

W/ # 9

**TAX INCREMENT FINANCING AGREEMENT
BETWEEN
THE CITY OF MARLBOROUGH (Alternatively, the "City")
AND
MARLBOROUGH SAVINGS BANK
(Alternatively, the "Company")
and
FITZPATRICK FAMILY INVESTMENT TRUST
(Alternatively, the "Trust")**

This TAX INCREMENT FINANCING AGREEMENT (the "TIF Agreement" or the "Agreement") is made as of this ___ day of _____ 2009 by and between the City, the Company and the Trust.

WHEREAS the Company is a Massachusetts stock savings bank having its corporate headquarters at 166 Main Street, Marlborough, MA 01752, and is authorized to do business in Massachusetts; and

WHEREAS the City is a Massachusetts municipal corporation acting through its City Council having its principal office at 140 Main Street, Marlborough, MA 01752; and

WHEREAS the Trust is a Massachusetts Trust u/d/t dated December 4, 2007 recorded at the Middlesex South Registry of Deeds at Book 50587, Page 296; and

WHEREAS the Company plans to lease property from the Trust and to construct thereon for Company ownership an approximate 16,000 square foot building for its headquarters and retail branch (the "Building") at 81 Granger Boulevard, Marlborough, Massachusetts 01752, which property is shown on Marlborough's City Assessor's Map 70, Lot 152, Map 70, Lot 157, Map 70, Lot 209 (hereinafter the "Property"); and

WHEREAS the Property is located within the boundaries of the Marlborough-Framingham Regional Economic Target Area (ETA) (as that term is used in Massachusetts General Laws, Chapter 23A, Section 3D, and referred to below as the "ETA"); and

WHEREAS the Property is located within the 81 Granger Boulevard Economic Opportunity Area (EOA) (as that term is used in Massachusetts General Law, Chapter 23A, Section 3E, and referred to below as the "EOA"); and

WHEREAS the Company plans to retain 40 full-time jobs and create 13 new permanent full-time jobs open to qualified residents of Marlborough and the ETA region; and

WHEREAS the project (the "Project") is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments; and

WHEREAS the parties to the Agreement are desirous of entering into a Tax Increment Financing (TIF) Agreement in accordance with the Massachusetts Economic Development Incentive Program (EDIP) and Chapter 23A of the Massachusetts General Laws; and

WHEREAS the City strongly supports increased economic development to provide additional jobs for residents of Marlborough and the ETA region, to expand business within the City, and to develop a healthy economy and stronger tax base; and

WHEREAS the Project will further the economic development goals and criteria established for the ETA and EOA; and

WHEREAS, on _____, the Mayor recommended the TIF Plan and the TIF Agreement to the Marlborough City Council;

NOW, THEREFORE, in consideration of the mutual promises of the parties contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and contingent upon receipt of authorization from the City Council and in accordance with applicable law, the parties hereby agree as follows:

A. THE CITY'S OBLIGATIONS

1. The City Council approved the provisions of this TIF Agreement on _____, 2009, pursuant to the Resolution attached hereto. The City hereby authorizes the Mayor to execute this TIF Agreement on the City's behalf, and to monitor and enforce compliance by the Company and the Trust with this TIF Agreement's terms. The Mayor is authorized to act for and on behalf of the City in proceedings relating to the approval of this Agreement by the EACC.
2. A Tax Increment Financing exemption (the "Exemption") is hereby granted to the Trust and the Company by the City in accordance with Chapter 23A, Section 3E; Chapter 40, Section 59; and Chapter 59, Section 5, Clause Fifty-first of the Massachusetts General Laws. The Exemption shall be for a period of thirteen (13) years (the "Exemption Term"), commencing on July 1, 2011 (the beginning of fiscal year 2012) and ending on June 30, 2024 (the end of fiscal year 2024), and shall provide an exemption from taxation on the value of the new improvements at the Building on the Property as follows:

Fiscal Year	Exemption Percentage
2012	95%
2013	90%
2014	85%
2015	80%
2016	75%
2017	70%
2018	60%
2019	50%
2020	40%
2021	25%
2022	5%
2023	5%
2024	5%

The Property becomes eligible for exemption on the July 1st following the date on which the EACC approves the TIF Plan, as provided in 760 C.M.R. 22.05(4)(d).

3. The base valuation shall be the assessed value of the Property in the base year. The base year is the fiscal year immediately preceding the fiscal year in which the Property becomes eligible for a Tax Increment Financing Exemption. As provided in 760 C.M.R. 22.05(4)(d), the Property becomes eligible for exemption on the July 1st following the date on which the EACC approves the TIF Plan, which is expected to be fiscal year 2011. Therefore, the base year for this TIF Agreement is fiscal year 2010 and the base valuation for the Property will be determined as of January 1, 2010. The incremental value of the Property is the difference, in any given year, between the assessed value of the Property in such year and the base value (as adjusted by the adjustment factor described below). The incremental value of the Property is the amount eligible for exemption from Chapter 59 property taxation. All exemptions will

be enacted upon realization of an increase in the assessed value of the Property that results from new investment by the Company.

4. The base valuation shall be adjusted annually by an adjustment factor, which reflects increased commercial and industrial property values within the community, as provided in Chapter 40, Section 59 of the Massachusetts General Laws and in 760 CMR 22.00. This adjusted base valuation will remain fully taxable (i.e., the Tax Increment Financing Exemption shall not apply to or be calculated with respect to the adjusted base valuation and no portion of the adjusted base valuation shall be eligible for exemption from Chapter 59 property taxation) throughout the term of this TIF Agreement. The increased value or "increment" created by improvements will be the amount eligible for exemption from taxation.

B. THE COMPANY'S AND THE TRUST'S OBLIGATIONS

1. The City is granting the Tax Increment Financing Exemption for the Property in consideration of the Company's commitment to:
 - a. Maintain its current employment level of 40 permanent full-time jobs in the City, exclusive of 71 Boston Post Road in Marlborough, MA;
 - b. Make an estimated planned capital investment of \$6.6 million (\$3.5 million for building construction and \$500,000 for personal property, and projected future investments estimated at \$2.6 million), and timely pay all municipal permit fees required in connection with such improvement and investment;
 - c. Timely pay all of its taxes owed to the City over the term of this TIF Agreement; and
 - d. The Company agrees to create and, over the term of this TIF Agreement, maintain at the Property a minimum of 13 cumulative permanent new full time jobs open to qualified residents of Marlborough and the ETA region, "new" being defined as exclusive of those permanent full-time jobs relocated to the Property from the Company's facilities at 166 Main Street, 178 Main Street and 71 Boston Post Road, all in Marlborough, MA; 101 West Main Street in Northborough, MA; 6 East Main Street in Southborough, MA; 439 Boston Post Road in Sudbury, MA; and 21 East Main Street in Westborough, MA, according to the following schedule:

<u>Fiscal Year</u>	<u>Minimum Cumulative Permanent New Full-Time Job Requirement</u>
2012 (as of 6/30/11)	1
2013 (as of 6/30/12)	2
2014 (as of 6/30/13)	3
2015 (as of 6/30/14)	4
2016 (as of 6/30/15)	5
2017 (as of 6/30/16)	6
2018 (as of 6/30/17)	7
2019 (as of 6/30/18)	8
2020 (as of 6/30/19)	9
2021 (as of 6/30/20)	10
2022 (as of 6/30/21)	11
2023 (as of 6/30/22)	12
2024 (as of 6/30/23)	13

In meeting its cumulative new permanent full-time job commitment above, and consistent with all federal, state and local laws and regulations, the Company agrees to use reasonable commercial efforts to open new permanent full-time jobs at the Property to qualified residents of Marlborough and then the regional ETA as outlined in the Workforce Analysis and Job Creation Plans section of the Certified Project Application submitted to the City by the Company in connection with the Company's request for a Tax Increment Financing Exemption.

