

**TAX INCREMENT FINANCING AGREEMENT**

**BY AND BETWEEN**

**THE TOWN OF CONCORD**

**AND**

**JUNCTION VILLAGE ALF LIMITED PARTNERSHIP**

THIS TAX INCREMENT FINANCING AGREEMENT (the "Agreement") is made this \_\_\_ day of December 2020, by and among the TOWN OF CONCORD (the "Town"), acting by its Select Board as authorized by vote of the 2020 Annual Town Meeting, and Junction Village ALF Limited Partnership (the "Company").

**RECITALS**

**WHEREAS**, the Town is a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts having a principal place of business at 22 Monument Square, Concord, MA 01742; and

**WHEREAS**, the Company is a Limited Partnership duly organized under the laws of in the Commonwealth of Massachusetts with a principal place of Business at 99 Pleasant Street, Marlborough, MA 01752; and

**WHEREAS**, the Company plans to commence construction of an approximately 54,000 square foot affordable assisted living located at 6X Winthrop Street, Concord, Massachusetts on a portion of the property owned by CHDC – JV, LLC and shown on the attached Concord Assessors Map 8D Parcel 2013-1 (the "Property"), which portion of the Property is shown on the attached lease area plan; and

**WHEREAS**, the Company plans to invest approximately \$19,998,525 dollars to develop and operate the Christopher Heights of Concord at Junction Village (the "Project") at the Property. The Project will consist of an affordable assisted living facility featuring 83-units of low- and moderate-income housing 100% of which will contribute to the Town of Concord's Subsidized Housing Inventory; and

**WHEREAS**, the Company, as a result of the Project, intends to create 30 new permanent full-time jobs at the facility on Winthrop Street; and

**WHEREAS**, the Company intends to apply for status as a Local Incentives-Only Project under the Massachusetts Economic Development Incentive Program ("EDIP); and

**WHEREAS**, on September 3, 2020 the Select Board recommended approval of this Agreement to the Concord Town Meeting; and

**WHEREAS**, on September 13, 2020 the Concord Town Meeting voted to approve this Agreement; and

**WHEREAS**, the Town strongly supports increased economic development to provide additional jobs and increase the Town's Subsidized Housing Inventory with the additional affordable housing units to be created by the Project.

**NOW, THEREFORE**, in consideration of the mutual promises of the parties' contained herein and other good and valuable consideration each to the other paid, receipt of which is hereby acknowledged, the parties hereby agree as follows:

**A. THE TOWN'S OBLIGATIONS**

1. A Tax Increment Financing ("TIF") exemption (the "Exemption") is hereby granted to the Company by the Town in accordance with Chapter 23A, Sections 3A to 3F; Chapter 40, Section 59, and Chapter 59, Section 5, Clause Fifty-first of the Massachusetts General Laws and the applicable regulations thereto. The Exemption for real estate taxes shall be for a period of fifteen (15) years (the "Exemption Term"), commencing in the fiscal year for which the Town has increased the assessed value at the Property to the full assessed value of the Project at the Property (the first day of such fiscal year in which said full assessed valuation occurs is hereinafter referred to as the "Start Date"); and shall provide an exemption from taxation of the new incremental value of the Property resulting from the Project, as determined by the Town of Concord Assessor, as follows:

<b>Fiscal Year</b>	<b>Exemption Percentage</b>
1	69.21%
2	69.21%
3	69.21%
4	69.21%
5	69.21%
6	69.21%
7	69.21%
8	69.21%
9	69.21%
10	69.21%
11	69.21%
12	69.21%
13	69.21%
14	69.21%
15	69.21%

2. The Base Valuation shall be the assessed value of the Property for Fiscal Year 2021 in the amount of \$1,444,200.
3. The Base Valuation shall be adjusted annually by an adjustment factor, which reflects the increased values within the community, as provided in Chapter 40, Section 59 of the Massachusetts General Laws.



4. Notwithstanding the foregoing Exemption Schedule or anything in this Agreement to the contrary, the total amount of the Exemption authorized by this Agreement commencing on the date hereof, shall not exceed an aggregate of \$2,000,000 for the entire Exemption Term (the "Total Exemption"). Once the Total Exemption has been granted to the Company, the Company shall not be entitled to any further Exemption, even if the Exemption Term has not expired.
5. The Company agrees that whether it is acting as Junction Village ALF Limited Partnership or as Grantham Group LLC, or as Christopher Heights of Concord at Junction Village, or any other entity that owns or manages the Project, it shall not seek any type of additional direct or indirect financial support of any kind from the Town for this Project. Further, the Total Exemption shall not be increased without approval of both the Select Board and Town Meeting.
6. The Assessor shall remit to the Company annually, by December 31<sup>st</sup>, a statement of the amount of the Exemption for each fiscal year of this TIF Agreement and the amount of Exemption remaining until the Total Exemption is met.
7. The Company is also subject to Personal Property tax, which will be exempted at the same percentages as the Real Estate Exemption.

