City of Marlborough
Office of the Mayor

140 Main Street
Marlborough, Massachusetts 01752
Tel. (508) 460-3770 Facsimile (508) 460-3698 TDD (508) 460-3610
www.marlborough-ma.gov

Arthur G. Vigeant
MAYOR

Michael C. Berry
EXECUTIVE AIDE

Patricia Bernard
EXECUTIVE SECRETARY

October 25, 2012

City Council President Patricia Pope
Marlborough City Council
140 Main Street
Marlborough, MA 01752

Re: TIF Agreement – Quest Diagnostics

Honorable President Pope and Councilors:

It is with great pleasure that I submit to you a fifteen year Tax Increment Financing (TIF) proposal between the City of Marlborough and Quest Diagnostics, LLC ("Quest"). Quest has come to terms with Atlantic Management LLC to lease approximately 200,000 square feet of space at 200 Forest Street, the location commonly known as the "Hewlett Packard/HP Site."

This proposal is a significant economic development coup for the City of Marlborough as it will bring an estimated 1,200 permanent, full-time jobs to a facility that has been largely vacant since 2008. A Fortune 500 company that does more than $7 billion of business annually, Quest specializes in clinical diagnostic testing and technology.

I have enclosed for you a letter of intent from Quest as well as a draft TIF agreement outlining the specifics of the proposal. I want to thank Councilors Pope, Delano, and Jenkins for serving on the ad hoc TIF committee that vetted this proposal. I look forward to working with you to answer any questions you may have so that we may move this agreement forward.

Sincerely,

Arthur G. Vigeant
Mayor

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 ETA; 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 101, Parcel 2 on the Marlborough Assessor's Map; and

WHEREAS, the City Council of the City of Marlborough desires that the area be designated as the 200 Forest Street Economic Opportunity Area; and

WHEREAS, the City Council of the City of Marlborough finds that the 200 Forest Street Economic Opportunity Area meets the regulatory criteria defined as a "decadent area"; and

WHEREAS, the City Council of the City of Marlborough finds that the 200 Forest Street Economic Opportunity Area meets the local criteria and economic development goals set forth in the original 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 200 Forest Street Economic Opportunity Area application; and

WHEREAS, the City Council of the City of Marlborough 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 a Certified Project designation within the 200 Forest Street Economic Opportunity Area in the City of Marlborough be authorized:

1. The City Council of the City of Marlborough hereby approves the 200 Forest Street Economic Opportunity Area ("EOA") and authorizes the submission of the 200 Forest Street EOA application (attached hereto as Exhibit 1) to the Massachusetts Economic Assistance Coordinating Council, said EOA to be comprised of Map 101, Parcel 2 on the Marlborough Assessor's Map; and

2. The City Council of the City of Marlborough hereby adopts the tax increment financing plan and authorizes the submission of a tax increment financing plan (attached hereto as Exhibit 2) to the Massachusetts Economic Assistance Coordinating Council; and

3. The City Council of the City of Marlborough agrees to authorize the use of tax increment financing and the submission of the tax increment financing agreement (attached hereto as Exhibit 3) to the Massachusetts Economic Assistance Coordinating Council; and

4. The City Council of the City of Marlborough hereby requests that the Massachusetts Economic Assistance Coordinating Council approve Quest Diagnostics LLC's designation as a certified project (local tax incentive only) (attached hereto as Exhibit 4); and further, that:
(a) the project, as proposed, is consistent with and can reasonably be expected to benefit significantly from inclusion in the 200 Forest Street EOA;
(b) the project will not overburden the City of Marlborough's infrastructure and utilities servicing the 200 Forest Street EOA;
(c) the project as described in the proposal will have a reasonable chance of increasing employment opportunities for residents of the Marlborough-Framingham Regional PTA; and
(d) the City Council approves Quest Diagnostics LLC's request that the project be designated by the Massachusetts Economic Assistance Coordinating Council as a certified project (local tax incentive only) for fifteen (15) years.

DRAFT

Quest Diagnostics Incorporated

415 Massachusetts Avenue
Cambridge, MA 02139-4102
617.547.8900
www.QuestDiagnostics.com

Quest
Diagnostics

October 22, 2012

Honorable Arthur G. Vigeant
Mayor of Marlborough
Marlborough City Hall
140 Main Street, 4th Floor
Marlborough, MA 01752

Subject: **Quest Diagnostics LLC - Notice of Intent to Apply for Tax Increment Financing through the MA Economic Development Incentive Program**

Dear Mayor Vigeant:

As you know, Quest Diagnostics LLC ("Quest Diagnostics" or "the Company") is in the final stages of a site selection process to centralize its operations by creating a regional, state-of-the-art laboratory facility in the Northeast (the "Project").

During the past several months, Quest Diagnostics has met with you, representatives of your administration and the Marlborough Economic Development Corporation ("MEDC") to discuss the parameters of a Tax Increment Financing ("TIF") Agreement, should Quest Diagnostics decide to establish its regional laboratory facility in Marlborough, MA.

As a result of your leadership and Marlborough's clear support of the Project, we recently agreed to pursue local approval of a TIF Agreement with respect to the lease of property located at 200 Forest Street, the building formerly occupied by Hewlett-Packard that has been vacant for more than two years. The agreed upon parameters of the proposed TIF Agreement are as follows:

- 15-year TIF Agreement scheduled to commence on July 1, 2014 and ending on June 30, 2029;
- 15-year exemption schedule for real and personal property of 100%, 100%, 90%, 90%, 80%, 80%, 75%, 70%, 70%, 60%, 60%, 60%, 50%, 50%, 50% for each year respectively.

In addition to the local level TIF, Quest Diagnostics is also pursuing state level incentives through the Massachusetts Life Science Center. The local and state tax incentives will mitigate the generally higher costs of doing business in Massachusetts and position the company for future growth.

Thank you again for your support regarding the Company's pursuit of the TIF Agreement with the City of Marlborough. I, along with the rest of the Quest Diagnostics Team, look forward to working with you, your administration, the Marlborough City Council, and Marlborough Economic Development Corporation to finalize this proposed TIF Agreement.

Sincerely,

Timothy W. Anderson
Managing Director

TAX INCREMENT FINANCING AGREEMENT
BETWEEN
THE CITY OF MARLBOROUGH,
QUEST DIAGNOSTICS LLC
AND
ATLANTIC-MARLBORO REALTY, LLC

This **TAX INCREMENT FINANCING AGREEMENT** (the "**TIF Agreement**" or the "**Agreement**") is made by and between the City of Marlborough (the "**City**"), Quest Diagnostics LLC, and Atlantic-Marlboro Realty, LLC (the "**Owner**").