2. The Company shall submit annual written reports on job creation, job retention, and new investments at the Property to City of Marlborough Board of Assessors and Mayor and to the Massachusetts Economic Assistance Coordinating Council by the end of September of each year with respect to the immediately preceding fiscal year during which this TIF Agreement is in effect. Reports shall be submitted for the 2011 fiscal year beginning on July 1, 2010, and for every fiscal year thereafter falling within the term of this TIF Agreement; the first report, therefore, shall be submitted by the end of September 2011. The annual report shall include:

- (a) Employment levels at the Property at the beginning and end of the reporting period;

- (b) The specific number of ETA and Marlborough residents employed at the Property at the beginning and at the end of the reporting period;

- (c) a full accounting of the reasonable commercial efforts made by the Company to open new permanent full-time jobs at the Property to qualified residents of Marlborough and then to the regional ETA;

- (d) a narrative of the reasonable efforts made by the Company to solicit Marlborough businesses, vendors and suppliers to participate in requests for quotations for goods and services to be purchased by Company for the Property, including but not limited to the improvements to the building on the Property as well as the purchase of new machinery and equipment at the Property;

- (e) The Company's financial contribution to the City (including property taxes, motor vehicle excise taxes, and water and sewer fees) for the fiscal year; and

- (f) A description of any private investment, including but not limited to donations and/or perpetual maintenance of land for recreational purposes, made by the Company for the benefit of the community during the reporting period.

During the term of this TIF Agreement, the Company will also provide the City with any information related to the Property and/or the Company's improvements thereto which the parties mutually agree upon be provided.

3. The Tax Increment Financing Exemption percentage will automatically be adjusted downward in any particular fiscal year that the Company does not meet the minimum cumulative permanent new full-time job requirements described above, "new" being defined as exclusive of those permanent full-time jobs relocated to the Property from the Company's facilities at 166 Main Street, 178 Main Street and 71 Boston Post Road, all in Marlborough, MA; 101 West Main Street in Northborough, MA; 6 East Main Street in Southborough, MA; 439 Boston Post Road in Sudbury, MA; and 21 East Main Street in Westborough, MA. Under this Paragraph 3, this exemption percentage will be changed for the fiscal year beginning after the job requirement date utilizing the following formula:

(Actual Cumulative Permanent New Full-Time Job Level/ Minimum Cumulative Permanent New Full-Time Job Requirement) x Scheduled Exemption Percentage = Actual Exemption Percentage

For example, if the actual cumulative new permanent full-time job level at the end of FY 2014 (as of 6/30/13) is 2 instead of the required minimum 3, then the exemption percentage for FY 2015 will be $(2/3) \times 80\%$ or 53.3%.

The exemption percentage for later years will revert back to the original schedule above if the Company restores the job level based on the minimum cumulative permanent new full-time job requirement for that later year. If the Company meets or exceeds its minimum cumulative permanent new full-time job requirements, the exemption schedule will not change.

4. The Company will be in default of its respective obligations under this TIF Agreement if the City determines that the Company fails to meet or comply with any of the requirements of Paragraphs 1 or 2 of this Section B or Paragraph 5 or 6 below, and the City further determines that such failure continues or remains uncured for sixty (60) days (or such longer time as the City may deem appropriate under the circumstances) after the date of written notice, provided by the City to the Company, explaining in reasonable detail the grounds for or nature of such failure. Upon the City's determination that any default by the Company has continued or remained uncured for such period after the date of such written notice, the City may take such action as it deems appropriate to enforce the Company's obligations under this TIF Agreement, including but not limited to a request that EACC decertify the Property for eligibility for a Tax Increment Financing Exemption; any such request would be in addition to the automatic downward adjustment of the exemption schedule described in Paragraph 3 above. Upon any such decertification, the City shall have the right, upon written notice to the Company, to terminate the Tax Increment Financing Exemption benefits described in Paragraph 2 of Section A, commencing as of the fiscal year in which the City has determined the Company to be in default or, if such benefits have already been received by the Company for the fiscal year in which the City has determined the Company to be in default, commencing as of the fiscal year immediately following that fiscal year. Any notice required hereunder shall be sent, certified mail, return receipt requested, or delivered in hand, to the Company at 81 Granger Boulevard, Marlborough, MA 01752. Said notice shall be effective upon receipt.
5. If the Company plans to move from the Property, the City shall be given sixty (60) days' written notice prior to any proposed disposition of the Property or any portion thereof by the Company. Said notice shall identify the prospective new owner; may include information about such prospective new owner which is not otherwise subject to a confidentiality agreement; and shall be given to: Mayor's Office and to the Board of Assessors Office, City Hall, 140 Main Street, Marlborough, MA 01752. The City shall not, except as required by law, disclose any information provided by the Company regarding any proposed disposition of the Property or any portion thereof by the Company.
6. The Company shall use reasonable efforts to solicit qualified Marlborough businesses, vendors and suppliers to participate in requests for quotations for goods and services to be purchased by Company in regard to the Property.

C. OTHER CONSIDERATIONS

1. Pursuant to 760 C.M.R. 22.05(8) (d), this Agreement shall be binding upon the Company, as well as Marlborough Bancshares, MHC and Marlborough Bancshares, Inc., and each's successors and assigns, and all subsequent owners of the Property, so long as the Project has not been decertified by EACC.
2. The Trust shall pass any real estate property tax savings resulting from this Agreement to the Company. Further, the undersigned, Stephen M. Fitzpatrick, as Trustee of Fitzpatrick Family Investment Trust, u/d/t dated December 4, 2007, does hereby certify as follows: a) He is a duly authorized Trustee of the above-referenced Trust, and the above-referenced Trust allows reliance on the facts stated in this Certificate; b) He has full power and authority and further am duly authorized by the terms of said Trust, and has been directed by all beneficiaries, none of whom is a minor or a corporation, to execute this Tax Increment Financing Agreement on behalf of the Trust; c) The aforementioned Trust is in full force and effect, and

has not been altered, amended, revoked, or terminated; and d) There are no amendments, appointments or resignations to this Trust.

3. This Agreement is subject to M.G.L. Chapter 23A, Section 3A-3F inclusive, M.G.L. Chapter 40, Section 59 and M.G.L. Chapter 59, Section 5, Cl. 51.
4. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms, and provisions shall not be affected thereby and said illegal or invalid part, term of provision shall be deemed not to be a part of this Agreement.
5. The effective date of this Agreement shall be _____, the date of the Economic Assistance Coordinating Council's approval of the TIF Plan.

WITNESSETH the execution and delivery of this Agreement by the City, the Company and the Trust as an instrument under seal as of the date first above written.

AGREED TO:

MARLBOROUGH SAVINGS BANK

By: _____
Richard K. Bennett
President & CEO
Marlborough Savings Bank

Dated: _____, 2009

COMMONWEALTH OF MASSACHUSETTS

_____, ss.

On _____, 2009, before me, the undersigned notary public, personally appeared Richard K. Bennett, as President & CEO of Marlborough Savings Bank, and proved to me through satisfactory evidence of identification, which was _____, that he is the person whose name is signed on the preceding or attached document.

