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2022 DEC -5 P 2:09

CITY OF AMESBURY, MA

CITY OF AMESBURY
IN THE YEAR TWO THOUSAND TWENTY-TWO

SPONSORED BY: *Kassandra Gove* **BILL No. 2022-163**
Kassandra Gove, Mayor

Anthony S. Rinaldi
Anthony S. Rinaldi, Councilor, District 2

An Order approving and authorizing a Tax Increment Financing Incentive for Munters Corporation through a Tax Increment Financing Agreement with Munters Corporation and Global Property Developers Corporation as described herein and further described in the attachments which are incorporated herein by reference, authorizing execution thereof by the Mayor, and authorizing the mayor to take such actions as are necessary or appropriate to obtain Massachusetts Economic Assistance Coordinating Council approval, implement those documents, and carry out the purposes of this Order.

Summary: This Order will approve the Tax Increment Financing Exemption for and authorize execution by the Mayor of a Tax Increment Financing Agreement with, Munters Corporation and Global Property Developers Corporation with respect to and in support of the development of property located at 24 South Hunt Road, as well as authorize other necessary actions to support this significant economic development effort consistent with the Amesbury Incentive Guidelines.

WHEREAS, Munters Corporation, a corporation organized under the laws of the State of New York, and existing, and authorized to do business in the Commonwealth of Massachusetts, with a principal place of business at 79 Monroe Street, Amesbury, MA 01913 (the "COMPANY") wishes to improve and thereby increase the value of the property located at 24 South Hunt Road, Amesbury, hereafter known as PROPERTY as shown in "Exhibit A" hereto, said PROPERTY owned by Global Property Developers Corporation, a corporation organized, existing, and authorized to do business in the Commonwealth of Massachusetts, with a principal place of business at 80 First Street, Bridgewater, MA 02324 (the "PROPERTY OWNER"); and

WHEREAS, pursuant to the Amesbury Incentive Guidelines the CITY is willing to grant a tax concession to offset the project's site-specific development constraints in return for guarantees by the COMPANY as cited in the Tax Increment Financing Agreement (the "TIF Agreement"), as further described in Exhibit B hereto; and

WHEREAS, the COMPANY is seeking a Tax Increment Financing Exemption from the CITY through the execution of the TIF Agreement, 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; and

WHEREAS, the COMPANY by construction, occupancy, and operations of the proposed project will create employment opportunities; and

WHEREAS, the project as undertaken by the COMPANY will result in additional tax value 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 City.

Now, Therefore, be it Ordered by the City Council of the City of Amesbury assembled, and by the authority of the same as follows:

That the City Council take the following actions with respect to the matters addressed herein:

Approve, pursuant to Massachusetts General Law Chapter 40, Section 59, and Chapter 23A, Sections 3A through 3F, and the applicable regulations thereunder, a Tax Increment Financing Agreement ("TIF Agreement") between the City, the COMPANY, and PROPERTY OWNER, for the PROPERTY which TIF Agreement provides for property tax exemptions at the exemption rate schedules set forth therein;

And further, authorize the Mayor to execute on behalf of the City the TIF Agreement and approve submission to the Massachusetts Economic Assistance Coordinating Council (EACC) of the TIF Agreement for approval and certification pursuant to 402 CMR 2.18 and 751 CMR 11.06;

And further, authorize the Mayor of the City of Amesbury to confirm support for the application with the EACC to establish an Economic Opportunity Area ("EOA") for the PROPERTY, to be known as the 24 South Hunt Road Economic Opportunity Area;

And further, designate the area containing the PROPERTY as a TIF Zone pursuant to M.G.L. c. 40 Sec. 59 and 751 CMR 11.04;

And further, authorize the Mayor to submit any and all required materials to the EACC and take all actions and execute any documents on behalf of the City as may be necessary to carry out the purposes of this Order.

First Read: _____, 2022

Approved: _____

Council Clerk

Council Chairman

Date: _____

Approved: _____
Kassandra Gove
Mayor

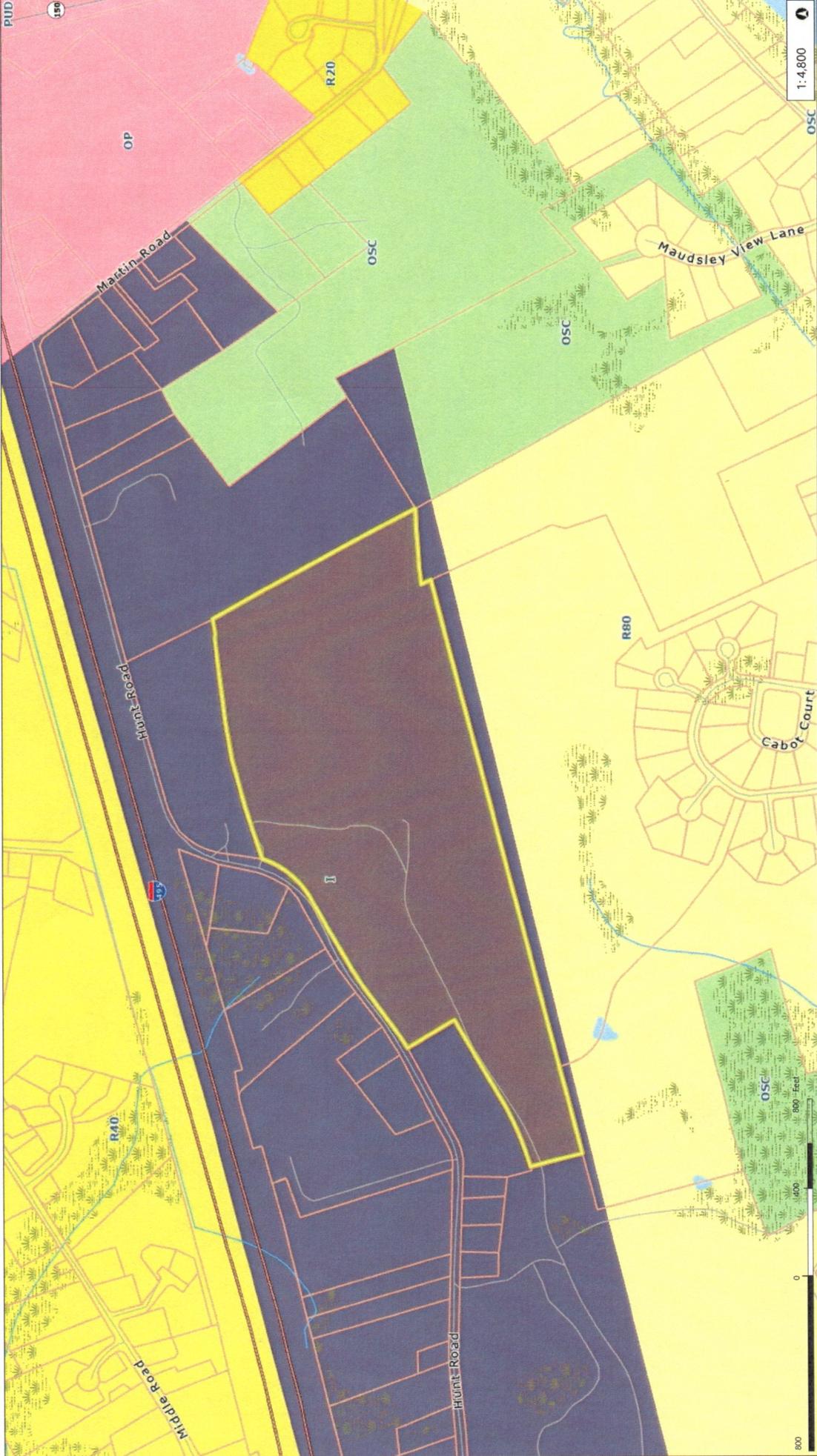
Exhibit A: Location Map for Munters Corporation, 24 South Hunt Road - Map 95 Parcel 5/B