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

WHEREAS, Quest Diagnostics LLC is a domestic limited liability company having its principal U.S. headquarters located at 3 Giralda Farms in Madison, New Jersey 07940, is authorized to do business in Massachusetts, and for this Agreement includes Quest Diagnostics Incorporated, the parent corporation, and any affiliates, subsidiaries or entities that are controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated (collectively, the "Company"); and

WHEREAS, the Owner is the fee owner of the parcel of land located at 200 Forest Street, Marlborough, Massachusetts 01752, as further depicted on Marlborough City Assessor's Map 101, Parcel 2 (the "Property"); and

WHEREAS, the Company plans as follows:

1) to enter into an agreement with the Owner to lease approximately 200,000 square feet of space of the approximately 537,582 square foot building, located at 200 Forest Street, Marlborough, together with parking facilities and other improvements located thereon (hereinafter, the leased space is defined as the "Project Area"); and

2) to make improvements to the Project Area in furtherance of constructing a Central Northeast state-of-the-art laboratory facility; and

WHEREAS, the Project Area is to be 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 Project Area is located within the 200 Forest Street Economic Opportunity Area (EOA) (as that terms is used in Massachusetts General Law, Chapter 23A, Section 3E, and referred to below as the "EOA"); and

WHEREAS, the Company expects to have based out of the Project Area approximately 957 permanent, full-time jobs presently located throughout Massachusetts, and beginning on the effective date of this agreement, to create and, over the term of the TIF Agreement, to maintain

at the Project Area 246 new, permanent, full-time jobs open to qualified residents of Marlborough and the ETA; and

WHEREAS, the renovations to the Project Area are estimated to result in an initial capital investment for the Company of $77.85 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements) in combined soft, real property and personal property costs (the "Project"); and

WHEREAS, the Owner will make additional improvements to the Project Area in accordance with the terms of the lease agreement; and

WHEREAS, the parties to the Agreement are desirous of entering into a TIF Agreement which shall pertain solely to the Project Area and not to any other portion of the Property, and which shall be 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, to expand business within the City, and to develop a healthy economy and stronger tax base; and

WHEREAS, the Project and its related job creation will further the economic development goals and criteria established for the ETA and EOA; and

WHEREAS, by letter dated October ___, 2012, 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 _____, pursuant to the Resolution attached hereto. The City Council 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 Owner 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 Massachusetts Economic Assistance Coordinating Council (the "EACC").

2. A Tax Increment Financing exemption (the "Exemption") for the Project Area is hereby granted to the Company and the Owner by the City in accordance with Chapter 23A, Section 3E; Chapter 40, Section 59; and Chapter 59, Section 5, Cl. Fifty-first, of the Massachusetts General Laws. The Exemption shall be for a period of fifteen (15) years (the "Exemption Term"), commencing on July 1, 2014 (the beginning of fiscal year 2015) and ending on June 30, 2029 (the end of fiscal year 2029). The Exemption shall pertain to real and personal property taxes, according to the following schedules:

PROJECT AREA'S REAL PROPERTY TAX
EXEMPTION SCHEDULE

REAL PROPERTY EXEMPTION	
Fiscal Year	**Exemption Percentage**
2015	100%
2016	100%
2017	90%
2018	90%
2019	80%
2020	80%
2021	75%
2022	70%
2023	70%
2024	60%
2025	60%
2026	60%
2027	50%
2028	50%
2029	50%

PROJECT AREA'S PERSONAL PROPERTY TAX
EXEMPTION SCHEDULE

PERSONAL PROPERTY EXEMPTION	
Fiscal Year	**Exemption Percentage**
2015	100%
2016	100%
2017	90%
2018	90%
2019	80%
2020	80%
2021	75%
2022	70%
2023	70%
2024	60%
2025	60%
2026	60%
2027	50%
2028	50%
2029	50%

3. The base valuation for the Project Area shall be the assessed valuation of the Project Area in the base year. The base year is the most recent fiscal year immediately preceding the fiscal year in which the property becomes eligible for the TIF exemption. As provided in 760 C.M.R. 22.05(4)(d), *see* 402 C.M.R. 2.22, the Project shall become eligible for the Exemption on the July 1st following the date on which the EACC approves the TIF Plan, which is expected to be December 19, 2012. However, and in order to accommodate the planned renovations to the Project Area, the commencement date for the TIF Agreement shall be delayed for twelve (12) months. Therefore, the exemption is expected to commence on July 1, 2014, which is the beginning of fiscal year 2015. Accordingly, the base year for this TIF Agreement will be fiscal year 2014. Consequently, the base valuation for the real property pertinent to the Project Area will be determined as of January 1, 2013.

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 C.M.R. 22.05(4)(b), *see* 402 C.M.R. 2.22. 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. Only the increased value or "increment" created by improvements will be the amount eligible for exemption from taxation.

5. The City acknowledges that Quest Diagnostics LLC has the right to transfer its leasehold interest in the Project Area during the Exemption Term to Quest Diagnostics Incorporated, the parent corporation, or any affiliate, subsidiary or entity that is controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated. Prior to any transfer, however, Quest Diagnostics LLC shall notify the City in writing. If Quest Diagnostics LLC transfers its leasehold interest in the Project Area or any portion therein to an affiliate, subsidiary or entity that is not controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated, Quest Diagnostics LLC's rights hereunder shall not be transferable without the prior written consent of the City, which shall not be unreasonably withheld, conditioned or denied. If the City consents to the transfer to an affiliate, subsidiary or entity that is not controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated, the provisions under Paragraph 5 of Section B herein are not triggered. If the City does not consent to the transfer to an affiliate, subsidiary or entity that is not controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated, the City may then take action under Paragraph 5 of Section B herein, as well as action to nullify this TIF agreement and request decertification of the Project by the EACC.

B. <u>THE COMPANY'S OBLIGATIONS AND THE OWNER'S OBLIGATIONS</u>.

1. The City is granting the Tax Increment Financing Exemption for the Project Area in consideration of the following commitments:

   (a) In anticipation of the receipt of the TIF benefits described in this Agreement, Quest Diagnostics LLC and the Owner will be executing, or have executed, a lease for the Project Area;

(b) As part of leasing the Project Area, the Company agrees that it will make capital improvements which is currently estimated to be approximately $77.85 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements) in combined soft, real property and personal property costs, and that it will timely pay all municipal permit fees required in connection with such improvement and investment;

(c) The Company and the Owner agree to timely pay all of the taxes owed to the City over the term of this TIF Agreement; and

(d) The Company agrees to relocate to the Project Area approximately 957 permanent full-time jobs presently located throughout Massachusetts; and beginning on the effective date of the Agreement, to hire and, over the term of the Agreement, to maintain a minimum of 246 new permanent full-time employees (as "permanent full-time employee" is defined in 402 C.M.R. 2.03), to be employed at the Project Area and whose employment by the Company commences on or after the effective date of the Agreement ("New Permanent Full-Time Employees"). The following schedule details the Company's schedule of job creation:

SCHEDULE OF JOB CREATION	
Fiscal Year(s)	**Minimum Cumulative New Permanent Full-Time Employee Requirement**
2013 (as of 6/30/2013)	47
2014 (as of 6/30/2014)	82
2015 (as of 6/30/2015)	246
2016 - 2029	246

(e) Such New Permanent Full-Time Employees shall be exclusive of the Company's approximately 957 permanent, full-time jobs presently located throughout Massachusetts and to be relocated to the Project Area. In meeting its cumulative New Permanent Full-Time Employee commitment above, and consistent with all federal, state and local laws and regulations, the Company agrees to use commercially reasonable efforts to make available application opportunities for the New Permanent Full-Time Employee positions to qualified residents of Marlborough and then the regional ETA. Determination of whether any individual is qualified for any specific job or position shall be in the Company's sole discretion, and nothing herein shall be deemed to create any obligation of the Company to hire any of said residents. The Company shall meet its obligation to make such application opportunities available to such residents if, in conjunction with the Mayor's office and the Marlborough Economic Development Corporation, the Company entities who will operate in the Project Area conduct a job fair in Marlborough for staffing its Project Area.