Notary Public
Printed Name: _____
My Commission Expires: _____

FITZPATRICK FAMILY INVESTMENT TRUST

By: _____
Stephen M. Fitzpatrick
Trustee
Fitzpatrick Family Investment Trust

Dated: _____, 2009

COMMONWEALTH OF MASSACHUSETTS

_____, ss.

On _____, 2009, before me, the undersigned notary public, personally appeared Stephen M. Fitzpatrick, Trustee, Fitzpatrick Family Investment Trust, and proved to me through satisfactory evidence of identification, which was _____, that he is the person whose name is signed on the preceding or attached document.

Notary Public
Printed Name: _____
My Commission Expires: _____

CITY OF MARLBOROUGH

By: _____

Nancy E. Stevens
Mayor
City of Marlborough

Dated: _____, 2009

COMMONWEALTH OF MASSACHUSETTS

_____, ss.

On _____, 2009, before me, the undersigned notary public, personally appeared Nancy E. Stevens, as Mayor of the City of Marlborough, and proved to me through satisfactory evidence of identification, which was _____, that she is the person whose name is signed on the preceding or attached document.

Notary Public
Printed Name: _____
My Commission Expires: _____

CERTIFICATE OF VOTE

I, _____, Clerk of Marlborough Savings Bank, hereby certify that, at a meeting of the Board of Directors of said Bank duly held on _____, which date is earlier than the effective date of the Tax Increment Financing Agreement between the City of Marlborough and Marlborough Savings Bank, at which a quorum was present and voting throughout, the following vote was duly passed and is now in full force and effect:

"Voted: That _____ be and hereby is authorized,
(Name of Officer authorized to sign for Bank)

directed and empowered for, in the name of and on behalf of Marlborough Savings Bank, to sign, seal, execute, acknowledge and deliver the Tax Increment Financing Agreement between the City of Marlborough and Marlborough Savings Bank by said (Name of Officer) _____ to be valid and binding upon this Bank for all purposes; and that a certificate of the Clerk of this Bank setting forth this vote shall be delivered to the Mayor for the City of Marlborough; and that this vote shall remain in full force and effect unless and until the same has been altered, amended or revoked by a subsequent vote of such directors and a certificate of such later vote attested to by the Clerk of this Bank is delivered to the Mayor for the City of Marlborough."

I further certify that (Name of Officer) _____

is the duly-elected (Title) _____ of said Bank.

Signed: _____
CLERK-SECRETARY

Place of Business: _____

AFFIX SEAL

In the event that the Clerk or Secretary is the same person as the Officer authorized to sign the said Agreement for the said Bank, this Certificate must be counter-signed by another officer of the Bank.

Countersignature: _____
(Name and Title of Officer)

City of Marlborough Tax Increment Financing Plan

Marlborough Savings Bank (Alternatively, "MSB" or "the Company")

I. Location

- A. The Tax Increment Financing (TIF) Plan described herein related to property defined as 81 Granger Boulevard located within the proposed 81 Granger Boulevard Economic Opportunity Area (EOA) in the City of Marlborough. A map of the proposed EOA is provided in the EOA application.
- B. The aforementioned EOA is located within the City of Marlborough, which is a member community of the Marlborough-Framingham Regional ETA that includes: Ashland, Framingham, Hopkinton, Hudson, Marlborough, Natick, Northborough, and Shrewsbury.
- C. TIF Zone
 1. A map of the proposed TIF Zone, which indicates the general location, parcel, property line and building outline, public uses and easements, land use and zoning, and proximity to other projects is attached to the EOA application.
 2. The TIF Zone is commonly referred as 81 Granger Boulevard. The legal description of 81 Granger Boulevard, or Parcel, appears in the 81 Granger Boulevard EOA application.
 3. The TIF Zone was created so that 81 Granger Boulevard, three underutilized properties, could be fully and adequately utilized by MSB, a growing company that plans to lease that property and to construct thereon for MSB's ownership an approximate 16,000 square foot building at 81 Granger Boulevard in Marlborough. The building would accommodate the Company's headquarters and retail branch.
 4. This expansion project is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments
 5. MSB plans to create 13 new permanent full-time jobs which will be open to qualified residents of Marlborough and the ETA region.

The Company also plans to create news jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy. MSB expects to occupy the building in the summer 2010.

6. The owner of the property within the TIF Zone is expected to be the following:

Map 70 Lot 157 - Fitzpatrick Family Investment Trust, leasing to Marlborough Savings Bank

Map 70 Lot 209 - Fitzpatrick Family Investment Trust, leasing to Marlborough Savings Bank

Map 70 Lot 152 - Fitzpatrick Family Investment Trust, leasing to Marlborough Savings Bank

The three properties are expected to be billed as a single tax parcel. Separate tax cards plan are to be issued to Fitzpatrick Family Investment Trust as the owner of the land, and to Marlborough Savings Bank as the owner of the building thereon.

7. The property at 81 Granger Boulevard is located in the Business zone.

II. Timeframe

The duration of this TIF Plan is thirteen (13) years.

III. TIF Zone and Economic Development

- A. This expansion project is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments.
- B. As a result of this expansion, MSB will open jobs at 81 Granger Boulevard to qualified job applicants of Marlborough and the regional ETA. The new jobs will have a significant multiplier effect on the local economy.
- C. MSB plans to create 13 new permanent full-time jobs. These jobs are a blend of talents and skills including administration, tellers, customer service, lending, and operations. The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy.
- D. The 81 Granger Boulevard EOA is located within a Business zone. No change in zoning will be necessary.

- E. The Company is unaware of any evidence of hazardous waste on this property. To the best of the Company's knowledge, the site complies with Chapter 21E, MGL.
- F. The TIF Zone consists of underutilized properties located in Marlborough. MSB's development plans will continue to revitalize and enhance the economic vitality of Marlborough's business community in the downtown area.

IV. TIF Zone Projects

A. Private Projects

Established in 1860, Marlborough Savings Bank has enjoyed being a part of the City of Marlborough community throughout its 149-year history. MSB provides a variety of personal and business banking services and over the years, the Company added various savings options, personal loans, business loans, electronic banking services and investment services to its offerings. MSB operates six banking branches located in Marlborough, Northborough, Southborough, Sudbury, and Westborough. MSB prides itself in its attention to customer service which has been the cornerstone of the Company's culture. Through its years of growth, the Company has maintained the value of strong roots in Marlborough, combined with the ability to change and expand as the needs of their customers change.

Currently, MSB's main office and loan center is leased space located on Main Street in Marlborough. As a result of the Company's growth plans and in order to become more competitive in its industry, the Company requires additional space. The Company has conducted a site search throughout the region and has identified property on Granger Boulevard in Marlborough. MSB has proposed plans to lease that property and to construct thereon for MSB's ownership an approximate 16,000 square foot building for its Company headquarters and retail branch. The project is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments.

The Company plans to retain 40 full-time jobs and create 13 new permanent full-time jobs, which will be open to qualified residents of Marlborough and the ETA region. These jobs are a blend of talents and skills including administration, tellers, customer service, lending, and operations. The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy. This proposed project would require a substantial financial investment from the Company that would result in new tax revenue for the City as well as continued economic benefits for the community.