12/1/2022

PUD

150

1:4,800



800 0 1400 800 Feet

Legend

- Major Road
- Local Road
- Thruway Development
- Central Business District
- Regional Commercial Zone
- Hydrographic Features
- Streams
- Office Park
- Light Industrial
- Central Industrial
- Zoning
- Industrial
- Rural Cluster

Roads

- Interstate
- Residence 8
- Residence 20
- Residence 40
- Residence 80
- Open Space Contingency

Parcels

- Municipal Boundary
- Residence 80
- Open Space Contingency

Scale

1:4,800

City of Merriam Valley Planning Commission

Data Sources: Produced by Merriam Valley Planning Commission. All data is derived from the City of Merriam Valley's GIS database. The City of Merriam Valley is not responsible for any errors or omissions in this map. The City of Merriam Valley and MVRP do not assume any liability associated with the use of this information.

Exhibit B

TAX INCREMENT FINANCING AGREEMENT
BY AND BETWEEN
THE CITY OF AMESBURY, GLOBAL PROPERTY
DEVELOPERS CORPORATION, AND MUNTERS
CORPORATION

This agreement is made this ____ day of _____, 2022 by and between the CITY OF AMESBURY, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, with a principal place of business at 62 Friend Street, Amesbury, Massachusetts 01913 (the "CITY"), acting by and through its Mayor; MUNTERS CORPORATION, a corporation organized under the laws of the State of New York, and existing, and authorized to do business in the Commonwealth of Massachusetts, with a principal place of business at 79 Monroe Street, Amesbury, MA 01913 (the "COMPANY"); and GLOBAL PROPERTY DEVELOPERS CORPORATION, a corporation organized, existing, and authorized to do business in the Commonwealth of Massachusetts, with a principal place of business at 80 First Street, Bridgewater, MA 02324 (the "PROPERTY OWNER").

WITNESSETH

WHEREAS, the COMPANY intends to relocate and expand its existing business into the City of Amesbury, Massachusetts through the lease and renovation of property located at 24 South Hunt Road, Amesbury, Massachusetts, also identified as Parcel ID 95-5B (the "PROPERTY"), which is owned by the PROPERTY OWNER; and

WHEREAS, the COMPANY further intends to invest in renovations and equipment to establish a 400,000 square foot, state of the art facility providing climate solutions for mission-critical processes, offering innovative, efficient and sustainable solutions for customers in industries where controlling temperature and humidity is an essential part of their production processes (hereinafter referred to as the "PROJECT"); and

WHEREAS, the new facility will include 376,000 square feet of production space and 48,000 square feet (office on 2 stories) of office space and serve as the COMPANY's North American headquarters for its AirTech business area, and as such will be a world class manufacturing site, where international visitors and customers will be hosted; and

WHEREAS, the PROJECT will result in approximately Forty Million (\$40,000,000) Dollars of asset investment and construction related activity; and

WHEREAS, the COMPANY is expected to create at least seventy (70) new permanent full-time jobs in Amesbury; and

WHEREAS, the COMPANY intends to apply for qualifying status as a Certified Project under the Massachusetts Economic Development Incentive Program ("EDIP") and is seeking a Tax Increment Financing Exemption from the CITY, in accordance with said EDIP and Chapter 23A of the Massachusetts General Laws; and

WHEREAS, the current assessed valuation of the PROJECT's property for fiscal year 2022 is Five Hundred Thousand Dollars (\$500,000), which generates Eight Thousand Eight Hundred Forty-Five

Exhibit B

Dollars (\$8,845) in annual property tax revenue for the CITY, and under the triple net lease between the COMPANY and the PROPERTY OWNER, the obligation to pay real estate taxes accruing on the PROPTERTY passes from the PROPERTY OWNER to the COMPANY; and

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

WHEREAS, the CITY finds that, consistent with Chapter 23A, Section 3E(b), of the Massachusetts General Laws, there is a strong likelihood that approval and effectuation of the PROJECT and this AGREEMENT will, within a specific and reasonable proximity of time, create a significant influx or growth in business activity; create a significant number of new jobs; or contribute significantly to the resiliency of the local economy; and

WHEREAS, the CITY reasonably believes, based upon representations of the COMPANY, that under Chapter 23A, Section 3E(c), of the Massachusetts General Laws, the COMPANY could relocate its business expansion outside of the City of Amesbury if this AGREEMENT is not approved.

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

1. The CITY, acting through its Mayor, as approved and authorized by vote of City Council on [REDACTED] hereby enters into this AGREEMENT with the COMPANY for the PROJECT. Should this AGREEMENT fail to be approved by the Massachusetts Economic Assistance Coordinating Council ("EACC"), it will not be binding on any of the parties hereto.
2. This AGREEMENT provides a **Fifteen (15)** Year Tax Increment Financing Exemption (the "EXEMPTION"), to commence in the first fiscal year following the year in which a Certificate of Occupancy is issued to the COMPANY for the PROPERTY, and which shall apply to the new incremental value of real property and personal property associated with the PROJECT.
3. The EXEMPTION formula for the PROJECT shall be calculated as prescribed in Chapter 23A, Section 3E; Chapter 40, Section 59 and Chapter 59, Section 5, Clause 51st of the Massachusetts General Laws. The EXEMPTION formula shall apply to the incremental increase in the assessed valuation of the PROPERTY due to the construction, excluding parking, landscaping, and accessory facilities associated therewith as compared against the base assessed value of the Property as set forth herein (the "REAL ESTATE INCREMENT"), and to personal property transferred or purchased for the PROJECT and used at the PROJECT site and any personal property that replaces such original personal property during the term of the Tax Increment Financing Exemption.
 - a. The base valuation of the PROPERTY shall be the assessed value of the PROPERTY for fiscal year 2022, which is \$500,000.
 - b. The base valuation shall be adjusted annually by an adjustment factor, which reflects increased commercial and industrial property values within the City, as provided in Chapter 40, Section 59 of General Laws.

Exhibit B

- c. The estimated amount of real estate property tax on the incremental assessed value created by the Project and to which the applicable percentage exemption from real estate taxation will apply pursuant to this AGREEMENT, is Seven Hundred Seven Thousand Six Hundred Dollars (\$707,600) in the first year, based on the estimated tax rate in the first year, as shown on the value spreadsheet attached hereto as Exhibit and incorporated herein by reference.
- d. The COMPANY's Personal Property and any replacement personal property shall also be exempted from taxation under this AGREEMENT according to the same formula as applied to the real estate.
- e. This AGREEMENT provides exemptions from real estate and personal property taxation on only the real estate increment and personal property located at the PROJECT site, subject to the requirements described below, commencing in the first fiscal year following the year in which a Certificate of Occupancy is issued to the COMPANY, according to the following TIF Schedule:

| Fiscal Year | Exemption Percentage |
|-------------|----------------------|
| 1 | 100% |
| 2 | 80% |
| 3 | 80% |
| 4 | 80% |
| 5 | 80% |
| 6 | 50% |
| 7 | 50% |
| 8 | 50% |
| 9 | 50% |
| 10 | 50% |
| 11 | 15% |
| 12 | 15% |
| 13 | 15% |
| 14 | 15% |
| 15 | 15% |