## **B. THE COMPANY'S OBLIGATIONS**

The Exemption granted to the Company by the Town hereby is in consideration of, and conditioned upon the Company's compliance with the following commitments:

1. Company shall create thirty (30) new permanent full-time jobs over a three (3) year period commencing upon the issuance of a certificate of occupancy for the Project at 6X Winthrop Street in Concord. The Company's job retention and creation plans shall be outlined in the Employment & Job Creation section of the EDIP Local Incentive-Only Application to be submitted to the State in connection with the Company's request for a TIF exemption.
2. Provided the Company receives the necessary and appropriate governmental and regulatory approvals to do so, it shall construct an approximately 54,000 square foot 83-unit, affordable assisted living facility at the Property.
3. The Company plans to invest in the Project approximately \$19,998,525 dollars. The Company expects to complete the Project by July 1, 2022, and in the event of construction delays no later than July 1, 2023.
4. Subject to applicable law, the Company will use reasonable efforts, including, but not limited to, cooperating with the Massachusetts Executive Office of Labor and Workforce Development in order to identify and to hire qualified residents within the region to fill vacancies within the Company for Concord-based jobs as they develop.

5. The Company shall submit an annual report pursuant to Massachusetts General Laws Chapter 23A, Section 3F to the Massachusetts Economic Assistance Coordinating Council (“EACC”) through the Commonwealth’s on-line portal for each year of the Application designation. The annual report shall include the number of jobs created, and value of the Property capital investments and other related items with respect to the Property annually and on a cumulative basis. The Company shall submit a report as required by General Laws Chapter 40, Section 59(viii) to the Town Clerk and EACC.
6. Subject to the provisions of this Agreement, the Company shall pay all real estate taxes owed to the Town relating to the Property in a timely fashion. The Company shall also pay the real estate taxes as assessed by the Town on any partial construction completion in full and in a timely manner.
7. In the event of any de-certification by the EACC, the Town shall discontinue the Exemption benefits described above, commencing with the fiscal year immediately following the year in which the Company was decertified by EACC and the Company shall pay any taxes due as if no Exemption applied.
8. The Company agrees that the Town has the right to petition the EACC to decertify the Certified Project and to revoke this Agreement if the Town, acting through Select Board, determines that the Company has failed in a material way to meet any particular obligations as set forth in this Agreement, subject to the provisions of this Section B.8 and the further provisions below. Prior to taking any action to request decertification of the Project by the EACC, the Town shall give written notice of the alleged default to the Company and provide them an opportunity to meet with the Town officials to discuss a remedy for the alleged default. The Company shall have thirty (30) days from the receipt of such written notice to respond to the Town regarding any alleged default and one hundred twenty (120) days from the receipt of such written notice to remedy such alleged default.

Prior to filing any such petition for decertification the Select Board shall schedule a hearing and at said hearing, the Select Board shall consider general economic conditions, regional or industry issues affecting the Company directly or indirectly, the Company’s potential ability to meet hiring projections, and any other relevant factors. If the Select Board is satisfied that the Company has made a good faith effort to meet its obligations under this Agreement, the parties will attempt to negotiate a mutually acceptable and reasonable resolution, which may result in amendments to the terms of the Agreement, prior to the Town filing a de-certification petition.

9. In addition to discontinuance of benefits as set forth in Paragraph B.8 above, if the Agreement is decertified because the Company has failed to create and maintain the thirty (30) permanent jobs at the 6X Winthrop Street location during the term of this Agreement, as required in Paragraph B.1 hereof, then pursuant to Massachusetts General Laws Chapter 23A, Section 3F(e), the Town may recapture the value of the real estate taxes not paid due to the Exemptions provided herein. Said recapture shall be made through a special assessment on the Company in the municipal fiscal year that follows the EACC’s decision to revoke project certification. The assessment, payment, and collection of said special assessment shall be governed by procedures provided for the taxation of omitted property pursuant to Massachusetts General Laws Chapter 59, Section 75, notwithstanding the time period set forth in said Chapter 59 for which omitted property assessments may be imposed for each of the fiscal years included in the special assessment.