Due to the Company's overall project costs, it is essential that the Company benefit from the Massachusetts Economic Development Incentive Program which includes the state 5% EOA Investment Tax Credit and Tax Increment Financing through the City of Marlborough.

Should MSB decide to proceed with the construction of a new building, the Company

expects to occupy the building in summer 2010.

B. Public Projects

The City of Marlborough is not proposing any public projects under this TIF.

V. Financing for TIF Project

MSB has financing in place for this project.

VI. Tax Increment Financing

Authorization to use TIF has been obtained. Please refer to TIF Agreement for exemption schedule.

VII. Approval of TIF Projects

Businesses seeking designation as a Certified Project within the proposed EOA will be required to submit a proposal to the Mayor. The TIF Committee, consisting of but not limited to the City Assessor, City Planner and a member of the City Council, shall negotiate an agreement with the proponent of the proposal for property tax relief for recommendation to the Mayor. Marlborough has a City Council form of government which has the final local approval. Once the project is approved by City Council, the Certified Project is presented to the state's Economic Assistance Coordinating Council for final approval.

The Massachusetts Economic Development Incentive Program

CERTIFIED PROJECT APPLICATION

APPLICANT INFORMATION

- 1. Name and address of business submitting this application (please list fiscal year end):**

Marlborough Savings Bank (Alternatively, "MSB" or the "Company")
166 Main Street
Marlborough, MA 01752

December 31st

- 2. Name and address of project:**

Marlborough Savings Bank
81 Granger Boulevard
Marlborough, MA 01752

- 3. Location of ETA:**

Marlborough-Framingham Regional ETA

- 4. Location of EOA:**

81 Granger Boulevard

- 5. Authorization:** I, Richard K. Bennett, President & CEO, of the business applying for Certified Project designation, hereby certify that the information within this application is true and accurate, and reflects the project's intentions for job creation and investment. I/ We understand that the information provided within this application shall be binding for the duration of the project certification.

(Signature)

(Date)

Certified Project Application - Page 2

6. **Nature and Purpose of Project:** Describe briefly the nature and history of the business as well as the specific expansion/growth plans: the level of new investment (with a breakdown of type of expense: construction, renovation, acquisition of equipment, etc.) and employment levels - both current and projected. Provide time frames for both the projected total investment and job creation. As part of this narrative, please explain why the business is seeking Certified Project designation.

Established in 1860, Marlborough Savings Bank has enjoyed being a part of the City of Marlborough community throughout its 149-year history. MSB provides a variety of personal and business banking services and over the years, the Company added various savings options, personal loans, business loans, electronic banking services and investment services to its offerings. MSB operates six banking branches located in Marlborough, Northborough, Southborough, Sudbury, and Westborough. MSB prides itself in its attention to customer service which has been the cornerstone of the Company's culture. Through its years of growth, the Company has maintained the value of strong roots in Marlborough, combined with the ability to change and expand as the needs of their customers change.

Currently, MSB's main office and loan center is leased space located on Main Street in Marlborough. As a result of the Company's growth plans and in order to become more competitive in its industry, the Company requires additional space. The Company has conducted a site search throughout the region and has identified property on Granger Boulevard in Marlborough. MSB has proposed plans to lease that property and to construct for Company ownership an approximate 16,000 square foot building for its Company headquarters and retail branch. The project is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments.

The Company plans to retain 40 full-time jobs and create 13 new permanent full-time jobs, which will be open to qualified residents of Marlborough and the ETA region. These jobs are a blend of talents and skills including administration, tellers, customer service, lending, and operations. This proposed project would require a substantial financial investment from the Company that would result in new tax revenue for the City as well as continued economic benefits for the community. The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy.

Due to the Company's overall project costs, it is essential that the Company benefit from the Massachusetts Economic Development Incentive Program which includes the state 5% EOA Investment Tax Credit and Tax Increment Financing through the City of Marlborough.

Should MSB decide to proceed with the construction of a new building, the Company expects to occupy the building in summer 2010.

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7. **Is this business new to Massachusetts?** Yes No

If no:

Where are the existing Massachusetts facilities?

166 Main Street (Main Office & Retail Branch)
Marlborough, MA 01752

178 Main Street (Loan Center)
Marlborough, MA 01752

Additional Retail Branch Locations:

71 Boston Post Road, Marlborough, MA
101 West Main Street, Northborough, MA
6 East Main Street, Southborough, MA
439 Boston Post Road, Sudbury, MA
21 East Main Street, Westborough, MA

Will this project require/trigger the closing or consolidation of any Massachusetts facilities? If Yes, please explain.

Yes. The Company plans to construct a new headquarters and retail branch at 81 Granger Boulevard, Marlborough, MA. The loan center currently located at 178 Main Street will be relocated to 166 Main Street.

8. **Is this project an expansion of an existing business?** Yes No

If yes, check the appropriate box: at existing location
 at new location in same municipality
 at new location in different municipality

9. **Job Creation**

In order to qualify for Certified Project status, the governing statute and regulations require the creation of net, new, permanent full-time employees in Massachusetts. On the chart provided (see next page), please fill in the blanks provided.

Certified Project Application - Page 4

10. **Certification for Abandoned Buildings** - Does the proposed project involve the renovation and reuse of an abandoned building? Yes No Unsure

If yes or unsure, please answer the following questions:

How long has the building been vacant? (If known, state date)

N/A

During this period of time, what percentage of the building was vacant and unused? If the percentage varied during this time period, provide information for each change in the percent of vacant space and the applicable time period.

N/A

11. **Local Employment** - What actions will you take to recruit employees from among residents of the ETA?

MSB intends to recruit qualified job applicants from Marlborough and the regional ETA. MSB plans to advertise in local and regional newspapers including The Metro West Daily News. The Company expects to participate in local job fairs and utilize the resources through the state's Division of Career Services.

Provide any information, documentation, or studies which demonstrate that:

- (a) The business has the intention and capacity to achieve the anticipated level of new permanent full-time jobs for residents of the municipality/Economic Target Area

MSB's proposed expansion plans in Marlborough is evidence of its continued commitment to creating new jobs open to qualified residents of Marlborough and the ETA region. As MSB continues to grow and expand its business, the need for more permanent full-time jobs for local residents will also grow. Therefore, an immediate requirement for local jobs is needed and will be fulfilled by hiring qualified residents of Marlborough and the regional ETA. In addition, MSB has a policy of promoting qualified individuals from within the company whenever possible.

- (b) Taking into consideration existing economic conditions, the proposed project is likely to succeed in creating and retaining the anticipated level of new permanent full-time jobs for residents of the municipality/Economic Target Area.

MSB has positioned itself to succeed in the continuing growth of its business even with the current economic climate. This expansion will ensure that MSB will be able to meet its growth plans and the projected new jobs will be open to qualified residents of Marlborough and the regional ETA.

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12. Labor Affirmation

Part A:

- ✓ As an applicant requesting Certified Project approval, Marlborough Savings Bank affirms (check box) 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.
- ✓ As an applicant requesting Certified Project approval, Marlborough Savings Bank affirms (check box) 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.

Part B:

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:

- (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;

_____ Yes ___ X ___ No

- (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

_____ Yes ___ X ___ No

- (c) any governmental determination of a violation of any public works law or regulation, or labor law or regulation or any OSHA violation deemed "serious or willful"?