2. The Company shall submit annual written reports on job creation and maintenance at, job

relocation to, and new investments at, the Project Area to the City of Marlborough Board of Assessors and Mayor and to the EACC 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 fiscal year 2013 as per the Schedule of Job Creation above, and for every fiscal year thereafter falling within the term of this TIF Agreement; thus, the report for fiscal year 2013, ending on June 30, 2013, shall be submitted by the end of September 2013. In addition to information that may be required by the EACC pursuant to 402 C.M.R. 2.14, the annual report shall be comprised of the following information:

(a) Employment levels at the Project Area at the beginning and end of the reporting period, with a designation of the number of employees that are net new employees as of the effective date of this Agreement and the number of employees that were employed by the Company in Massachusetts prior to the effective date of this Agreement;

(b) The specific number of ETA and Marlborough residents respectively employed at the Project Area at the beginning and at the end of the reporting period;

(c) An accounting of the commercially reasonable efforts made by the Company to make New Permanent Full-Time Employee positions available 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 the Company as part of the Project, including but not limited to the improvements to the Project Area, as well as the purchase of new machinery and equipment as part of the Project (collectively, "Engage Local Businesses");

(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 and the Owner will also provide the City with any information related to the Project Area, and/or to the Company's and the Owner's improvements to the Project Area, which the parties mutually agree should be provided.

3. The Tax Increment Financing Exemption percentage applicable to the exemption schedules above will automatically be adjusted downward in any particular fiscal year that the Company does not meet its minimum cumulative New Permanent Full-Time Employee requirements described in the Schedule of Job Creation above. Under this Paragraph 3, the exemption percentage applicable to both of the exemption schedules above will be adjusted for the fiscal year beginning after the job requirement date, utilizing the following formula:

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

For example, if the actual cumulative New Permanent Full-Time Employee level at the

end of FY 2015 is 190 instead of 246, then the real property exemption percentage, as well as the personal property exemption percentage, otherwise applicable for FY 2016 would actually be (190/246) X 100%, or 77%.

The exemption percentages applicable to the exemption schedules above will, for later fiscal years, revert back to the original exemption schedules if the Company restores the job level based on the minimum cumulative New Permanent Full-Time Employee requirement for that later year. If the Company meets or exceeds its minimum cumulative New Permanent Full-Time Employee requirements, the exemption schedules will not be adjusted.

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 specified in Paragraphs 1 or 2 of this Section B or Paragraph 5 or 6 of this Section B 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 revoke its certification of the Project for eligibility for a Tax Increment Financing Exemption; any such request would be in addition to the automatic downward adjustment of the exemption schedules, as described in Section B.3 above. Upon any such decertification, the City shall have the right, upon written notice to the Company, to terminate the Tax Incremental 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 the Project Area's address. Said notice shall be effective upon receipt.

5. Except as otherwise provided pursuant to Paragraph 5 of Section A above, if, at any time prior to the expiration of the term on this Agreement, the Company moves from, vacates, abandons, or otherwise fails to maintain operations in the Project Area, the City shall be entitled to be paid back forthwith by the Company a sum equal to a proportionate share of the amount of tax savings, both as to real property and personal property, that had been enjoyed by the Company under this Agreement in the fiscal year immediately prior to the fiscal year when the Company moves from, vacates, abandons, or otherwise fails to maintain operations at the Project Area, according to the following schedule:

COMPANY'S PAY-BACK SCHEDULE

FY that the Company Moves From, Vacates, Abandons, or Otherwise Fails to Maintain Operations at the Project Area	Percentage of Tax Savings from Prior Fiscal Year to be Paid Back to City
2015	n/a
2016	90%
2017	80%
2018	70%
2019	60%

2020	50%
2021	40%
2022	30%
2023	20%
2024	10%
2025- 2029	0%

Such pay-back amounts shall be paid back by the Company in full within thirty (30) days of a written demand by the City. If payment is not timely made, interest shall accrue at the rate of 1.5% per month until such time as full repayment has been made.

The City shall be given sixty (60) days' written notice prior to any Company announcement to the general public of a proposed move from, vacation of, abandonment of, or other failure to maintain operations at, the Project Area, unless such notice would be in violation of any law, regulation or contractual obligation of 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 Assessor's 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 Project Area or any portion thereof by the Company.

6. The Company entities in the Project Area shall use reasonable efforts to Engage Local Businesses to participate in requests for quotations for goods and services to be purchased by the Company as part of the Project, including but not limited to the improvements to the Project Area, as well as the purchase of new machinery and equipment as part of the Project. So long as the Company entities in the Project Area contact the Marlborough Economic Development Corporation at the beginning of the Project with a description of the qualifications of the local businesses, vendors and suppliers from whom, at that time, the Company is seeking requests for quotations, the Company shall be deemed to have made reasonable efforts to Engage Local Businesses under this Section 6. However, the extent to which the Company entities in the Project Area shall hire or purchase from local businesses, vendors and suppliers under this Section 6 shall be in Company's sole discretion, and nothing herein shall be deemed to require the Company to hire or purchase from local businesses, vendors and suppliers.

C. OTHER CONSIDERATIONS.

1. Pursuant to 760 C.M.R. 22.05(8)(d), *see* 402 C.M.R. 2.22, this Agreement shall be binding upon the Company and its successors and assigns, and upon the Owner and its successors and assigns, so long as the Project's certification has not been revoked by EACC.

2. This Agreement is subject to M.G.L. Chapter 23A, Sections 3A-3F inclusive; M.G.L. Chapter 40, Section 59; and M.G.L. Chapter 59, Section 5, Cl. Fifty-first.

3. The Owner shall pass along to the Company all real and personal property tax savings resulting from this Agreement.

4. Should any part, term or provision of this Agreement 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 December 19, 2012, the (presumptive) date of the Economic Assistance Coordinating Council's approval of the TIF Plan.

6. All notices, reports or other communications required or permitted under this TIF Agreement must be in writing signed by a duly authorized representative of the City, Company, or Owner, or as the case may be, and shall be (i) hand delivered, (ii) delivered by a nationally recognized overnight delivery service, or (iii) mailed by certified or registered mail, return receipt requested, postage prepaid, to the parties at the following addresses or such other addresses as each may have specified to the other by such a notice:

CITY: Marlborough City Hall
Attention: Mayor's Office
140 Main Street
Marlborough, MA 01752

COMPANY: Quest Diagnostics LLC
Attention: Timothy W. Anderson, Managing Director
415 Massachusetts Avenue
Cambridge, MA 02139

cc: Quest Diagnostics Incorporated
Corporate Real Estate and Facilities Department
1201 S Collegeville Rd
Collegeville, PA 19426
Att: Director of Corporate Real Estate

cc: Quest Diagnostics Incorporated
3 Giralda Farms
Madison, NJ 07940
Att: General Counsel

OWNER: Atlantic-Marlboro Realty, LLC
Attention: Joe Zink, President
205 Newbury Street
Framingham MA 01701

WITNESSETH, the execution and delivery of this Agreement by the Company, the Owner and the City as an instrument under seal as of the date last written below by the signatories hereto.

AGREED TO:

The Company: Quest Diagnostics LLC

By: _____ Dated: _____, 2012
[Name]
[Title]
Quest Diagnostics LLC

COMMONWEALTH OF MASSACHUSETTS

_____, ss.

On_____, 2012, before me, the undersigned notary public, personally appeared _____, as _____ of Quest Diagnostics LLC, and proved to me through satisfactory evidence of identification, which was _____, that he/she is the person whose name is signed on the preceding or attached document.

_____
Notary Public
Printed
Name:_____
My Commission
Expires:_____

The Owner: Atlantic-Marlboro Realty, LLC

By: _____ Dated: _____, 2012
[Name]
[Title]
Atlantic-Marlboro Realty, LLC

COMMONWEALTH OF MASSACHUSETTS

_____, ss.

On_____, 2012, before me, the undersigned notary public, personally appeared _____, as _____ of Atlantic-Marlboro Realty, LLC, and proved to me through satisfactory evidence of identification, which was _____, that he/she is the person whose name is signed on the preceding or attached document.