- f. The EXEMPTION provided shall be contingent upon continued occupancy of the PROJECT by the COMPANY or its successors(s) in interest.
4. The CITY is granting the EXEMPTION in consideration of, and commitment by the COMPANY to, the following:
- a. The COMPANY shall create a minimum of 70 new jobs. The new jobs will be created over a three (3) year period. Such three (3) year period will commence up to one (1) year prior to the commencement date described in Section 2 above and will continue for up to two (2)



**Proposal for:
City Of Amesbury**

**Tax Increment Financing Proposal
Munters Corporation**

**Date:
24th October 2022**

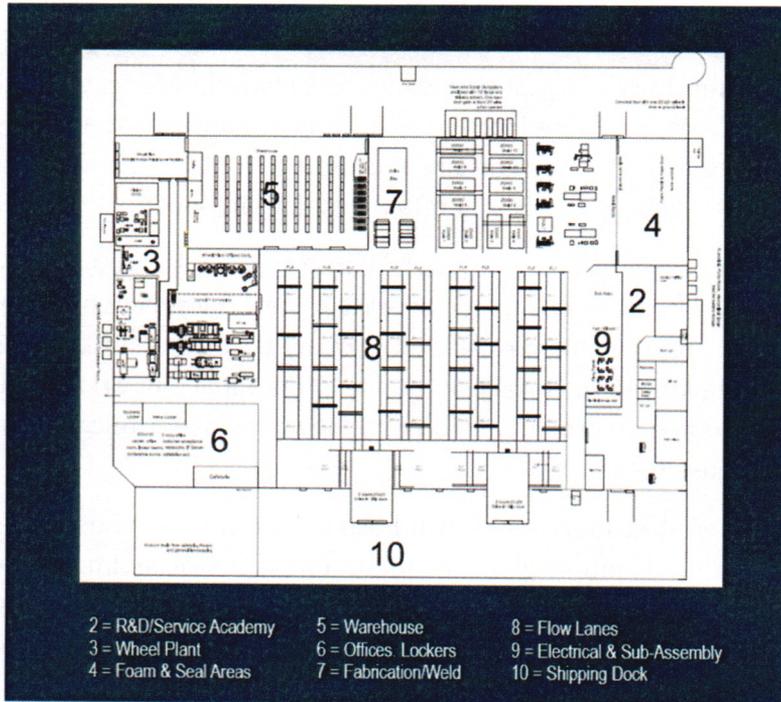
Introduction

Munters Corporation currently manufactures desiccant dehumidification equipment from its 79 Monroe Street location, with total footprint of 138,000sf. Munters equipment is essential for process control in the food, pharmaceutical, and lithium battery industries, among others. Based on the existing backlog and projected future growth of Munters' core market segments, Munters is planning to build a new 400,000sf facility – three times the size of the existing facility. Munters would like to remain in Amesbury, MA, a city where Munters has been located for over 50 years. About one third of the workforce resides in Amesbury, with many others close by. Munters expects to add 70 new employees to support the needs of the new facility. The size of the project will require a significant investment in capital and people. Munters therefore requests that the City of Amesbury support Munters' investment in the City by assisting with a Tax Increment Financing Exemption.

Munters Background

Munters is a global leader in climate solutions for mission-critical processes, offering innovative, efficient and sustainable solutions for customers in industries where controlling temperature and humidity is an essential part of their production processes. The food, pharmaceutical and lithium battery industries, amongst many others, are key markets for Munters. Munters is the original innovator of climate control technology, founded in 1955 by the Swedish inventor and entrepreneur Carl Munters, who developed the original desiccant dehumidification system. In the 1980's there was broad international expansion and in the 1990s, Munters became an international Group. Today, about 3700 employees carry out manufacturing and sales in more than 30 countries. The Munters Group reported about \$625 MUSD in net sales in 2021.

Munters (originally dba CargoCaire in the USA) has been based in Amesbury, MA since 1967. CargoCaire, as the name implies, was founded to protect cargo onboard ships. The desiccant dehumidification system aligned perfectly with cargo preservation, and CargoCaire ultimately became part of Munters. In 1979, Munters (CargoCaire) outgrew its location on Oakland Street in Amesbury and moved to 79 Monroe Street. Since then, Munters business has continued to thrive, and the current facility is again not large enough to support the demand, especially in the burgeoning lithium battery market sector. The Munters Board has approved the investment in a new world-class 400,000sf facility. Munters intends to sign a lease deal with Global Property Developers Corp and Marcus Partners Inc for a build-to-suit facility at a new site in Amesbury. The facility will be Munters' North American headquarters for its AirTech business area. The following image shows a preliminary layout for the new facility.



Background to Project

As per the EDIP Letter of Intent and Preliminary Application (Appendix A), Munters currently manufactures from 79 Monroe Street in Amesbury, with 110,000 sf of production space and 28,000sf of office space. The future site will be 400,000sf, of which 48,000sf will be office space. This new location will be Munters' North American headquarters for its AirTech business area, and as such will be a world class manufacturing site, where international visitors and customers will be hosted. It is also very important to Munters to build a facility with an emphasis on employee comfort, with an environment considering accessibility for all. Munters will contract with Global Property Developers Corp (Global) and Marcus Partners Inc. (Marcus Partners) to lease the future facility. Munters will also invest \$28million in capital equipment and \$8.6 million in solar and battery storage.

Munters has conducted a search for properties within 30-minutes of its existing facility. No existing buildings were found that are currently vacant. There are also very few build-to-suit sites available that could accommodate the size of the project (~ 50 acres). Munters has always had a strong preference to stay in the City of Amesbury, and when a site was found at 24 South Hunt Road that could accommodate the project, this became Munters preferred site. Munters has been located in Amesbury for over fifty years and is now Amesbury's largest employer. The company is deeply embedded in the community, with approximately one third of its employees also residing in the City, making this a very local and personal project.

Munters has now signed a LOI with Global and Marcus Partners to build a turnkey 400,000sf facility at 24 South Hunt Road. The engineering and planning phases will begin immediately with tenant occupancy scheduled for end August 2024.

Project Benefits for City of Amesbury

Munters is proud to be Amesbury's largest employer and to have been located in the City for over fifty years. While other sites were considered for the new facility, Munters has always preferred to stay in the City if a suitable site could be found. The site at 24 South Hunt Road is adequately sized to accommodate the project, allowing the City to retain a major employer.

The new facility is substantially larger than Munters' current facility located at 79 Monroe Street. To support this expansion, Munters intends to add at least 70 new full-time jobs. These positions will include management and professional roles as well as many skilled and unskilled labor roles, offering well-paying manufacturing jobs to the local community. Additional jobs bring many peripheral benefits to the community from additional property income (as new employees relocate to the area) and spending on other local businesses.

The new facility will support Amesbury's excellent hospitality reputation hosting a new world-class manufacturing facility. While Munters' global headquarters is in Stockholm, Sweden, this site will be Munters' North American headquarters for its AirTech business area. There will be many visitors, both national and international. All of this helps raise Amesbury's stature and out-of-town visitors support local businesses, spending on hotels and restaurants.

The new facility will be built at 24 South Hunt Road. This site is vacant and represents a major opportunity for additional income to the City. It is located along the I-495 corridor, an area that the City has intended to develop for some time. A previous project had been approved for the site but was not completed.

Munters is a very "local" company, with one third of the workforce actually residing in the City. These employees and residents have a very strong preference to remain in the City and continue enjoying the many benefits offered in this area.