_____ Yes ___ X ___ No

If your answer is yes to any of the above three questions, please disclose the details.

Certified Project Application - Page 6

12. **Affirmative Action** - Does the business have an Affirmative Action/Equal Employment Opportunity Plan or Statement? Yes No

If yes, please attach a copy. Please see attached.

If no, describe the business' hiring policies and practices.

13. **Agreement Between the Business and Area Banks** - Describe briefly the business' local banking relationship(s), if any. Does the institution with which the business banks participate in the Massachusetts Capital Access Program, which is designed to commit a portion of the business' deposits to fund loans to local businesses?

MSB does not participate in the Massachusetts Capital Access Program.

14. **Economic Benefits of Project Certification** - Provide a description of the economic benefits that are anticipated for the business and the project, if the project is certified. For example, describe anticipated state and local tax benefits, municipal road or infrastructure improvements, assistance from local job training programs, the impact of local permit streamlining and other benefits anticipated if the project is certified. Also, provide any information, documentation or studies demonstrating any additional benefits (i.e. reduction of blight, reuse of abandoned buildings, clean up of contaminated property, job training, provision of day care, any contribution to the community, etc.) likely to accrue as a result of Certified Project designation.

MSB plans to participate in the Economic Development Incentive Program which includes a state 5% EOA Investment Tax Credit and Tax Increment Financing through the City of Marlborough. As a result of this expansion, MSB plans to retain 40 jobs and create 13 new permanent full-time jobs. This expansion in Marlborough will allow for the continued growth of an existing business and continued job opportunities for residents of Marlborough and the regional ETA. **The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy.**

MSB recognizes the success of any organization is directly related to the success and happiness of its employees. MSB encourages and offers assistance for employees to gain additional knowledge through training. As part of the overall training program, the Bank utilized the Commonwealth of Massachusetts training grant in 2007 to offer some specific training to its employees.

MSB has established a strong partnership with the City of Marlborough and has an outstanding track record in the communities it serves. MSB has a strong community education program by offering free seminars and discussions on topics such as: first time home homebuyer programs, learning to use on-line banking, planning for the future among others. MSB has a strong history of actively supporting charitable and community activities throughout the year. The Company has contributed numerous hours and supports local area schools, hospitals, senior centers, youth organizations, chambers of commerce and community events.

Certified Project Application - Page 6A

In addition, MSB and its employees spend an estimated \$500,000 annually with Marlborough service providers and business establishments.

Commonwealth of Massachusetts

Department of Revenue

ABCC/Certificate Unit

200 Arlington Street

Chelsea, MA 02150

(617) 887-6550

(617) 887-6262 Fax

www.mass.gov/dor

REQUEST FOR A CERTIFICATE OF GOOD STANDING

DATE OF REQUEST June 5, 2009

FEDERAL I.D. # 04-1584100

OTHER NUMBER (S)

NAME OF CORPORATION Marlborough Savings Bank

D/B/A

ADDRESS 166 Main Street

TOWN Marlborough, Massachusetts ZIP 01752

DAYTIME TELEPHONE 508-460-4150

PLEASE COMPLETE THE FOLLOWING BY CHECKING ALL THAT APPLY:

I SWEAR UNDER THE PAINS AND PENALTIES OF PERJURY THAT MY COMPANY IS NOT RESPONSIBLE FOR AND DOES NOT COLLECT THE FOLLOWING TAXES:

_____ INCOME TAX WITHHOLDING _____ SALES/USE TAX

X MEALS TAX X ROOM OCCUPANCY

SIGNATURE OF CORPORATE OFFICER

PERSON TO CONTACT RELATIVE TO THIS REQUEST:

NAME Richard K. Bennett

RELATIONSHIP TO TAXPAYER President & CEO

DAYTIME TELEPHONE NUMBER WITH AREA CODE 508-460-4150

NO FEE IS REQUIRED. MAIL TO THE ABOVE ADDRESS.

Equal Employment Opportunity Employer

Affirmative Action Plan

Individuals Covered

Regular full time and part time employees and applicants for employment.

Policy

Marlborough Savings Bank actively seeks women, minorities, veterans, and disabled persons for employment and promotion to maintain a Company community based on equal opportunity, to reflect the diversity of American society, and to contribute the national effort to improve opportunity for women and minorities. Marlborough Savings Bank complies with all applicable laws.

Appendix A
Listing of Directors and Officers

Directors

Sem Aykanian
Richard K. Bennett
Colman J. Bowen
Donald S. Bruno
James J. Campbell
Lee R. Chaplin
Israel S. Hurwitz
Fatinha R. Kerr
Nicholas M. Kofos
John G. Noble
John P. Sullivan
Alfred G. Weaver

Officers

Richard K. Bennett
Christopher J. Berglund
Ellen W. Dorian
Dawn Melanson

Title

President & Chief Executive Officer
Senior Vice President/Commercial Lending
Senior Vice President/Marketing & HR
Senior Vice President/Operations & IT

MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

**PROJECT APPLICATION SIGN -OFF
ECONOMIC DEVELOPMENT INCENTIVE PROGRAM**

Date: _____

Municipality: City of Marlborough _____

Economic Target Area:
Marlborough-Framingham Regional ETA _____

Proposed Project:
Marlborough Savings Bank _____

I have reviewed the above referenced project application for completeness in accordance with the provisions of the Economic Development Incentive Program. I have made a preliminary determination that this application is consistent with the requirements of the program.

MOBD Case Manager _____

The Massachusetts Economic Development Incentive Program

APPLICATION FOR DESIGNATION OF ECONOMIC OPPORTUNITY AREA

PART A: Applicant Information

1. Please check one:

This is an application for designation of a new EOA within a previously approved ETA.

2. Community submitting this application:

The City of Marlborough

Name of proposed EOA(s): 81 Granger Boulevard

PART B: MANDATORY REQUIREMENTS FOR THE PROPOSED EOA

1. Location of Proposed EOA(s):

Provide a detailed map of each proposed EOA, indicating the existing streets, highways, waterways, natural boundaries, and other physical features, along with a legally binding written description of the EOA boundaries (with parcel numbers if appropriate). If the written description is longer than one paragraph, please submit on 3 1/2" computer disk.

A copy of Assessor's Map illustrating the boundaries of Parcel ID Map 70, Lot 152, Map 70, Lot 157, and Map 70, Lot 209 of the 81 Granger Boulevard EOA is attached.

2. Description of EOA(s):

Describe why each proposed EOA was chosen for designation. Include a brief, descriptive narrative of each area which helps to explain the particular situations, issues, or reasons why EOA designation is requested.

The proposed EOA consists of properties that are planned for use by Marlborough Savings Bank (MSB or the "Company"). MSB plans to lease property and to construct thereon for MSB's ownership an approximate 16,000 square foot building for its Company headquarters and retail branch. This expansion is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments. MSB plans to retain 40 permanent full-time jobs in the City and create 13 new permanent full-time jobs at 81 Granger Boulevard. The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy.

The proposed EOA has been targeted because it meets the definition of a "Blighted Open Area" for the vacant lot whereby the property is very costly to develop. Factors that make this site eligible for EOA designation include expensive fill and grading, drainage and flood prevention measures, measures to protect adjacent areas and the water tables therein, faulty platting and subdividing, and division of the area rights-of-way.

