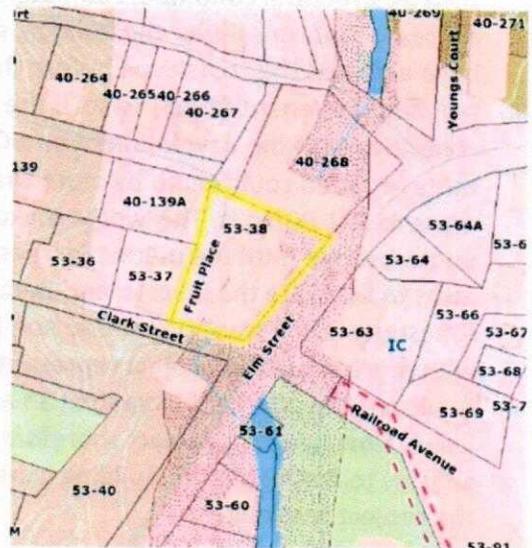


**B. City**

Amesbury is a city in Essex County, Massachusetts, located on the left bank of the Merrimack River near its mouth, upstream from Salisbury and across the river from Newburyport and West Newbury. The population was 16,283 at the 2010 census.<sup>[1]</sup> A former farming and mill town, Amesbury is today largely residential. It is one of the two northernmost towns in Massachusetts (the other being neighboring Salisbury). Amesbury is located at 42°51'29"N 70°55'50"W. According to the United States Census Bureau, the city has a total area of 13.7 square miles (35.5 km<sup>2</sup>), of which 12.3 square miles (31.8 km<sup>2</sup>) is land and 1.5 square miles (3.8 km<sup>2</sup>), or 10.65%, is water.

**C. TIF Zone and Map**

1. Please refer to the map and plans in Appendix A.
2. Description. Specifically the proposed 77 Elm Economic Opportunity Area, located at 77 Elm Street in Amesbury, Amesbury Assessors Map 53 parcel 38, Essex County Registry of Deeds Book 25907 and Page 136 comprised of 0.41 acres and a building of 24,000 Square feet (hereafter referred to as the PROPERTY)



In this case the project meets the City TIF guidelines by using the incentives to overcome development constraints. The constraints are directly related to the building and the ability of the developer to achieve market rents which is what drives the project viability. The TIF in this case will amortize the constraint costs through tax savings, thus lowering the project obligations. This will allow the developer the ability to deliver the space to the tenants within the rents that the market will bear.

#### **4. Property Owners.**

Martin Development has purchased the property and has conducted work to secure the building from its dilapidated state to a shell. Further work is planned for the building including the tenant fit-up.

### **II Time Duration**

The duration of the TIF plan and TIF Zone is 10 years. Beginning in Fiscal Year 2018 and ending with the last year fiscal year 2027.

### **III TIF Zone and Economic Development**

- A. **Discuss how the TIF Zone is poised to provide Economic Development Opportunities.** The TIF Zone is created to facilitate the rehabilitation of an abandon and dilapidated manufacturing building that currently does not meet code requirements for an occupancy permit. As part of the TIF Incentive the property owner will complete the renovations and lease the space to uses commensurate with zoning.
- B. **Discuss how the TIF Zone will benefit the Municipality:**  
The general outcome of the redevelopment is:
- a. Purchase of the structure.
  - b. Rehabilitation of the abandon structure to a viable state.
  - c. Restoration of a building onto the tax rolls at a higher value.
  - d. Eventual tenant fit up and lease for all three floors.
  - e. Job creation as applicable to tenancy.
- C. **Analysis of proposed and Potential Land Uses:**
- D. **Zoning in TIF Zone:** The zoning in the TIF zone is Commercial. The project has an approved site plan and wetlands permits.
- E. **Hazardous Waste Sites:** This site has been used in manufacturing and the company is working within the context of best practices as such all permits have been granted for the facility.

## **VII. Approval of Project**

On August 17, 2016 the Mayor forwarded the recommendation to the City Council for a meeting on September 13, 2016 for a first reading. Subsequent to meetings of the City Council Finance Committee on September 20, 2016, the City Council will hold a hearing on October 11, 2016 to consider the TIF as amended. On October 11, 2016 the City Council will be asked to vote on the order and agreements as attached hereto. The TIF will be subject to the local vote as outlined above.

***See Exhibits for Supporting Materials***