_____
Notary Public
Printed

Name:_____

My Commission Expires:_____

The City of Marlborough

By: _____ Dated:_____ 2012
Arthur G. Vigeant
Mayor
City of Marlborough

COMMONWEALTH OF MASSACHUSETTS

_____, ss:

On_____, 2012, before me, the undersigned notary public, personally appeared _____, as Mayor of the City of Marlborough, 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:_____

DRAFT

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 ETA; 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 101, Parcel 2 on the Marlborough Assessor's Map; and

WHEREAS, the City Council of the City of Marlborough desires that the area be designated as the 200 Forest Street Economic Opportunity Area; and

WHEREAS, the City Council of the City of Marlborough finds that the 200 Forest Street Economic Opportunity Area meets the regulatory criteria defined as a "decadent area"; and

WHEREAS, the City Council of the City of Marlborough finds that the 200 Forest Street Economic Opportunity Area meets the local criteria and economic development goals set forth in the original 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 200 Forest Street Economic Opportunity Area application; and

WHEREAS, the City Council of the City of Marlborough 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 a Certified Project designation within the 200 Forest Street Economic Opportunity Area in the City of Marlborough be authorized:

1. The City Council of the City of Marlborough hereby approves the 200 Forest Street Economic Opportunity Area ("EOA") and authorizes the submission of the 200 Forest Street EOA application (attached hereto as Exhibit 1) to the Massachusetts Economic Assistance Coordinating Council, said EOA to be comprised of Map 101, Parcel 2 on the Marlborough Assessor's Map; and

2. The City Council of the City of Marlborough hereby adopts the tax increment financing plan and authorizes the submission of a tax increment financing plan (attached hereto as Exhibit 2) to the Massachusetts Economic Assistance Coordinating Council; and

3. The City Council of the City of Marlborough agrees to authorize the use of tax increment financing and the submission of the tax increment financing agreement (attached hereto as Exhibit 3) to the Massachusetts Economic Assistance Coordinating Council; and

4. The City Council of the City of Marlborough hereby requests that the Massachusetts Economic Assistance Coordinating Council approve Quest Diagnostics LLC's designation as a certified project (local tax incentive only) (attached hereto as Exhibit 4); and further, that:
(a) the project, as proposed, is consistent with and can reasonably be expected to benefit significantly from inclusion in the 200 Forest Street EOA;
(b) the project will not overburden the City of Marlborough's infrastructure and utilities servicing the 200 Forest Street EOA;
(c) the project as described in the proposal will have a reasonable chance of increasing employment opportunities for residents of the Marlborough-Framingham Regional ETA; and
(d) the City Council approves Quest Diagnostics LLC's request that the project be designated by the Massachusetts Economic Assistance Coordinating Council as a certified project (local tax incentive only) for fifteen (15) years.

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TAX INCREMENT FINANCING PLAN and ZONE

City of Marlborough

200 Forest Street

October 2012

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I. Location

A. Marlborough/Framingham Regional Economic Target Area (ETA)

The City of Marlborough proposes the establishment of the site-specific 200 Forest Street Economic Opportunity Area ("EOA") and a Tax Increment Financing Zone ("TIF Zone") within the Marlborough/Framingham Regional ETA. The EOA will consist of the parcel of land located at 200 Forest Street.

B. Municipality

City of Marlborough, County of Middlesex, Commonwealth of Massachusetts.

C. TIF Zone

1. Location and Map

The TIF Zone is located at 200 Forest Street and is shown on the Map 101, Parcel 2 within the Marlborough City Assessor's map files. A map showing the location of the EOA and the TIF Zone is attached as Exhibit A.

2. Legal Description

A legal description of the EOA and the corresponding TIF Zone is attached as Exhibit B.

3. TIF Zone Issues

None.

4. Property Owners within the proposed Zone

200 Forest Street is currently owned by Atlantic-Marlboro Realty, LLC (the "Owner"). Quest Diagnostics LLC, together with Quest Diagnostics Incorporated, the parent corporation, and any affiliates, subsidiaries or entities that are controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated (collectively, "Quest Diagnostics" or the "Company") has targeted 200 Forest Street for redevelopment.

II. Duration of TIF Zone and Plan

The duration of the TIF Zone and Tax Increment Financing Plan ("TIF Plan") will be for a period of fifteen years (Fiscal Years 2015 through 2029). The TIF Plan and Agreement herein shall commence upon final approval of the TIF Plan by the Economic Assistance Coordinating Council ("EACC"). Quest Diagnostics' eligibility for the tax increment exemption under the proposed Tax Increment Financing Agreement would commence on the first day of July of 2014.

III. TIF Zone and Economic Development

A. Continued Development Opportunity

Per its proposed local TIF Agreement with the City of Marlborough, Quest Diagnostics intends to make capital investments at 200 Forest Street estimated to be $77.8 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements). The Company also anticipates relocating approximately 957 full-time employees and creating approximately 246 new, permanent full-time

positions at the location over the first 3 years of the proposed TIF Agreement.

B. Net Economic Benefit to the City of Marlborough

The benefits of Quest Diagnostics' investments that will accrue to the City of Marlborough are considerable and include the following:

- Relocation of approximately 957 permanent full-time employees to Marlborough;
- Approximately 246 newly created full-time positions over the first 3 years of the proposed TIF Agreement;
- Significant new capital investment estimated to be $77.85 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements);
- Increase in commercial tax revenues/base; and
- Higher and better use of existing land and building located at 200 Forest Street that is currently vacant.

C.-D. Analysis of Proposed and Potential Land Uses and Zoning

The 200 Forest Street site is located within the City of Marlborough's Industrial and Limited Industrial zoning districts that allow for commercial/industrial uses per the City's Zoning Ordinance. Quest Diagnostics' proposed investment and use of the land/property will conform to the intent of the zoning districts in which it is located.

IV. TIF Zone Project

A. Private Projects.

Quest Diagnostics is the world's leading provider of healthcare diagnostic testing, information and services. It is a Fortune 500 company that is headquartered in New Jersey. Quest Diagnostics operates a national network of laboratories in most major metropolitan areas as well as approximately 2,000 patient locations.

Quest Diagnostics is interested in establishing a central regional laboratory in a leased facility at 200 Forest Street, Marlborough. The proposed project is anticipated to create approximately 246 new, permanent, full-time jobs, and to relocate approximately 957 permanent, full-time jobs, for a projected total of 1,203 new, permanent, full-time jobs based out of Marlborough.

The proposed project will involve renovations to the existing leased building. The renovations are estimated to result in an initial capital investment for the Company of $77.85 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements) in combined soft, real property and personal property costs (the "Project"). The renovations are expected to begin in January of 2013 and scheduled to be completed by July of 2014.

Quest Diagnostics is the only project envisioned for the TIF Zone.

A Marlborough City Council Vote approving Forest Street EOA, 200 Forest Street TIF Plan & Zone, as certified by the Marlborough City Clerk, is provided as a part of Exhibit C, attached hereto.

B. Public Projects.

No other projects, public or private, are anticipated for the TIF Zone.

V. Financing for planned TIF Project.

A. Anticipated Financing for the 200 Forest Street Project.

Financing for the TIF Project will be self-financed from private sources.

B. Anticipated Financing for Other Projects.

No other projects, public or private, are anticipated for the TIF Zone.

VI. Tax Increment Financing.

A Marlborough City Council vote, as Certified by the Marlborough City Clerk approving the TIF Agreement, and which has been executed by the Marlborough Mayor, as directed by the Marlborough City Council, pursuant to M.G.L. 40 §59 and M.G.L. 59 §5, is provided in Exhibit C, attached hereto.