The proposed EOA has been targeted because it also meets the definition of a "Decadent Area" for the lots whereby the property is very costly to develop. Factors that make this site eligible for EOA designation include properties that are physically deteriorated, unfit for human habitation, obsolete and in need of major repair, substantial change in economic conditions, irregular lot sizes and obsolete street patterns.

- 3. Basis for EOA Designation:** Check the applicable category or categories (see definitions in attachment at back of application) for each proposed EOA:

X The area proposed for designation as an EOA is a "blighted open area."

X The area proposed for designation as an EOA is a "decadent area."

The area proposed for designation as an EOA is a "substandard area."

The area proposed for designation as an EOA has experienced a plant closing or permanent layoffs resulting in a cumulative job loss of 2,000 or more full-time employees within the four years prior to the date of filing this application.

- 4. Effective Time Period for EOA Designation:** How long do you propose to maintain the EOA designation? The EOA designation may remain in effect for a minimum of five (5) years and a maximum of twenty (20) years.

The Economic Opportunity Area designation will be effective for a period of 13 years commencing when the Project is placed in service.

- 5. Local Criteria for Designation of EOAs:** Describe how each proposed EOA meets your criteria for designation of EOAs, as specified in your application for designation of the ETA.

1. EOAs must be locally designated with the approval of the Mayor and City Council.

2. EOAs must meet any and all requirements promulgated by the state Economic Assistance Coordinating Council.

3. Applications for EOAs must be submitted to the state Economic Assistance Coordinating Council by the Mayor and City Council and reviewed by the Regional Economic Development Administration.

4. Such applications must identify one or more of the Regional Economic Development Goals and how the EOA will contribute to the achievement of that goal.

5. EOAs must be comprised of land that is appropriate for economic development.

6. **Economic Development Goals:** Describe the economic development goals for each proposed EOA during the first five years of EOA designation.

The City of Marlborough has identified an area in a business zone for designation as the 81 Granger Boulevard EOA. As stated in the original application designating the Marlborough-Framingham ETA, “the concept of a regional ETA is designed to foster intermunicipal cooperation among the municipalities, while permitting each to identify and act upon its unique local economic development needs.” The City of Marlborough has adopted the following overall goals of the Marlborough-Framingham ETA:

- 1. Utilization of existing blighted/decadent industrial buildings or sites.**
- 2. Creation of jobs in the manufacturing sector.**
- 3. Creation of jobs in the telecommunications and environmental industries.**
- 4. Promotion and protection of the downtown in each community.**
- 5. Carefully planned enhancement of the local and regional transportation network.**

The EOA will directly address the fourth economic goal of the ETA:

- **Utilization of existing blighted/decadent buildings and sites:**
MSB plans to develop three underutilized property lots and combine to one single property lot. MSB plans to construct an approximate 16,000 square foot building.

In addition, the EOA will also address the following:

- **Creation of jobs:**
MSB plans to retain 40 jobs and create 13 new permanent full-time jobs as a result of the expansion. The Company will open jobs at 81 Granger Boulevard in Marlborough to qualified residents of Marlborough and the ETA region. The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy.
7. **Local Services:** Describe the manner and extent to which the municipality intends to provide for an increase in the efficiency of the delivery of local services within the proposed EOA(s) (i.e. streamlining permit application and approval procedures, increasing the level of services to meet new demand, changing management structure for service delivery).

The City of Marlborough implements an expedited permit review process. The review is coordinated by the City’s Administrative Site Plan Review Committee, through the Director of Planning, which includes the Building Inspector/Zoning Enforcement Officer, the Police and Fire Chiefs, the City Engineer, as well as other staff professionals whose input may be required.

The City of Marlborough does not anticipate an increase in service demand and will provide typical municipal services such as water, sewer and electric connections.

8. **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.

The City of Marlborough does not have a municipal Community Reinvestment Act policy.

9. **Project Approval:**

- (a) Identify the municipal official or group/board which shall be authorized to review project proposals for and on behalf of the municipality.

Marlborough City Council shall be authorized to review and approve project proposals for and on behalf of City of Marlborough. There is a TIF Committee that makes TIF proposal recommendations to the Mayor. The TIF Committee is comprised of but not limited to: the City Assessor, the City Planner, and a member of the City Council.

- (b) Indicate the standards and procedures for review of project proposals, including the application procedures, the timeframe for review and determination, and the criteria and process for approval of project proposals. If you intend to use supplemental application material (i.e. municipal cover letter with instructions, job commitment signoff sheet, supplemental questions to be required by the municipality, etc.), it must be mentioned here and must be approved by the Economic Assistance Coordinating Council (EACC). Please attach (if appropriate).

Businesses seeking designation as a Certified Project within the proposed EOA will be required to submit a proposal to the Mayor. The TIF Committee shall negotiate an agreement with the proponent of the proposal for property tax relief and recommend to the Mayor. Marlborough has a City Council form of government which has the final local approval. Once the project is approved by City Council, the Certified Project is presented to the state's Economic Assistance Coordinating Council for final approval.

10. **Intent of Businesses to Locate in EOA:**

Identify the names and the nature of businesses, if any that have indicated an intention to locate or expand in the proposed EOA(s). If possible, include letters of intent from the businesses, outlining the number of jobs that would likely be created and providing a timetable for development of the projects.

Established in 1860, Marlborough Savings Bank has enjoyed being a part of the City of Marlborough community throughout its 149-year history. MSB provides a variety of personal and business banking services and over the years, the Company added various savings options, personal loans, business loans, electronic banking services and investment services to its offerings. MSB operates six banking branches located in Marlborough, Northborough, Southborough, Sudbury, and Westborough. MSB prides itself in its attention to customer service which has been the cornerstone of the Company's culture. Through its years of growth, the Company has maintained the value of strong roots in Marlborough, combined with the ability to change and expand as the needs of

their customers change.

Currently, MSB's main office and loan center is leased space located on Main Street in Marlborough. As a result of the Company's growth plans and in order to become more competitive in its industry, the Company requires additional space. The Company has conducted a site search throughout the region and has identified property on Granger Boulevard in Marlborough. MSB has proposed plans to lease that property and to construct thereon for MSB's ownership an approximate 16,000 square foot building for its Company headquarters and retail branch. The project is planned to result in an estimated capital investment of \$6.6 million: \$3.5 million for building construction and \$500,000 for personal property and \$2.6 million for projected future investments.

The Company plans to retain 40 full-time jobs and create 13 new permanent full-time jobs, which will be open to qualified residents of Marlborough and the ETA region. These jobs are a blend of talents and skills including administration, tellers, customer service, lending, and operations. The Company also plans to create new jobs at its loan center, to be located at 166 Main Street in Marlborough, MA, which will continue to enhance the local economy. This proposed project would require a substantial financial investment from the Company that would result in new tax revenue for the City as well as continued economic benefits for the community.

Due to the Company's overall project costs, it is essential that the Company benefit from the Massachusetts Economic Development Incentive Program which includes the state 5% EOA Investment Tax Credit and Tax Increment Financing through the City of Marlborough.

Should MSB decide to proceed with the construction of a new building, the Company expects to occupy the building in summer 2010.

PART C: 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.

1. Permit Streamlining:

(a) List each officer, board, commission or other decision-making authority in the municipality that issues permits, approvals, and licenses and indicate the type of permit, approval or license issued by each authority.