The City has positioned itself as a leader in sustainability. This aligns well with Munters core values. Munters Leadership has challenged every facility to be at net zero emissions by 2030. The Amesbury site will have an opportunity to use significant capital investment to install more efficient equipment with a focus on reducing fossil fuel consumption. Additionally, Munters will use renewable energy sources for its electrical consumption. The intent is to source the renewable energy from a solar panel installation on the facility roof. Not only is the facility intended to be sustainable, but Munters' equipment plays a mission critical role in the lithium battery industry, which is required to power the rapidly expanding electric vehicle market. Lithium is naturally hygroscopic, resulting in the need for the battery manufacturers to maintain an extremely dry environment, dependent on Munters desiccant dehumidification equipment.

Project Compliance with City of Amesbury Economic Incentives Committee Charter

The City of Amesbury has an Economic Incentives Committee. Per their Charter, the Committee "is an advisory board appointed by the Mayor and the Amesbury City Council... whose mission is to foster opportunities for economic development in Amesbury. The Committee achieves this mission primarily

by overseeing the process for providing economic incentives for development in the City of Amesbury as outlined in the City of Amesbury Economic Incentive Guidelines.” The incentive program is designed to uphold the economic development goals for the City. The Charter outlines eight goals and the Munters expansion project is directly aligned with five of these goals, as detailed below:

- *Provide a means to stimulate private capital investment in commercial and industrial properties resulting in a substantive increase in net taxable property value.*
 - Munters will be leasing the property at 24 South Hunt Road. The developer will build a turnkey building based on Munters specifications and layout. Munters will be adding ~ \$37 million in capital investments. The site improvements to the currently vacant land will result in an increased assessed value of \$40 million (per City Assessor). The TIF will help defray some of the operating costs of the facility, especially in the early years where the investment burden is most significant.
- *Encourage qualifying existing businesses to expand within the City of Amesbury.*
 - Munters has been doing business in Amesbury since 1967. Munters is also the largest employer in the City. Due to significant business growth, the company cannot meet the market expectations from the current facility. A 3x expansion has been approved by the Munters Board, and the only viable land that has been found that can accommodate a 400,000sf facility in Massachusetts is at 24 South Hunt Road. Munters would like to remain in the City - the company has a valued relationship with the community and about a third of the workforce are also Amesbury residents. The TIF will directly help Munters to remain in the City of Amesbury
- *Foster reconstruction and renovation of vacant or underutilized commercial properties.*
 - Munters spent some time seeking suitable parcels of land that can accommodate a 400,000sf facility. The only parcel found within the City of Amesbury limits is at 24 South Hunt Road. This land is currently vacant and therefore represents a significant opportunity to be developed and add to the City’s tax revenue.
- *Diversify the tax base and reduce the burden on residential properties.*
 - According to public sources, the City of Amesbury receives ~97% of its income from real estate taxes. Most of this burden is borne by the residents of Amesbury. By assisting a world class manufacturing facility to expand, the City will provide the opportunity to add \$40 million of incremental assessed real estate to the City’s taxable base. This helps diversify the tax base and directly reduce the burden on the residential properties.
- *Stimulate the creation of jobs paying above the area median income for Amesbury.*
 - The new Munters facility will be significantly larger than the current facility located at 79 Monroe Street (expansion of 3x). This expansion will require the addition of at least 70 full time jobs. The roles range from skilled and unskilled production labor to managerial and professional roles.

Not specifically mentioned in the Economic Incentives Charter, but understood to be an important commitment, is the City’s focus on being a sustainable community. The City has installed multiple EV

charging stations, and it has been accepted into the 2022 Sustainability & Equity Accelerator through the LEED for Cities Local Government Leadership Program (only 15 cities were accepted into the program in 2022). Munters purpose is *“for customer success and a healthier planet”*. This is integrated into every aspect of the business strategy – from manufacturing energy efficient products, committing to net-zero emissions by 2030 and delivering mission critical equipment needed to produce lithium batteries required for electric vehicle manufacture. Munters commitment to sustainability is in perfect alignment with Amesbury’s core values, which only further deepens the mutually supportive relationship between City and business.

Need for Incentive

Per Amesbury Economic Incentive Program Guidelines and excerpted from the Commonwealth of Massachusetts *“Tax Increment Financing (TIF) Exemption – A percentage exemption on the increased value of a parcel resulting from an expansion or improvement. Exemptions can be from 5% to 100% of the increased value for a period of between 5 and 20 years. The base or existing value before improvements are taxed at the full assessed value. TIF agreements are negotiated between the City and the Certified Project candidate.”*

As stated above, Munters currently manufactures from 79 Monroe Street in Amesbury. Due to the projected future growth and existing backlog, Munters needs to move to a significantly larger facility. The currently vacant land at 24 South Hunt Road is the only site known to be available in Amesbury that can accommodate a 400,000sf footprint. This site is located at the top of a hill, resulting in the need for significant roadway construction and site work. Munters will lease the turnkey building from the developer, committing to a 15-year lease valued at over \$128 million, while also adding significant capital investment of ~\$36 million.

Munters search for a new facility was quite exhaustive, and the only other feasible sites were found to be in the neighboring state of New Hampshire. Munters has always expressed its preference to remain in Amesbury. To support the investment burden, Munters requests that the City of Amesbury and the State of MA support Munters with tax relief and other incentives to enable Munters to make this considerable investment in footprint and headcount. This will ease some of the burden of the operating expenses, especially in the early years of the investment. While Munters intends to sell the current facility at 79 Monroe Street, there will be a period of overlap during the transition where Munters will need to support both facilities.

Proposed Incentive Schedule

Munters understands that the current base value of the proposed site is \$500,000. After the investment (addition of building and other improvements), the estimated assessed value will be \$40,500,000 (per City Assessor). Using the current tax rate, the increased tax revenue will increase from \$8,845 to \$716,445 (8000% increase) per year. Munters proposes the following incentive schedule. With the proposed incentive schedule, the City will receive an additional \$141,520 in years 2

to 5 (representing a 1600% increase for the property), with this revenue value increasing substantially for years 6 through 15, achieving full taxable revenue at year 16. The incentive will support currently vacant land generating tax revenue in perpetuity. The total value of the incentive is \$5,271,620 and the City will receive additional revenue of \$5,342,380 during the 15 years of the proposed incentive period.