Please refer to TIF Agreement for exemption schedule.

VII. Approval of the TIF Project.

A. Approval Process.

All projects seeking EACC approval as an EDIP Certified Expansion Project, local execution of a TIF Agreement and local designation for a defined area as an EOA are forwarded to the Marlborough City Council upon recommendation from the Marlborough Economic Development Corporation and the Mayor along with other local stakeholders comprising an Ad-Hoc Advisory TIF Committee. The Marlborough City Council will then send the EOA application and proposed TIF Agreement to the City Council Finance Committee for consideration and a recommendation as to approval. Upon review and the approval recommendation by the Finance Committee, the Marlborough City Council then formally approves the TIF Agreement and EOA designation. Once the TIF Agreement is executed by the Mayor and the Project's signatory, the EOA application and TIF Agreement are forwarded to the EACC for approval and EDIP Certified Expansion Project certification.

B. Person authorized to execute the TIF Agreement with Quest Diagnostics.

The Mayor of the City of Marlborough is authorized to execute the TIF Agreement, as directed by the vote of the Marlborough City Council.

C. Evidence of Local Approval.

See Exhibit C: The Marlborough City Council Resolution dated _____

D. EACC Approval.

The request to the EACC for approval of the TIF Plan and Zone and EOA Application is provided as part of this document.

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EXHIBIT A

Map of 200 Forest Street, Marlborough, MA

City of Marlborough

200 Forest Street

Map 101 Parcel 2

The City of Marlborough shall assume no liability for the use of this map nor any errors, omissions, or inaccuracies contained herein regardless of how caused. The City of Marlborough assumes no liability for any decision made or action taken or not taken by the user in reliance upon any information furnished hereunder.

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EXHIBIT B

Legal Description of 200 Forest Street, Marlborough, MA

A CERTAIN PARCEL OF LAND SITUATED ON THE SOUTHERLY SIDE OF FOREST STREET, WESTERLY SIDE OF INTERSTATE ROUTE 495 AND THE EASTERLY SIDE OF SIMARANO DRIVE IN THE CITY OF MARLBOROUGH, COUNTY OF MIDDLESEX, COMMONWEALTH OF MASSACHUSETTS, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY CORNER OF THE INTERSECTION OF SIMARANO DRIVE AND FOREST STREET, SAID POINT BEING THE NORTHWESTERLY CORNER OF HEREINAFTER DESCRIBED PARCEL; THENCE

EASTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF FIVE HUNDRED SEVENTY AND NO HUNDREDTHS FEET (570.00'), A DISTANCE OF ONE HUNDRED FIFTY AND THIRTY-NINE HUNDREDTHS FEET (150.39') TO A POINT; THENCE

S 89° 18' 23" E A DISTANCE OF TWO HUNDRED SIX AND THIRTY-THREE HUNDREDTHS FEET (206.33') TO A POINT; THENCE

EASTERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF ONE THOUSAND THIRTY AND NO HUNDREDTHS FEET (1030.00'), A DISTANCE OF THREE HUNDRED FORTY-THREE AND FORTY-TWO HUNDREDTHS FEET (343.42') TO A POINT; THENCE

N 71° 35' 25" E A DISTANCE OF FOUR HUNDRED FIFTY-SIX AND SIXTY-FOUR HUNDREDTHS FEET (456.64') TO A POINT; THENCE

EASTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF FIVE HUNDRED SEVENTY AND NO HUNDREDTHS FEET (570.00'), A DISTANCE OF TWO HUNDRED TEN AND EIGHTY-FOUR HUNDREDTHS FEET (210.84') TO A POINT; THENCE

S 87° 13' 00" E A DISTANCE OF FOUR HUNDRED TWENTY-EIGHT AND NINETY-TWO HUNDREDTHS FEET (428.92') TO A POINT; THENCE

EASTERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF ONE THOUSAND THREE HUNDRED SIXTY-TWO AND NINETY-THREE HUNDREDTHS FEET (1362.93'), A DISTANCE OF FOUR HUNDRED ONE AND FIFTY HUNDREDTHS FEET (401.50') TO A POINT; THENCE

N 75° 54' 18" E A DISTANCE OF THREE HUNDRED EIGHTY-EIGHT AND THIRTY-EIGHT HUNDREDTHS FEET (388.38') TO A POINT IN THE WESTERLY LINE OF INTERSTATE ROUTE 495, THE PREVIOUS EIGHT (8) COURSES BOUNDING ON THE SOUTHERLY LINE OF FOREST STREET; THENCE

SOUTHERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF TEN THOUSAND ONE HUNDRED FIFTY-TWO AND NO HUNDREDTHS FEET (10152.00'), A DISTANCE OF ONE THOUSAND SIXTY-SIX AND NINE HUNDREDTHS FEET (1066.09') BY THE WESTERLY LINE OF INTERSTATE ROUTE 495 TO A POINT; THENCE

S 78° 36' 23" W A DISTANCE OF FIVE HUNDRED THIRTY-EIGHT AND TWENTY-FIVE

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HUNDREDTHS FEET (538.25') TO A POINT; THENCE

S 27° 49' 51" W A DISTANCE OF ONE HUNDRED TWENTY-THREE AND THIRTY-SIX HUNDREDTHS FEET (123.36') TO A POINT; THENCE

SOUTHERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF ONE THOUSAND ONE HUNDRED AND NO HUNDREDTHS FEET (1100.00'), A DISTANCE OF THREE HUNDRED AND EIGHTY-SIX HUNDREDTHS FEET (300.86') TO A POINT; THENCE

SOUTHEASTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF TWO HUNDRED TWENTY-THREE AND NO HUNDREDTHS FEET (223.00'), A DISTANCE OF TWO HUNDRED TWENTY-SEVEN AND NINETY-SIX HUNDREDTHS FEET (227.96') TO A POINT; THENCE

SOUTHERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF FOUR HUNDRED FIFTY AND NO HUNDREDTHS FEET (450.00'), A DISTANCE OF FOUR HUNDRED EIGHTY-ONE AND SIXTY-EIGHT HUNDREDTHS FEET (481.68') TO A POINT; THENCE

S 42° 06' 53" W A DISTANCE OF ONE HUNDRED ELEVEN AND TWENTY-SIX HUNDREDTHS FEET (111.26') TO A POINT; THENCE

SOUTHERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF FIVE HUNDRED TEN AND NO HUNDREDTHS FEET (510.00'), A DISTANCE OF FIVE HUNDRED SEVENTEEN AND NINETY-TWO HUNDREDTHS FEET (517.92') TO A POINT; THENCE

S 16° 04' 13" E A DISTANCE OF ONE HUNDRED FORTY-NINE AND NINETY-THREE HUNDREDTHS FEET (149.93') TO A POINT; THENCE

S 65° 34' 06" W A DISTANCE OF ONE HUNDRED THIRTY-SEVEN AND FIFTY-THREE HUNDREDTHS FEET (137.53') TO A POINT IN THE EASTERLY LINE OF SIMARANO DRIVE; THENCE

NORTHWESTERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF FIVE HUNDRED THIRTY AND NO HUNDREDTHS FEET (530.00') A DISTANCE OF ONE HUNDRED SIXTY-EIGHT AND TWENTY-TWO HUNDREDTHS FEET (168.22') TO A POINT; THENCE

N 53° 42' 50" W A DISTANCE OF ONE THOUSAND SIX HUNDRED EIGHTY-EIGHT AND NINETY HUNDREDTHS FEET (1688.90') TO A POINT; THENCE

NORTHWESTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF SIX HUNDRED FORTY-SEVEN AND NINETY HUNDREDTHS FEET (647.90'), A DISTANCE OF SIX HUNDRED FIFTY-THREE AND TWENTY-FIVE HUNDREDTHS FEET (653.25') TO A POINT; THENCE

N 04° 03' 18" E A DISTANCE OF TWO HUNDRED THIRTY-FIVE AND NINETY-TWO HUNDREDTHS FEET (235.92') TO A POINT; THENCE

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NORTHERLY	BY A CURVE TO THE LEFT HAVING A RADIUS OF FOUR HUNDRED SEVENTY-SEVEN AND FORTY-NINE HUNDREDTHS FEET (477.49'), A DISTANCE OF ONE HUNDRED FORTY-EIGHT AND SEVENTY-EIGHT HUNDREDTHS FEET (148.78') TO A POINT; THENCE
N 13° 47' 53" W	A DISTANCE OF FOUR HUNDRED FORTY-ONE AND TWENTY-THREE HUNDREDTHS FEET (441.23') TO A POINT; THENCE
NORTHEASTERLY	BY A CURVE TO THE RIGHT HAVING A RADIUS OF FIFTY AND NO HUNDREDTHS FEET (50.00'), A DISTANCE OF SEVENTY-SEVEN AND NINETY-NINE HUNDREDTHS FEET (77.99') TO THE POINT OF BEGINNING. THE PREVIOUS SEVEN (7) COURSES BOUNDING ON THE SAID EASTERLY LINE OF SIMARANO DRIVE.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS AN AREA OF 109.47 ACRES AND IS MORE PARTICULARLY SHOWN ON A PLAN ENTITLED "COMPILED PLAN OF LAND IN MARLBOROUGH, MASS. & SOUTHBOROUGH, MASS." DATED NOVEMBER 23, 1994; PREPARED BY THE BSC GROUP, INC AND RECORDED WITH MIDDLESEX SOUTH DISTRICT REGISTRY OF DEEDS AS PLAN NO. 1254 OF 1994.

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EXHIBIT C

The Marlborough City Council Resolution dated _____

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 ETA; 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 101, Parcel 2 on the Marlborough Assessor's Map; and

WHEREAS, the City Council of the City of Marlborough desires that the area be designated as the 200 Forest Street Economic Opportunity Area; and

WHEREAS, the City Council of the City of Marlborough finds that the 200 Forest Street Economic Opportunity Area meets the regulatory criteria defined as a "decadent area"; and

WHEREAS, the City Council of the City of Marlborough finds that the 200 Forest Street Economic Opportunity Area meets the local criteria and economic development goals set forth in the original 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 200 Forest Street Economic Opportunity Area application; and

WHEREAS, the City Council of the City of Marlborough 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 a Certified Project designation within the 200 Forest Street Economic Opportunity Area in the City of Marlborough be authorized:

1. The City Council of the City of Marlborough hereby approves the 200 Forest Street Economic Opportunity Area ("EOA") and authorizes the submission of the 200 Forest Street EOA application (attached hereto as Exhibit 1) to the Massachusetts Economic Assistance Coordinating Council, said EOA to be comprised of Map 101, Parcel 2 on the Marlborough Assessor's Map; and

2. The City Council of the City of Marlborough hereby adopts the tax increment financing plan and authorizes the submission of a tax increment financing plan (attached hereto as Exhibit 2) to the Massachusetts Economic Assistance Coordinating Council; and

3. The City Council of the City of Marlborough agrees to authorize the use of tax increment financing and the submission of the tax increment financing agreement (attached hereto as Exhibit 3) to the Massachusetts Economic Assistance Coordinating Council; and

4. The City Council of the City of Marlborough hereby requests that the Massachusetts Economic Assistance Coordinating Council approve Quest Diagnostics LLC's designation as a certified project (local tax incentive only) (attached hereto as Exhibit 4); and further, that:
(a) the project, as proposed, is consistent with and can reasonably be expected to benefit significantly from inclusion in the 200 Forest Street EOA;
(b) the project will not overburden the City of Marlborough's infrastructure and utilities servicing the 200 Forest Street EOA;
(c) the project as described in the proposal will have a reasonable chance of increasing employment opportunities for residents of the Marlborough-Framingham Regional LLA; and
(d) the City Council approves Quest Diagnostics LLC's request that the project be designated by the Massachusetts Economic Assistance Coordinating Council as a certified project (local tax incentive only) for fifteen (15) years.

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THE MASSACHUSETTS ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

APPLICATION FOR DESIGNATION AS A

SITE-SPECIFIC ECONOMIC OPPORTUNITY AREA

FOR

200 Forest Street EOA

Located at
200 Forest Street
Marlborough, MA 01752
(Marlborough City Assessor's Map 101, Parcel 2)

WITHIN THE

Marlborough/Framingham Economic Target Area

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The Massachusetts Economic Development Incentive Program

APPLICATION FOR DESIGNATION OF ECONOMIC OPPORTUNITY AREA(S)

PART A: Applicant Information

1. Please check one:

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

____ This is a request to amend an EOA previously approved by the EACC.

2. Community submitting this application:

Marlborough, Massachusetts

Name of proposed EOA(s):

200 Forest Street Economic Opportunity Area ("EOA")

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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 a 3 ½" computer disk.

The property is located at 200 Forest Street in Marlborough, Massachusetts and is listed in the Marlborough City Assessor's files as Map 101, Parcel 2. Please see the location map, attached as Exhibit A and the legal description attached as Exhibit B.

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 is zoned for commercial/industrial use and is the former location of Hewlett-Packard. The proposed EOA site meets the definition of a "Decadent Area" ("Exhibit D") due to recent, adverse and substantial changes to the area's business/economic conditions. Such adverse changes are evidenced by the condition of the building located at 200 Forest Street, which has been vacant for an extended period of time.

A site-specific EOA designation will help advance the City of Marlborough's efforts to market the current site to a new commercial end user. The 200 Forest EOA designation will serve to attract new jobs and capital investment to the site, strengthen Marlborough's commercial tax base, as well as encourage the highest and best use of a site that is now vacant.

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

____ 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 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 the 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 to a maximum of twenty (20) years.

The City of Marlborough proposes that the EOA designation remain in effect for twenty (20) years.

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.

- *EOAs must be locally designated with the approval of the Mayor and Marlborough City Council;*

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- *EOAs must meet all requirements promulgated the Massachusetts Economic Assistance Coordinating Council ("EACC");*

- *EOA applications must also be submitted first to the appropriate MA Office of Business Development's (MOBD) Regional Director for review and then forwarded to the EACC for approval;*

- *EOA applications must identify one or more Regional Economic Development Goals and how the EOA will contribute to the achievement of that goal; and*

- *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 previously adopted the following goal for the Marlborough/Framingham Regional ETA that is applicable to the planned redevelopment of the proposed EOA:

- *Utilization of existing blighted/decadent commercial/industrial buildings or sites.*

Quest Diagnostics LLC together with Quest Diagnostics Incorporated, the parent corporation, and any affiliates, subsidiaries or entities that are controlled, managed or owned by, or under common control with, Quest Diagnostics Incorporated (collectively, "Quest Diagnostics" or the "Company") has targeted the proposed EOA to create a central regional laboratory facility. The proposed EOA site is currently owned by Atlantic-Marlboro Realty, LLC (the "Owner"), is currently vacant and has been vacant for over two years.