City Council - Special Permits

Zoning Board of Appeals - Zoning Variances

Planning Board - Subdivisions

Conservation Commission - Wetlands Construction

Board of Health - Food Service, Residential

License Commission – Liquor, Used Cars, Automatic Amusements

Building Inspector – Building, Occupancy

Wiring Inspector - Wiring

Plumbing Inspector - Plumbing

Department of Public Works - Street Openings, Water and Sewer Connections

Police Chief – Sunday Openings

Fire Chief – Blasting, Burning

Special Permit

(b) Provide a proposal and plan to streamline the municipality's permit, approval and license procedures. The plan should reduce the number of steps required to obtain approvals for new development. For example, the municipality could combine two separate application forms into one form, provide for joint review by two or more decision making authorities, and set firm deadlines for final decisions on permits, approvals, or licenses.

If the municipality has already implemented a plan to streamline the permit and approval process, describe that plan, indicating the strengths and weaknesses of the plan and provide a revised plan to improve upon the weaknesses.

The City of Marlborough implements an expedited permit review process. The review is coordinated by the City's Administrative Site Plan Review Committee, through the Director of Planning, which includes the Building Inspector/Zoning Enforcement Officer, the Police and Fire Chiefs, the City Engineer, as well as other staff professionals whose input may be required. This committee meets with an applicant's development team to review a project in its entirety. This process has reduced the time required to obtain any and all development permits from the City.

2. Municipal Services in Proposed EOAs:

(a) 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).

81 Granger Boulevard is serviced by all municipal utilities such as public water, sewer, municipal power and natural gas. All of these utilities expect to have sufficient capacity to adequately support the anticipated development.

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

There is no basis to assume that additional municipal services would be required for this project. The existing infrastructure is sufficient and the project location is well serviced by the City of Marlborough Police and Fire Department.

3. 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 Metro South/West Regional Employment Board is an advocate in the development of appropriate job training programs for the business community.

4. Local Community Involvement:

Describe the municipality's plans to increase the level of private sector involvement and the level of involvement by community development organizations in the economic revitalization of the area proposed for designation. For example, local involvement could include commitments from private persons to provide jobs and job training to residents or to employees who for certified projects in the proposed EOA(s).

The City is prepared to work closely with MSB to develop job training opportunities. These efforts will ensure that the 81 Granger Boulevard EOA designation will benefit the residents of the regional ETA. The City of Marlborough is actively working with the Greater Marlborough Chamber of Commerce and the 2010 Corporation on formulating business retention efforts and enhancing economic development opportunities within the regional ETA. The I-495/MetroWest Corridor Partnership will assist Marlborough with its retention and attraction efforts by providing solutions to infrastructure issues and by enhancing the quality of life within the ETA.

PART D: COMMITMENT TO PROVIDE LOCAL PROPERTY TAX RELIEF

The municipality completing this application must provide a **binding written offer** to provide either tax increment financing or a special tax assessment to each certified project located within the proposed EOA(s).

Please attach a copy of the municipality's binding written offer.

- In cities, this shall be in the form of a City Council Order or Resolution, along with a Certified Vote by the City Clerk.
- In towns with Town Meeting form of government, this shall be in the form of a Town Meeting Motion, along with a Certified Vote by the Town Clerk.
- In towns with Town Council form of government, this shall be in the form of a Town Council Order or Resolution, along with a Certified Vote by the Town Clerk.

ATTACHMENT

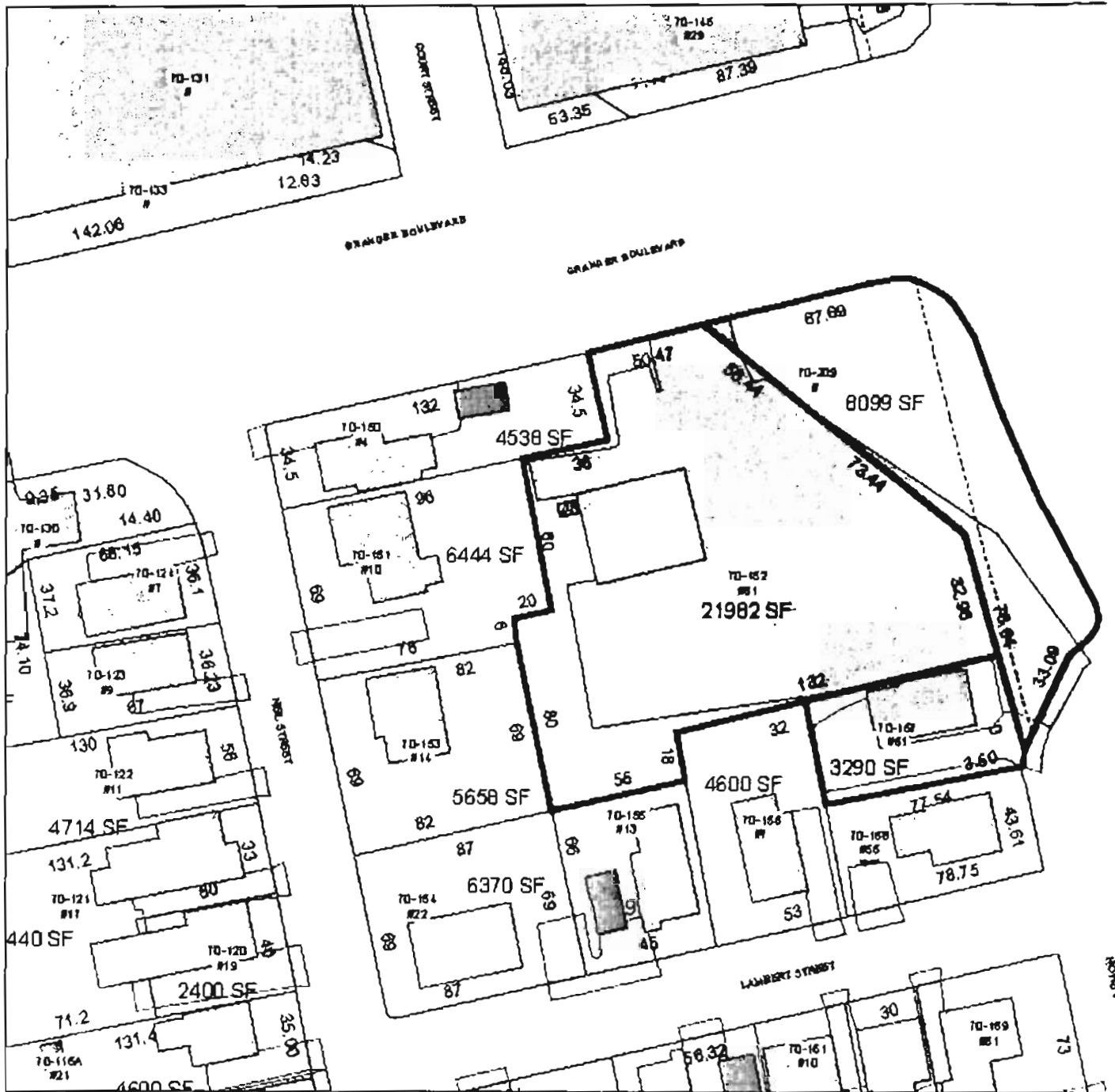
DEFINITIONS, as specified in 402 CMR 2.03:

Blighted Open Area - a predominantly open area which is detrimental to the safety, health, welfare or sound growth of a community and which is predominantly open because it is unduly costly to develop it soundly through the ordinary operations of private enterprise. Factors which might make an area unduly expensive to develop include, but are not limited to, existence of hazardous materials or other contaminants; existence of ledge, rock, unsuitable soil, or other physical conditions; need for unduly expensive excavation, fill or grading; need for unduly expensive foundations or retaining walls, need for unduly expensive waterproofing, drainage or flood prevention measures; need for unduly expensive measures to protect adjacent areas and the water tables therein; need for unduly expensive measures incident to building around or over rights-of-way through the area; existence of obsolete, inappropriate or otherwise faulty platting or subdividing; deterioration of site improvements or facilities; division of the area rights-of-way; diversity of ownership; inadequate transportation facilities; inadequate utility systems; tax and special assessment delinquencies; a substantial change in business or economic conditions or practices; an abandonment or cessation of work begun on improvements; any combination of the above; or any other condition or conditions which are detrimental to the safety, health, or sound growth of a community.