| FY | Municipal Tax Rate Per Thousand | Incremental Assessed Value | Projected Annual RE Property Tax Bill for Incremental Assessed Value | TIF/STA Yearly Exemption % | Exempted Annual RE Property Taxes | Exempted Annual Personal Property Taxes | Total Yearly Value of Local Tax Incentives |
|------|---------------------------------|----------------------------|--|----------------------------|-----------------------------------|---|--|
| 2025 | \$17.69 | \$40,000,000 | \$707,600 | 100% | \$707,600 | \$0 | \$707,600 |
| 2026 | \$17.69 | \$40,000,000 | \$707,600 | 80% | \$566,080 | \$0 | \$566,080 |
| 2027 | \$17.69 | \$40,000,000 | \$707,600 | 80% | \$566,080 | \$0 | \$566,080 |
| 2028 | \$17.69 | \$40,000,000 | \$707,600 | 80% | \$566,080 | \$0 | \$566,080 |
| 2029 | \$17.69 | \$40,000,000 | \$707,600 | 80% | \$566,080 | \$0 | \$566,080 |
| 2030 | \$17.69 | \$40,000,000 | \$707,600 | 50% | \$353,800 | \$0 | \$353,800 |
| 2031 | \$17.69 | \$40,000,000 | \$707,600 | 50% | \$353,800 | \$0 | \$353,800 |
| 2032 | \$17.69 | \$40,000,000 | \$707,600 | 50% | \$353,800 | \$0 | \$353,800 |
| 2033 | \$17.69 | \$40,000,000 | \$707,600 | 50% | \$353,800 | \$0 | \$353,800 |
| 2034 | \$17.69 | \$40,000,000 | \$707,600 | 50% | \$353,800 | \$0 | \$353,800 |
| 2035 | \$17.69 | \$40,000,000 | \$707,600 | 15% | \$106,140 | \$0 | \$106,140 |
| 2036 | \$17.69 | \$40,000,000 | \$707,600 | 15% | \$106,140 | \$0 | \$106,140 |
| 2037 | \$17.69 | \$40,000,000 | \$707,600 | 15% | \$106,140 | \$0 | \$106,140 |
| 2038 | \$17.69 | \$40,000,000 | \$707,600 | 15% | \$106,140 | \$0 | \$106,140 |
| 2039 | \$17.69 | \$40,000,000 | \$707,600 | 15% | \$106,140 | \$0 | \$106,140 |
| | | | | TOTALS | \$5,271,620 | \$0 | \$5,271,620 |

Some points to note are:

- Munters will continue to own 79 Monroe Street during the transition to 24 South Hunt Road. Although the intent is to sell 79 Monroe Street, for the first year Munters will have tax liability on both sites. The TIF proposal is for 100% tax exemption on the incremental assessed value at 24 South Hunt Road during the transition year.
- The TIF proposal is higher in the initial years reflecting the business expenses required to support this significant investment commitment.

- Apart from the first year, the City will instantly receive higher tax revenue (even with the incentive) due to the significant increase in assessed value of the property. Monroe Street will ultimately be sold to another party with continued tax income for the City from that property. Every five years, the tax revenue rate increases.
- Total incremental assessed value would provide additional \$10.6 million tax income over 15 years. Munters proposes sharing the value by requesting a total incentive of \$5.27 million (roughly 50%)

Conclusion

Munters has outgrown its existing facility and plans to build a 400,000sf facility. The site selected is at 24 South Hunt Road. The site improvement will result in a significant increase in the City of Amesbury's assessed real estate base (\$40 million). The new facility will also add 70 new full-time jobs. Munters is committing to a significant investment in capital and people and therefore requests that the City of Amesbury support Munters' investment in the City by assisting with a Tax Increment Financing Exemption.

**EDIP- Preliminary Application
&
Supplemental Application**



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

Economic Development Incentive Program (EDIP)
PRELIMINARY APPLICATION

The following information is required by the Massachusetts Office of Business Development (MOBD) and the Economic Assistance Coordinating Council (EACC) to make a preliminary determination on the eligibility of a project under the Economic Development Incentive Program. Please refer to the EDIP Guidelines, www.mass.gov/hed/edip and your MOBD Regional Director for assistance with this application.

| PART I. COMPANY OVERVIEW | | | | | |
|--|--|--------------------------|--------|-----------------|-----------------|
| 1. COMPANY INFORMATION | | | | | |
| Company Name: | MUNTERS CORPORATION | | | | |
| Project Location Address: | Street Address: | 24 South Hunt Road | | | |
| | City: | Amesbury | State: | Massachusetts | Zip Code: 01913 |
| Company Headquarters Location: | Headquarters Location (City, State/Province, Country): | Kista, Stockholm, Sweden | | | |
| FEIN # (Federal Employer Identification Number) | 84-0838599 | | | | |
| DUA # (Dept. of Unemployment Assistance Number) | 46056012 | | | | |
| Type of Organization: | Corporation | | | | |
| Company's Taxable Year End: | 31th DEC | | | | |
| NAICS Code: | 333410 | | | | |
| Is the applicant classified as a MA Department of Revenue Manufacturer? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | | | | |
| Company's outside of Massachusetts sales as a percentage of total sales: (a) currently (b) projected upon completion of proposed project: | (a) Current Outside of MA sales as of : 99% (b) Projected Outside of MA sales upon completion of project: 99% Additional Information (if necessary): | | | | |
| 2. COMPANY CONTACT | | | | | |
| | Full Name: | DON DRISCOLL | Title: | CFO | |
| Contact (if different from above) | Full Name: | ALISON MCDUGALL | Title: | PROGRAM MANAGER | |
| Contact Address: | Street Address: | 79 MONROE STREET | | | |
| | City: | AMESBURY | State: | Massachusetts | Zip Code: 01913 |
| Telephone Number: | (978) 241-1100 | | | | |
| Email Address: | alison.mcdougall@munters.com | | | | |

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

3. COMPANY DESCRIPTION & HISTORY

Please provide a brief description and history of the company.

Munters is a global leader in climate solutions for mission-critical processes. We offer innovative, efficient and sustainable solutions for customers in industries where controlling temperature and humidity is an essential part of their production. The food, pharmaceutical and lithium battery industries, amongst many others, are key markets for Munters. Munters is the original innovator of climate control, founded in 1955 by the famous Swedish inventor and entrepreneur Carl Munters. Mr. Munters developed the original desiccant dehumidification system. In the 1980's there was broad international expansion and in the 1990s, Munters became an international Group with an organization in over 25 countries and manufacturing in over 14 countries. Munters (originally dba CargoCaire) has been based in Amesbury, MA since 1967. This site is Munters North American headquarters. CargoCaire, as the name implies, was founded to protect cargo onboard ships. Munters business is thriving, and the current facility is not large enough to support the demand, especially in the burgeoning lithium battery sector. Munters Board has approved the investment in a new world-class 400,000 sf facility. Munters intends to sign a lease deal with a developer for a build-to-suit facility at a new site in Amesbury.

PART II. ECONOMIC DEVELOPMENT PROJECT

1. PROPOSED BUSINESS EXPANSION PROJECT

Please provide a description of the proposed expansion project. Please be sure to include reason for expansion/relocation, scope of project overall (ex. capital improvements to property, project timeline, square footage, misc. enhancements, etc.)

Munters currently manufactures from 79 Monroe Street in Amesbury, with 110,000 sf of production space and 28,000sf of office space. The future site will be 400,000sf, of which 50,000sf will be office space. This location will be Munters North Americas headquarters, and as such is expected to be a world class manufacturing site, where international visitors and customers will be hosted. It is also very important to Munters to build a facility with an emphasis on employee comfort, with a built environment considering accessibility as much as possible. Munters manufactures desiccant dehumidifiers, essential for production in many industries, including food, pharmaceutical and lithium battery. The expansion is necessary to accommodate Munters growing backlog and the demand from their customers. Munters will contract with a developer who will build-to-suit. Munters expects to invest \$28million in capital equipment and \$8.6 million in solar and battery storage. Munters intends to sign a lease deal in October, with rent commencement in Q2, 2024

(a) Do you plan to use MA-based contractors and suppliers for this project? Please list names and locations of contractors/suppliers already identified.

Global Property Developers Corporation, 80 First Street, Bridgewater, MA 02324

2. PROJECT TIMELINE

| (a) Please indicate the date a Letter of Intent was sent to the municipality and cc: MOBD Regional Director: | (b) Date the applicant expects to begin the project: | (c) Date the applicant expects to complete the project: | (d) Date the applicant expects to open the facility: |
|--|--|---|--|
| 09/16/2022 | 10/05/2022 | 06/03/2024 | 06/03/2024 |

Additional Information (if necessary) on Project Timeline:

The timeline is preliminary - the detailed project schedule is being developed

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3. INCENTIVE NEED

Please provide a description of your project's need for this incentive.