10. The matters described above as obligations of the Company are only conditions to the eligibility for tax-exemptions under this agreement and do not create any enforceable obligations or covenants of the Company. The Town's sole remedies for failure by the Company to satisfy any of its obligations and conditions are the procedures set forth in paragraphs B.8 through B.9 above.

### C. ADDITIONAL PROVISIONS

1. Pursuant to the provisions of Chapter 40, Section 59 of the Massachusetts General Laws and applicable regulations, this Agreement shall be binding upon the Company, its successors, assigns, and subsequent owners of the Property, so long as the Project has not been decertified by the EACC. The Company shall not convey, assign or transfer this TIF, or its rights hereunder to any third party without the express and advance written consent of the Town, which consent may not be unreasonably withheld by the Town, provided the proposed assignee provides reasonable assurances to the Town regarding the continuing operation of the Project and compliance with the terms of this Agreement. The transfer of any general or limited partnership interest in the Company, or the admission of any additional general or limited partners shall not be considered an assignment or transfer of this Agreement and shall be permitted as a matter of right.
2. The Town and the Company acknowledge and agree that there is no public construction contemplated by this Agreement and, therefore, no betterment schedule referred to in Massachusetts General Laws Chapter 40, Section 59 is required. This Agreement and the Tax Increment Financing Exemption provided for hereunder shall apply only to the Property. No other building shall be eligible for a Tax Increment Financing Exemption unless specifically approved by Concord Town Meeting.
3. This Agreement is governed by the laws of the Commonwealth of Massachusetts. If any provision of this Agreement shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of this Agreement shall be deemed to be amended to the minimum extent necessary to provide to the Town and the Company substantially the benefits set forth in this Agreement.
4. This agreement is subject to Massachusetts General Laws Chapter 23A, Sections 3A to 3F, Chapter 40, Section 59, and Chapter 59, Section 5, Clause Fifty-first and the applicable regulations thereto.
5. The time within which the Company shall be required to perform any of its obligations under this agreement shall be extended to the extent the performance of such obligation is delayed by a force majeure event such as an act of God, earthquake, fire, act of terrorism, war, labor dispute, delay or restriction by a government body, or any other cause beyond the reasonable control of the Company.
6. All notices permitted or required under the provisions of the Agreement shall be in writing, and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier

to the addresses listed below or at such other address as may be specified by a party in writing and served upon the other in accordance with this section. Such notices shall be deemed given when delivered or when delivery is refused.

If intended for the Town, addressed to:

Town of Concord  
Office of the Town Manager  
22 Monument Square  
Concord, MA 01742  
Attention: Stephen Crane

with copies concurrently delivered to:

Town of Concord  
Board of Assessors  
24 Court Lane  
Concord, MA 01742

If intended for the Company, addressed to:

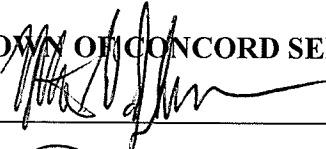
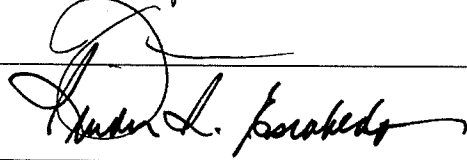
Junction Village ALF Limited Partnership  
99 Pleasant Street  
Marlborough, MA 01752


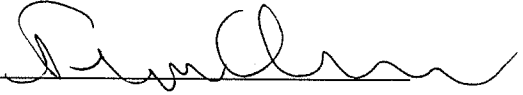
7. The Company agrees to allow the Town to monitor compliance with this Agreement. The Company shall provide to the Town, upon reasonable request, access to such information as the Town may deem necessary to monitor the Company's compliance including, but not limited to, income and expense information.
8. This Agreement shall not be binding and shall not go into effect until fully executed by the parties thereto, and until such time as this Agreement has been approved by the Massachusetts Economic Assistance Coordinating Council.
9. This Agreement and the terms contained herein shall not be altered without prior authorization from the EACC and a written amendment to this Agreement.

[SIGNATURE PAGE TO FOLLOW BELOW]

WITNESSETH the execution and delivery of this Agreement by the parties hereto as of the date first above written.