Decadent Area - an area which is detrimental to safety, health, welfare or sound growth of a community because of the existence of buildings which are out of repair, physically deteriorated, unfit for human habitation, obsolete, or in need of major maintenance or repair; or because much of the real estate in recent years has been sold or taken for non-payment of taxes or upon foreclosure of mortgages; or because buildings have been torn down and not replaced and in which under existing conditions it is improbable that the buildings will be replaced; or because of a substantial change in business or economic conditions; or because of inadequate light, air, or open space; or because of excessive land coverage; or because diversity of ownership, irregular lot sizes, or obsolete street patterns make it improbable that the area will be redeveloped by the ordinary operations of private enterprise; or by reason of any combination of the foregoing conditions.

Substandard Area - an area wherein dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitation facilities, or any combination of these factors, are detrimental to safety, health, welfare or sound growth of a community.

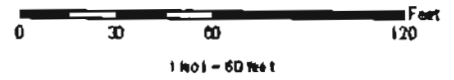
Marlborough Assessor's Map



Parcels: 70-152, 70-157, 70-209



Map of the Town of Marlborough
 Assessor's Office
 100 State Street
 Marlborough, MA 01501
 Phone: 508-253-1234
 Fax: 508-253-1235
 Website: www.marlboroughma.gov



RESOLUTION:

WHEREAS, the City Council of the City of Marlborough strongly supports increased economic development to provide additional jobs for qualified residents of the City and the Marlborough-Framingham Regional Economic Target Area (“ETA”), to expand commercial and industrial activity within the City, and to promote and develop a healthy economy and stronger tax base; and

WHEREAS, the City of Marlborough is a part of the regional ETA; and

WHEREAS, the City Council of the City of Marlborough supports and endorses the economic development goals for the Economic Target Area; and

WHEREAS, the City Council of the City of Marlborough desires a beneficial economic use creating jobs for local residents, expanding business within the City, and developing a healthy economy and stronger tax base for Map 70, Parcels 152, 157 and 209 on the Marlborough Assessors Map; and

WHEREAS, the City Council of the City of Marlborough desires that the area be designated as the 81 Granger Boulevard Economic Opportunity Area; and

WHEREAS, the City Council of the City of Marlborough finds that the proposed 81 Granger Boulevard Economic Opportunity Area meets the criteria for economic goals by creating jobs; and

WHEREAS, the City Council of the City of Marlborough finds that the proposed 81 Granger Boulevard Economic Opportunity Area meets the local criteria set forth in the Economic Target Area application; and

WHEREAS, the City Council of the City of Marlborough further supports and endorses the economic development goals contained in the Economic Opportunity Area application; and

WHEREAS, the City Council intends to use tax increment financing or special tax assessment economic development tools created by the Massachusetts Economic Development Incentive Program based on the ability of the City of Marlborough, in accordance with needs and community benefits of a specific project, that are reasonably proportional to the economic development incentives from State and local government and the resulting economic development benefits;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Marlborough that the following activities which are necessary to pursue an application for an Economic Opportunity Area designation in the City of Marlborough be authorized:

1. The City Council of the City of Marlborough hereby authorizes the submission of the 81 Granger Boulevard Economic Opportunity Area application (attached hereto as Exhibit 1) to the Massachusetts Economic Assistance Coordinating Council;
2. The 81 Granger Boulevard Economic Opportunity Area is defined to be Map 70, Parcels 152, 157 and 209 on the Marlborough Assessors Map;
3. The City Council of the City of Marlborough hereby requests that the Massachusetts Economic Development Incentive Board approve Marlborough Savings Bank’s application for a “Certified Project;” and
4. The City Council of the City of Marlborough agrees to authorize the use of tax increment financing (attached hereto as Exhibit 2) for Marlborough Savings Bank’s Certified Project located within said Economic Opportunity Area.

13-year Marlborough Tax Increment Financing (TIF) Proposal Assumptions

Total Building Square Footage =	16,000
Current Commercial Assessed Value =	\$226,500
Current Residential Assessed Value =	\$198,200
Additional Est. New Assessed Value =	\$2,000,000
Current Annual Commercial Tax Payment =	\$5,373
Current Annual Residential Tax Payment =	\$2,529
Current Annual Total Tax Payment =	\$7,902
Split Commercial Tax Rate per \$1000 =	\$23.72
Split Residential Tax Rate per \$1000 =	\$12.76
Estimated New Tax Payment =	\$47,440

Year	Annual Commercial Tax Payment (Base Only)*	Annual Residential Tax Payment (Base Only)*	New Annual Tax Payment for Residential Base (reclassify to Commercial Tax Base)	Incremental Assessed Value*	Projected Annual Property Tax Bill for Incremental Assessed Value	% Exempt **	Exempted Annual Property Taxes	Est. Reduced Tax Payment w/TIF	Taxes to Be Paid (Commercial Bases + New)
2012	5,373	2,529	4,701	2,000,000	47,440	95%	45,068	2,372	12,446
2013	5,507	2,592	4,819	2,050,000	48,626	90%	43,763	4,863	15,188
2014	5,645	2,657	4,939	2,101,250	49,842	85%	42,365	7,476	18,060
2015	5,786	2,723	5,063	2,153,781	51,088	80%	40,870	10,218	21,066
2016	5,930	2,792	5,189	2,207,626	52,365	75%	39,274	13,091	24,211
2017	6,079	2,861	5,319	2,262,816	53,674	70%	37,572	16,102	27,500
2018	6,231	2,933	5,452	2,319,387	55,016	60%	33,010	22,006	33,689
2019	6,386	3,006	5,588	2,377,372	56,391	50%	28,196	28,196	40,170
2020	6,546	3,081	5,728	2,436,806	57,801	40%	23,120	34,681	46,955
2021	6,710	3,158	5,871	2,497,726	59,246	25%	14,812	44,435	57,015
2022	6,877	3,237	6,018	2,560,169	60,727	5%	3,036	57,691	70,586
2023	7,049	3,318	6,169	2,624,173	62,245	5%	3,112	59,133	72,351
2024	7,226	3,401	6,323	2,689,778	63,802	5%	3,190	60,611	74,160
TOTALS	81,343	38,291	71,180	30,280,884	718,263	50%	357,388	360,874	513,397

*Assumes annual increase of 2.5% in assessed property values.

** Total % Exempt is Exempted Annual Property Taxes divided by Projected Annual Property Tax.

Note: The current annual taxes paid to the City including the residential property is \$7,902