Munters currently manufactures from 79 Monroe Street in Amesbury, with total footprint of 138,000sf. Munters equipment is essential for process control in the food, pharmaceutical, and lithium battery industries (lithium battery growth is explosive and aligns well with Amesbury's and Massachusetts' initiatives to be leaders in sustainable development). Based on the existing backlog and projected future growth of Munters core market segments, Munters is planning to build a new 400,000sf facility – three times the size of the existing facility. Munters would like to remain in Amesbury, MA, a city where Munters has been located for over 50 years. About one third of the workforce resides in Amesbury, with many others close by. Munters expects to add 70 new employees to support the needs of the new facility. The size of the project will require a significant investment in capital and people. Global supply chain challenges and the current financial markets are adding a burden to the investment case. The location of the project site in a bordering town has attracted the attention of officials in neighboring states. Munters requests that the City of Amesbury and the State of MA support Munters with tax relief and other incentives to enable Munters to make this considerable investment in footprint and headcount in Amesbury. Munters is currently Amesbury's largest employer.

4. INVESTMENT BREAKDOWN

Please provide a breakdown of the expected investment required and associated costs.

| Investment Type | Cost |
|--|---------------------|
| Land | \$0 |
| Construction | \$0 |
| Machinery & Equipment | \$28,000,000 |
| Other (solar panels and battery storage) | \$8,600,000 |
| Total | \$36,600,000 |

Additional Information (if necessary) on Investment:

Munters will lease the build-to-suit facility - lease value is \$105 million over 15 years

5. 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? | 79 Amesbury Street Amesbury, MA 01913 |
| (ii) If no, what is the applicant's full-time, permanent employment in Massachusetts (total of all MA facilities)? | <u>347</u> full-time permanent MA employees as of <u>09/15/2022</u> |

6. PROJECT LOCATION EMPLOYMENT, JOB CREATION & WORKFORCE ANALYSIS

Please take note to comply with EACC Policy 2022-1 On-Site Work Policy when detailing job retention and creation in application. See: <https://www.mass.gov/doc/eacc-policy-2022-1-on-site-work-policy/download>

Please note: If project is approved, these job retention and creation numbers and dates will become part of the executed EDIP Tax Incentive contract, and will be used to measure the applicant's future program compliance.

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| (a) MASSACHUSETTS & FACILITY EMPLOYMENT | | | |
|--|---|---|---|
| (i) Company-wide Permanent Full-Time Employment in Massachusetts (Total of all MA Facilities) at Date of Application: | (ii) Permanent Full-Time Employment at Project Location at Date of Application: | (iii) Permanent Full-Time Employees to be transferred from other Massachusetts Locations to Project Site (if any) | (iv) Total Permanent Full-Time Existing Jobs to be Retained at Project Location (Sum of questions 6. (a) ii & iii): |
| 342 | 287 | 5 | 292 |
| Total number of existing full-time employees that are MA residents and work at the project site: | | | 172 |
| Number of full-time employees that are MA residents working on-site at project facility location two days or more per week: | | | 172 |
| Total number of existing full-time employees that are non-MA residents and work at the project site: | | | 115 |
| Number of full-time employees that are non-MA residents working on-site full-time at project facility location: | | | 115 |
| Please complete the Permanent Full-Time Employee 3-Year History below. | | | |
| Calendar Year End | Permanent Full-Time Employee Headcount in Massachusetts | Permanent Full-Time Headcount at Facility | |
| 2020 | 298 | 240 | |
| 2021 | 344 | 280 | |
| 2022 | 347 | 287 | |
| Please explain any fluctuation in employment: | | | |
| 2020 COVID- reduced number of staff onsite. Steadily hiring since Q3 2020. | | | |
| (b) JOB CREATION SCHEDULE 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. | | | |
| Permanent Full-Time Jobs to be Created (net new to facility and Massachusetts): | | 70 | |
| 2022 | | 2 | |
| 2023 | | 12 | |
| 2024 | | 56 | |
| 2025 | | 0 | |
| 2026 | | 0 | |

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If any employees proposed to be counted for job creation compliance are anticipated to work remotely for any period of time, please list how many and describe how those jobs will comply with EACC Policy 2022-1 On-Site Work Policy: *If the company has an existing remote worker policy, please submit along with this application.
0 - All positions are factory related roles.

(c) WORKFORCE ANALYSIS

For the full-time permanent jobs to be created, please fill-in the chart below:

| Category of Job: | Number of Jobs | Average Annual Salary of Each Job | Does the Employer provide healthcare benefits? | Does the employer provide a pension, IRA, and/or 401K? |
|------------------|----------------|-----------------------------------|--|--|
| Management | 6 | \$115,000 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Professional | 8 | \$118,000 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Skilled-labor | 20 | \$63,500 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Unskilled-labor | 30 | \$54,000 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other | 6 | \$100,000 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Notes on Employment:

7. FACILITY

(a) Will the applicant own or lease/rent the facility where the business expansion/relocation will occur?

Lease Own Rent

(i) If leasing/renting, identify the developer/landlord and state who will be the taxpayer of record for purpose of paying local real estate taxes?

The developer is Global Property Developers Corp, 80 First Street, Bridgewater, MA 02324 The land ownership is under Atlantic Sports Ventures LLC, 80 First Street, Bridgewater, MA 02324

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| 8. INCENTIVES & FINANCING | | |
|---|---|--|
| (a) Please indicate which incentives the applicant is seeking in relation to the expansion project. | State Investment Tax Credit | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| | Local Real Estate Tax Incentive | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| | State Abandoned Building Renovation Deduction *Building must be 75% or more vacant and have been vacant for a minimum of 2 years. | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| | Other If Other, details: | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| (b) Is the applicant seeking tax incentives from the Massachusetts Life Science Center? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If, yes please explain: | |
| (c) Please provide detailed information on any other sources of public or quasi-public funding that has been received or will be sought to contribute towards the financing of the proposed expansion. | NA | |
| (d) Has the applicant or related businesses or any shareholder of applying entity previously been approved as a "Certified Project" by the Economic Assistance Coordinating Council (EACC)? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | |
| If yes, what is the Project (i) name; (ii) municipality; (iii) approval date? | (i) Project Name: | |
| | (ii) Project Municipality: | |
| | (iii) Project Approval Date: | |

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| | |
|--|---|
| <p>(e) Please indicate whether the applicant has utilized other sources of public or quasi-public funding in the past. If applicable, please explain specific use of funding and amount. If other, please give details on the funding source.</p> | <p>Select Funding Source:</p> <p><input type="checkbox"/> None</p> <p><input type="checkbox"/> Life Science Center Incentives</p> <p><input checked="" type="checkbox"/> Workforce Training Fund</p> <p><input type="checkbox"/> MA Growth Capital Corporation Financing</p> <p><input type="checkbox"/> MassDevelopment Financing</p> <p><input type="checkbox"/> MassWorks Infrastructure Grant</p> <p><input checked="" type="checkbox"/> Other</p> |
| | <p>If applicable or other, please explain: Other = WOTC</p> |