**TOWN OF CONCORD SELECT BOARD**


  
\_\_\_\_\_  
  
\_\_\_\_\_

  
\_\_\_\_\_  
  
\_\_\_\_\_

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

**JUNCTION VILLAGE ALF LIMITED PARTNERSHIP**

By: Junction Village Equity LLC By Walter (Manager) Its Manager

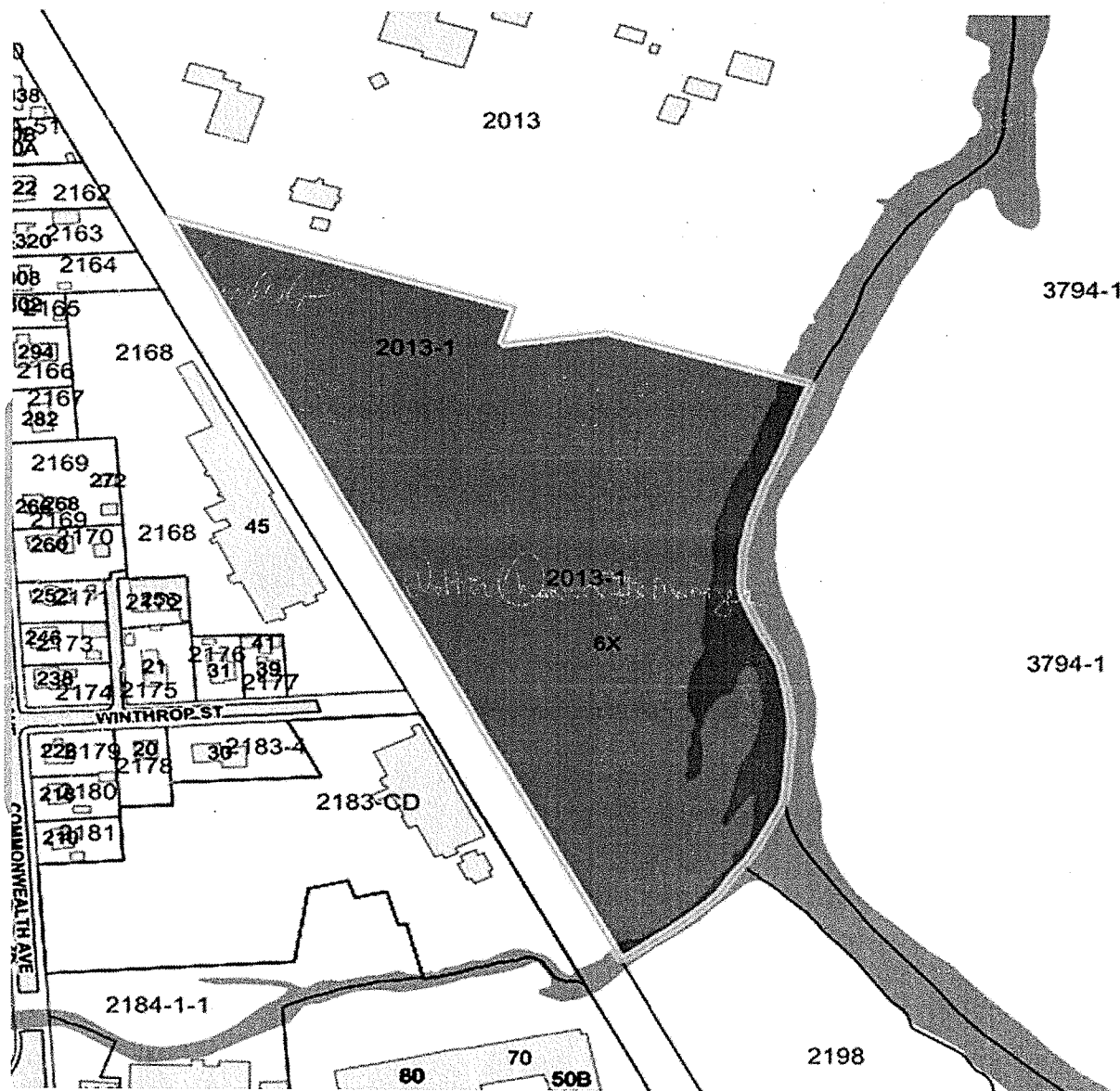
Name:   
\_\_\_\_\_

Title: Manager  
\_\_\_\_\_

Date: 2/8/2020  
\_\_\_\_\_

ATTACHMENT

Property Map



Map 8D Parcel1301-1

Signature:

Email: lescobedo@concordma.gov

Signature:

Email: sbates@concordma.gov

Signature:

Email: tackerman@concordma.gov

Signature:

Email: mjohnson@concordma.gov

Signature:

Email: jhotchkiss@concordma.gov