| | |
|--|---|
| <p>PART III. LABOR AFFIRMATION</p> | |
| <p>1. CERTIFICATION OF STATE & FEDERAL EMPLOYMENT LAWS</p> | |
| <p><input checked="" type="checkbox"/> As an applicant requesting Certified Project approval, <u>Munters Corporation</u> affirms that this business will not unlawfully misclassify workers as self-employed or as independent contractors, and certifies compliance with applicable state and federal employment laws and regulations, including but not limited to minimum wages, unemployment insurance, workers' compensation, child labor, and the Massachusetts Health Care Reform Law, Chapter 58 of the Acts of 2006, as amended.</p> | |
| <p><input checked="" type="checkbox"/> As an applicant requesting Certified Project approval, <u>Munters Corporation</u> affirms that this business will not knowingly employ developers, subcontractors, or other third parties that unlawfully misclassify workers as self-employed or as independent contractors, or that fail to comply with applicable state and federal employment laws and regulations, including but not limited to minimum wages, unemployment insurance, workers' compensation, child labor, and the Massachusetts Health Care Reform Law, Chapter 58 of the Acts of 2006, as amended.</p> | |
| <p>2. COMPANY DISCLOSURE</p> | |
| <p>Within the past five years, has the applicant or any of its officers, directors, employees, agents, or subcontractors of which the applicant has knowledge, been the subject of (if yes, please provide details):</p> | |
| <p>(a) an indictment, judgment, conviction, or grant of immunity, including pending actions, for any business-related conduct constituting a crime under state or federal law;</p> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Details:</p> |
| <p>(b) a government suspension or debarment, rejection of any bid or disapproval of any proposed contract subcontract, including pending actions, for lack of responsibility, denial or revocation of prequalification or a voluntary exclusion agreement; or</p> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Details:</p> |
| <p>(c) any governmental determination of a violation of any public works law or regulation, or labor law or regulation or any OSHA violation?</p> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Details:</p> |

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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 advance to the supplemental round until a Certificate of Good Standing is received. The certificate must be dated within 6 months of the anticipated EACC meeting that the project is coming forth for review.

To obtain a Certificate of Good Standing visit: <https://www.mass.gov/how-to/request-a-certificate-of-good-standing-tax-compliance-or-a-corporate-tax-lien-waiver>

Attached

Date of DOR Application for Certificate of Good Standing:

2. CERTIFICATE OF COMPLIANCE

Provide proof of good standing with the *Massachusetts Department of Unemployment Assistance* by obtaining a Certificate of Compliance for each of the businesses intending to take advantage of the state tax incentives

*Applications will not advance to the supplemental round until a Certificate of Compliance is received.

To obtain a Certificate of Compliance visit:
<http://www.mass.gov/lwd/unemployment-insur/employers/>

From here, log into your DUA account and click on "Payment Information" and then you will see a link for "Request Employer Certificate of Compliance."

Attached

Please explain why you can't provide a certificate of compliance:

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3. APPLICATION AUTHORIZATION, CERTIFICATION & ACKNOWLEDGEMENT

I/We, Don Driscoll, CFO of the applicant business applying for "Certified 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 here in 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 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:

Don Driscoll

CFO

09/27/2022

Name

Title

Date



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**Economic Development Incentive Program (EDIP)
SUPPLEMENTAL 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](#). **Applications that are incomplete or submitted after the deadline will not be considered at the scheduled Economic Assistance Coordinating Council (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. APPLICANT OVERVIEW | | | | | |
|---|--|--------------------------|---------------|-----------------|-----------------|
| 1. COMPANY INFORMATION | | | | | |
| Company Name: | MUNTERS CORPORATION | | | | |
| Project Location Address: | Street Address: | 24 South Hunt Road | | | |
| | City: | Amesbury | Massachusetts | Zip Code: | 01913 |
| Company Headquarters Location: | Headquarters Location (City, State/Province, Country): | Kista, Stockholm, Sweden | | | |
| FEIN # (Federal Employer Identification Number) | 84-0838599 | | | | |
| DUA # (Dept. of Unemployment Assistance Number) | 46056012 | | | | |
| 2. COMPANY CONTACT | | | | | |
| Executive Officer/ Company Designee: | Full Name: | Don Driscoll | Title: | CFO | |
| Contact (if different from above) | Full Name: | Alison McDougall | Title: | Program Manager | |
| Contact Address: | Street Address: | 79 Monroe Street | | | |
| | City: | Amesbury | State: | Massachusetts | Zip Code: 01913 |
| Telephone Number: | (978) 241-1100 | | | | |
| Email Address: | alison.mcdougall@munters.com | | | | |

| PART II. ECONOMIC DEVELOPMENT PROJECT |
|--|
| 1. PROJECT TIMELINE & KEY MILESTONES |
| <p>Please provide a detailed plan for the proposed project outlining the estimated timeline and key milestones.</p> <p>Developer submit Application - 12/9/22 Planning Board vote - 3/13/23 Roadway construction commences - 4/3/23 Site work commences - 6/26/23 Core shell & Tenant build out commences - 9/18/23 Tenant Occupancy - 8/30/24</p> |

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2. PROJECT TIMELINE & INVESTMENT ANALYSIS

| | |
|---|--|
| <p>(a) Exhibit 1: Investment Analysis Please complete the EDIP Investment Analysis worksheet Please click on the link to download investment analysis worksheet https://www.mass.gov/doc/supplemental-application-exhibit-1-edip-investment-analysis/download</p> | Complete <input checked="" type="checkbox"/> |
|---|--|

3. FINANCING

| | |
|---|--|
| <p>(a) Attachment 1: Funding Sources Please provide information on all sources of funding that have been or will be sought to contribute towards the financing of the proposed expansion/relocation. Provide Evidence (i.e. letters from banks/investors) that if the “Certified Project” status is approved, the economic development project will have adequate funding.</p> | Attached <input checked="" type="checkbox"/> |
|---|--|

III. ECONOMIC DEVELOPMENT INCENTIVE PROGRAM INVESTMENT TAX CREDITS

1. INVESTMENT TAX CREDIT ALLOCATION

Please indicate the company’s projected 50% total state excise tax liability within the selected taxable year. These figures reflect the years in which an Investment Tax Credit (ITC) can be utilized and the amount.

Please consider and consult with the necessary tax professionals on the following

- (a) Maximum credits allowed are 50% of the total liability due to the state in a taxable year.
- (b) EDIP ITC Awards are made for specific years and **MUST** be used for those specific tax years only and capped at the amount awarded; they **CANNOT** be carried forward and any un-utilized credits in a given calendar year are foregone.
- (c) When making an EDIP ITC Award, the Economic Assistance Coordinating Council (EACC) makes every effort to consider a company’s ability to utilize the tax credits.
- (d) For more information on EDIP tax credit limitations, refer to [Department of Revenue TIR 10-1](#)

| 2024 | 2025 | 2026 | 2027 | 2028 |
|-----------|-----------|-----------|-----------|-----------|
| \$236,000 | \$235,000 | \$245,000 | \$255,000 | \$264,000 |

Additional Information:

1. BUSINESS(ES) INTENDING TO TAKE ADVANTAGE OF TAX INCENTIVES

Please complete the below sections for each business intending to take advantage of the tax incentives associated with this project. If this applies to more than 2 businesses, please attach information as an addendum.

| | |
|------------------------------|-------------------------------------|
| Business 1 | |
| Business Name: | Munters Corporation |
| FEIN #: | 84-0830599 |
| Address: | 79 Monroe Street Amesbury, MA 01913 |
| Contact Person: | Alison McDougall |
| Phone #: | (978) 872-4407 |
| Email: | alison.mcdougall@munters.com |
| Type of Organization: | Corporation |

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(c) BUSINESS STAKEHOLDERS**If Organization Type is a:**

- (i) Corporation:** Please list names and addresses of the officers and directors of said corporation and any person and/or corporation with a financial interest of five percent or greater in said corporation.
- (ii) Partnership:** Please list the names and addresses of all partners and include the proportionate share of each partner.
- (iii) S-Corporation:** Please list the names and addresses of all shareholders of said corporation.
- (iv) LLC:** Please list the names of all the members of said LLC.
- (v) Business Trust:** Please List the Names of all members and beneficiaries of said trust.

STAKEHOLDERS OF BUSINESS 1

| Name(s) | Title(s) | Address(es) | Percentage |
|--------------------|-------------------------|--|------------|
| MUNTERS AB | PARENT COMPANY | BORGARFJORDSGATAN 16, PO BOX 1212, KISTA SWEDEN S-164 40 | 100 |
| DON DRISCOLL | CHIEF FINANCIAL OFFICER | 79 MONROE ST, AMESBURY, MA 01913 | 0 |
| MAJ-BRITT HALLMARK | PRESIDENT | 79 MONROE ST, AMESBURY, MA 01913 | 0 |

PART IV. LOCAL INCENTIVE AGREEMENT INFORMATION

Please work with the local municipality and your MOBD Regional Director in completing the below section.

1. MUNICIPAL CONTACT

| | | | | |
|--------------------|---------------------------|--------------------|---------------|--|
| Municipal Contact: | Full Name: | Angela Cleveland | Title: | Director, Community & Economic Development |
| Contact Address: | Street Address: | 39 South Hunt Road | | |
| | City: | Amesbury | Massachusetts | Zip Code: 01913 |
| Telephone Number: | (978) 388-8110 | | | |
| Email Address: | clevelanda@amesburyma.gov | | | |

2. LOCAL INCENTIVE AGREEMENT No Local Incentive Received

| | |
|---|--|
| (a) Type of Local Incentive: | <input checked="" type="checkbox"/> Tax Increment Financing (TIF) <input type="checkbox"/> Agreement Special Tax Assessment (STA) <input type="checkbox"/> Other |
| Value (if Other): | |
| Detail from where the amount is (if Other): | |
| i) Duration of Local Incentive: | 15 |
| ii) Exemption Schedule of Local Incentive: | 100-80-80-80-80-50-50-50-50-15-15-15-15-15 |

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| | |
|--|---|
| iii) Start & Expiration Date of Local Incentive: If Agreement commences upon certificate of occupancy please check box: | Start Date: Expiration Date: <input checked="" 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: | Date Municipality Approved Local Tax Incentive: Date of Scheduled Vote: <input checked="" type="checkbox"/> N/A |
| (b) Attachment 3: Local Incentive Agreement Please attach a signed copy of the TIF, STA, or other municipal incentive agreement. | Attached <input type="checkbox"/> |
| | Not Completed <input checked="" type="checkbox"/> |
| | N/A <input type="checkbox"/> |
| (c) Attachment 4: Municipal Vote by Authoritative Body Approving Incentive Please attach a copy of the vote approving the local incentive. | Attached <input type="checkbox"/> |
| | Not Completed <input checked="" type="checkbox"/> |
| | N/A <input type="checkbox"/> |
| (d) Exhibit 2: Local Incentive Valuation Please complete the attached exhibit detailing the estimated property tax exemption over the life of the agreement. | Attached <input checked="" type="checkbox"/> |
| | Not Completed <input type="checkbox"/> |
| | N/A <input type="checkbox"/> |

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PART V. DISCLOSURES, AUTHORIZATIONS & CERTIFICATIONS

1. LITIGATION DISCLOSURE, EMPLOYMENT EQUALITY & SIGNATORY AUTHORIZATION

| | |
|--|---|
| <p>(a) Kindly disclose any pending litigation before the Commonwealth of Massachusetts, its agencies and its municipalities. NA</p> | |
| <p>(b) Kindly disclose any pending litigation before the Federal Government.NA</p> | |
| <p>(c) Attachment 6: Adherence to Immigration and Nationality Act Please attach documentation of adherence to the Immigration and Nationality Act (i.e. policy or letter from Human Resources outlining the verification and audit process).</p> | <p>Attached <input checked="" type="checkbox"/></p> |
| <p>(d) Attachment 7: Equal Opportunity Employment/Affirmative Action Statement or Plan. Please attach the company’s Equal Opportunity Employment/Affirmative Action Statement or Plan. If the applicant does not have such statement or plan, please attach a statement describing the business’ hiring policies and practices.</p> | <p>Attached <input checked="" type="checkbox"/></p> |
| <p>(e) Attachment 8: Documentation of Signatory Authorization to Complete Application on Behalf of the Company Officers and/or Directors are responsible for the application and consequent obligations if certification is approved. Please attach documentation (i.e. a letter from the company’s legal counsel or a resolution from the Board of Directors) specifically authorizing the signatories to complete this application on behalf of the company and to authorize the signatories to make the investment and job creation commitments on behalf of the company. Please include the signatories reporting structure within the organization.</p> | <p>Attached <input checked="" type="checkbox"/></p> |

2. APPLICATION AUTHORIZATION, CERTIFICATION & ACKNOWLEDGEMENT

I/We , Don Driscoll, CFO ,(fill in name and title) of the applicant business applying for “Certified 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 Project” status and that the Commonwealth reserves the right to take action against the applicant or any other beneficiary of the Certified Project is 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:



Don Driscoll

CFO

11/02/2022

Name

Title

Date

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

Consent for the Disclosure of Wage Reporting Information for Federal Employment Identification Number (FEIN): # 84-0838599

Division of Unemployment Assistance (DUA) Number: # 46056012

I/We, Don Driscoll, a duly authorized representative of Munters Corporation and of all the other businesses listed in PART III of this SUPPLEMENTAL APPLICATION (hereinafter "Employer"), hereby releases and gives authority to the Massachusetts Department of Unemployment Assistance, pursuant to G.L. c. 151A, §46(1), to provide the Economic Assistance Coordinating Council, upon its request, with the Employer's information, including but not limited to, wage reporting information, that is (a) necessary to verify the amount and tax year in which the Employer claims any of the Tax Incentives awarded in the Economic Development Incentive Program or Employer's fulfillment of job creation and job retention commitments as indicated in the supplemental application and job chart, or (b) otherwise necessary to ensure the proper operation or enforcement of this Agreement or the Program. This authorization is effective upon date of signature and will be valid until superseded by a subsequent application or revoked in writing.

Signed:



Don Driscoll

CFO

11/02/2022

Name

Title

Date

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

4. DEPARTMENT OF REVENUE CONSENT FOR DISCLOSURE OF TAX RETURN AND WAGE REPORTING INFORMATION

**Consent for Disclosure of Tax Return and Wage Reporting Information for Federal Employment
Identification Number (FEIN): # 84-0838599**

I/We, Don Driscoll, a duly authorized representative of Munters Corporation and of all the other businesses listed in PART III of this SUPPLEMENTAL APPLICATION, hereby authorizes and consents to the Massachusetts Department of Revenue providing the Economic Assistance Coordinating Council with information, including but not limited to tax return and wage reporting information, that is (a) necessary to verify the amount and tax year in which Recipient claims any of the Tax Incentives awarded in the Economic Development Incentive Program or Recipient's fulfillment of job creation and job retention commitments as indicated in the supplemental application and job chart, or (b) otherwise necessary to ensure the proper operation or enforcement of this Agreement or the Program.

This authorization is effective upon date of signature and will be valid until superseded by a subsequent application or revoked in writing.

Signed:



Don Driscoll

CFO

11/02/2022

Name

Title

Date