Additionally, the economic development goals for the proposed EOA include:

1. *creating approximately 246 new jobs in the Marlborough/Framingham Regional ETA;*
2. *basing approximately 957 permanent, full-time jobs presently located throughout Massachusetts to the Marlborough/Framingham Regional ETA;*
3. *investing approximately $77.85 ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements) million in renovation, construction, fixtures, furniture, equipment and technology costs;*
4. *increasing the City's commercial tax base;*
5. *encouraging productivity in commercially zoned areas of the City; and*

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6. *promoting the restoration and revitalization of a vacant site in the City of Marlborough.*

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 is a business-friendly community whose municipal officials are always willing to work with businesses to promote economic development and success. City officials help companies navigate the local permitting and zoning process and expedite these approvals whenever possible. The City of Marlborough implements an expedited review permit review process that is coordinated by the City's administrative Site Plan Review Committee. The City's Building Inspector, Fire and Police Chiefs, as well as other staff professionals, sit on the Site Plan Review Committee.

The proposed 200 Forest Street EOA is already adequately serviced by sewer, water, gas, electric, voice, data and cable. At this time, no additional services are envisioned for the EOA.

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 currently have a written policy linking its banking policies to a bank's compliance with the Community Reinvestment Act.

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.

The Mayor and Marlborough Economic Development Corporation are authorized to review project proposals on behalf of the City of Marlborough. The Marlborough City Council is the legislative entity that ultimately approves all EOA Designations and Tax Increment Financing Agreements.

(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.

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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).

All projects seeking EACC approval as an EDIP Expansion Project, local execution of a TIF Agreement and local designation for a defined area as an EOA are forwarded to the Marlborough City Council upon recommendation from the Marlborough Economic Development Corporation and the Mayor along with other local stakeholders comprising of an Ad-Hoc Advisory TIF Committee. The Marlborough City Council will then send the EOA application and proposed TIF Agreement to the City Council Finance Committee for consideration and approval. Upon review and approval by the Finance Committee, the Marlborough City Council then formally approves the TIF Agreement and EOA Designation. Once the TIF Agreement is executed by the Mayor and the Project's signatory, the EOA application and TIF Agreement are forwarded to the EACC for approval and EDIP Expansion Project certification.

10. Intent of Businesses to Locate in EOA:

Identify the names and 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.

As noted previously, Quest Diagnostics is interested in establishing a central regional laboratory at 200 Forest Street, Marlborough. The proposed project has the goal of creating approximately 246 new, permanent, full-time jobs, and relocating approximately 957 permanent, full-time jobs, for a projected total of 1,203 new, permanent, full-time jobs based out of Marlborough.

The proposed project will involve renovations to the existing building. The renovations are estimated to result in an initial capital investment for the Company of $77.85 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements) in combined soft, real property and personal property costs (the "Project"). The renovations are expected to begin in January of 2013 and scheduled to be completed by July of 2014.

See the 200 Forest Street TIF Plan and TIF Agreement for Quest Diagnostics.

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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.

This Section is not applicable to the City of Marlborough as, according to the US Census Bureau, the City's population was 39,499 in 2010.

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.

Attached as Exhibit C is a certification of the _____, 2012 Marlborough City Council vote designating the 200 Forest Street EOA and a Tax Increment Financing Agreement by and between the City of Marlborough, Quest Diagnostics and the Owner.

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EXHIBITS

Exhibit A:	Map of Proposed 200 Forest Street EOA
Exhibit B:	Legal Description of 200 Forest Street EOA
Exhibit C:	Marlborough City Council Vote Approving the 200 Forest Street EOA
Exhibit D:	Definition of "Decadent Area" per MGL c. 121A, § 1 & 402 CMR 2.03

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EXHIBIT A

Map of Proposed 200 Forest Street EOA

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City of Marlborough

200 Forest Street

Map 101 Parcel 2

The City of Marlborough shall assume no liability for the use of this map nor any errors, omissions, or inaccuracies contained herein regardless of how caused. The City of Marlborough assumes no liability for any decision made or action taken or not taken by the user in reliance upon any information furnished hereunder.

GIS

EXHIBIT B

Legal Description of 200 Forest Street EOA

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A CERTAIN PARCEL OF LAND SITUATED ON THE SOUTHERLY SIDE OF FOREST STREET, WESTERLY SIDE OF INTERSTATE ROUTE 495 AND THE EASTERLY SIDE OF SIMARANO DRIVE IN THE CITY OF MARLBOROUGH, COUNTY OF MIDDLESEX, COMMONWEALTH OF MASSACHUSETTS, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY CORNER OF THE INTERSECTION OF SIMARANO DRIVE AND FOREST STREET, SAID POINT BEING THE NORTHWESTERLY CORNER OF HEREINAFTER DESCRIBED PARCEL; THENCE

EASTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF FIVE HUNDRED SEVENTY AND NO HUNDREDTHS FEET (570.00'), A DISTANCE OF ONE HUNDRED FIFTY AND THIRTY-NINE HUNDREDTHS FEET (150.39') TO A POINT; THENCE

S 89° 18' 23" E A DISTANCE OF TWO HUNDRED SIX AND THIRTY-THREE HUNDREDTHS FEET (206.33') TO A POINT; THENCE

EASTERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF ONE THOUSAND THIRTY AND NO HUNDREDTHS FEET (1030.00'), A DISTANCE OF THREE HUNDRED FORTY-THREE AND FORTY-TWO HUNDREDTHS FEET (343.42') TO A POINT; THENCE

N 71° 35' 25" E A DISTANCE OF FOUR HUNDRED FIFTY-SIX AND SIXTY-FOUR HUNDREDTHS FEET (456.64') TO A POINT; THENCE

EASTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF FIVE HUNDRED SEVENTY AND NO HUNDREDTHS FEET (570.00'), A DISTANCE OF TWO HUNDRED TEN AND EIGHTY-FOUR HUNDREDTHS FEET (210.84') TO A POINT; THENCE

S 87° 13' 00" E A DISTANCE OF FOUR HUNDRED TWENTY-EIGHT AND NINETY-TWO HUNDREDTHS FEET (428.92') TO A POINT; THENCE

EASTERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF ONE THOUSAND THREE HUNDRED SIXTY-TWO AND NINETY-THREE HUNDREDTHS FEET (1362.93'), A DISTANCE OF FOUR HUNDRED ONE AND FIFTY HUNDREDTHS FEET (401.50') TO A POINT; THENCE

N 75° 54' 18" E A DISTANCE OF THREE HUNDRED EIGHTY-EIGHT AND THIRTY-EIGHT HUNDREDTHS FEET (388.38') TO A POINT IN THE WESTERLY LINE OF INTERSTATE ROUTE 495, THE PREVIOUS EIGHT (8) COURSES BOUNDING ON THE SOUTHERLY LINE OF FOREST STREET; THENCE

SOUTHERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF TEN THOUSAND ONE HUNDRED FIFTY-TWO AND NO HUNDREDTHS FEET (10152.00'), A DISTANCE OF ONE THOUSAND SIXTY-SIX AND NINE HUNDREDTHS FEET (1066.09') BY THE WESTERLY LINE OF INTERSTATE ROUTE 495 TO A POINT; THENCE

S 78° 36' 23" W A DISTANCE OF FIVE HUNDRED THIRTY-EIGHT AND TWENTY-FIVE

DRAFT

HUNDREDTHS FEET (538.25') TO A POINT; THENCE

S 27° 49' 51" W A DISTANCE OF ONE HUNDRED TWENTY-THREE AND THIRTY-SIX HUNDREDTHS FEET (123.36') TO A POINT; THENCE

SOUTHERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF ONE THOUSAND ONE HUNDRED AND NO HUNDREDTHS FEET (1100.00'), A DISTANCE OF THREE HUNDRED AND EIGHTY-SIX HUNDREDTHS FEET (300.86') TO A POINT; THENCE

SOUTHEASTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF TWO HUNDRED TWENTY-THREE AND NO HUNDREDTHS FEET (223.00'), A DISTANCE OF TWO HUNDRED TWENTY-SEVEN AND NINETY-SIX HUNDREDTHS FEET (227.96') TO A POINT; THENCE

SOUTHERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF FOUR HUNDRED FIFTY AND NO HUNDREDTHS FEET (450.00'), A DISTANCE OF FOUR HUNDRED EIGHTY-ONE AND SIXTY-EIGHT HUNDREDTHS FEET (481.68') TO A POINT; THENCE

S 42° 06' 53" W A DISTANCE OF ONE HUNDRED ELEVEN AND TWENTY-SIX HUNDREDTHS FEET (111.26') TO A POINT; THENCE

SOUTHERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF FIVE HUNDRED TEN AND NO HUNDREDTHS FEET (510.00'), A DISTANCE OF FIVE HUNDRED SEVENTEEN AND NINETY-TWO HUNDREDTHS FEET (517.92') TO A POINT; THENCE

S 16° 04' 13" E A DISTANCE OF ONE HUNDRED FORTY-NINE AND NINETY-THREE HUNDREDTHS FEET (149.93') TO A POINT; THENCE

S 65° 34' 06" W A DISTANCE OF ONE HUNDRED THIRTY-SEVEN AND FIFTY-THREE HUNDREDTHS FEET (137.53') TO A POINT IN THE EASTERLY LINE OF SIMARANO DRIVE; THENCE

NORTHWESTERLY BY A CURVE TO THE LEFT HAVING A RADIUS OF FIVE HUNDRED THIRTY AND NO HUNDREDTHS FEET (530.00') A DISTANCE OF ONE HUNDRED SIXTY-EIGHT AND TWENTY-TWO HUNDREDTHS FEET (168.22') TO A POINT; THENCE

N 53° 42' 50" W A DISTANCE OF ONE THOUSAND SIX HUNDRED EIGHTY-EIGHT AND NINETY HUNDREDTHS FEET (1688.90') TO A POINT; THENCE

NORTHWESTERLY BY A CURVE TO THE RIGHT HAVING A RADIUS OF SIX HUNDRED FORTY-SEVEN AND NINETY HUNDREDTHS FEET (647.90'), A DISTANCE OF SIX HUNDRED FIFTY-THREE AND TWENTY-FIVE HUNDREDTHS FEET (653.25') TO A POINT; THENCE

N 04° 03' 18" E A DISTANCE OF TWO HUNDRED THIRTY-FIVE AND NINETY-TWO HUNDREDTHS FEET (235.92') TO A POINT; THENCE

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NORTHERLY	BY A CURVE TO THE LEFT HAVING A RADIUS OF FOUR HUNDRED SEVENTY-SEVEN AND FORTY-NINE HUNDREDTHS FEET (477.49'), A DISTANCE OF ONE HUNDRED FORTY-EIGHT AND SEVENTY-EIGHT HUNDREDTHS FEET (148.78') TO A POINT; THENCE
N 13° 47' 53" W	A DISTANCE OF FOUR HUNDRED FORTY-ONE AND TWENTY-THREE HUNDREDTHS FEET (441.23') TO A POINT; THENCE
NORTHEASTERLY	BY A CURVE TO THE RIGHT HAVING A RADIUS OF FIFTY AND NO HUNDREDTHS FEET (50.00'), A DISTANCE OF SEVENTY-SEVEN AND NINETY-NINE HUNDREDTHS FEET (77.99') TO THE POINT OF BEGINNING. THE PREVIOUS SEVEN (7) COURSES BOUNDING ON THE SAID EASTERLY LINE OF SIMARANO DRIVE.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS AN AREA OF 109.47 ACRES AND IS MORE PARTICULARLY SHOWN ON A PLAN ENTITLED "COMPILED PLAN OF LAND IN MARLBOROUGH, MASS. & SOUTHBOROUGH, MASS." DATED NOVEMBER 23, 1994; PREPARED BY THE BSC GROUP, INC AND RECORDED WITH MIDDLESEX SOUTH DISTRICT REGISTRY OF DEEDS AS PLAN NO. 1254 OF 1994.

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EXHIBIT C

Marlborough City Council Vote Approving the 200 Forest Street EOA

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EXHIBIT D

Definition of "Decadent Area" pursuant to MGL c. 121A, § 1 & 402 CMR 2.03:

Decadent Area: an area which is detrimental to the 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 makes 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.

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Economic Assistance Coordinating Council
LOCAL TAX INCENTIVE ONLY PROJECTS

1. APPLICANT(S) INFORMATION			
Business Names of Applicant(s):	**Quest Diagnostics LLC**		
Business Address of Applicants:	**3 Giralda Farms, Madison, New Jersey, 07940**		
FEIN #:	**16-1387862 (FEIN of Parent, Quest Diagnostics Incorporated, as Quest Diagnostics LLC is a disregarded entitiy for MA tax purposes)**		
Executive Officer:	**Robert F. O'Keefe, Vice President and Treasurer of Quest Diagnostics Incorporated**		
Contact Person (If different):	**Timothy W. Anderson Managing Director, Quest Diagnostics 415 Massachusetts Avenue Cambridge, MA 02139**		
Email:	**Timothy.W.Anderson@questdiagnostics.com**		
Phone:	**(617) 520-8101**	**Fax:**	**(617) 497-5508**

2. NATURE AND HISTORY OF THE APPLICANT BUSINESS

Please provide a general description of the applicant's business, history and reason for the project (for example, the company outgrew its existing space).

Quest Diagnostics Incorporated, doing business in Massachusetts through Quest Diagnostics LLC and other subsidaries and affiliates, (hereinafter collectively referred to as "Quest" or "the Company") is the leading provider of diagnostic testing, information and services, which doctors and patients need to make better healthcare decisions. The Company is a pioneer in developing innovative diagnostic tests and advanced healthcare information technology solutions that help improve patient care.

To best position the Company for future growth, Quest is contemplating merging its New England laboratory operations into one state-of-the-art facility. To that end, the Company is in the final stages of a site selection process. Quest is interested in pursuig a TIF Agreement for leased space in Marlborough located at 200 Forest Street, the building formerly occupied by Hewlett-Packard that has been vacant for more than two years.

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3. PROJECT and LOCAL TAX INCENTIVE INFORMATION	
Project Name:	**Quest Diagnostics Northeast Regional Laboratory Facility**
Economic Opportunity Area and Project Address:	**200 Forest Street EOA 200 Forest Street, Marlborough, MA**
Municipality:	**Marlborough, MA**

Local Tax Incentive: Please identify whether Tax Increment Financing or Special Tax Assessment Agreement, the duration of the incentive and percentage exemption (for example, 5 Year TIF (50-40-30-20-10):

15 Years ☒TIF ☐STA Exemption Schedule: 100%, 100%, 90%, 90%, 80%, 80%, 75%, 70%, 70%, 60%, 60%, 60%, 50%, 50%, 50%.

Base Taxable Value of Property:	**TBD**
Projected total value of local real estate tax exemption:	**TBD**
Projected total value of local personal property tax exemption:	**TBD**
Start of TIF / STA:	**July 1, 2014 (FY 2015)**
If applicable, has the building been 75% vacant for 24 months or more?	☒ **Yes** ☐ **No** ☐ **N/A**
Project Job Creation (Full Time, Permanent):	**246**
Project Job Retention (Full Time, Permanent):	**957**
Project Investment:	**$77.85 million ($63.85 million taking into account an approximate $14 million reimbursement from the Owner for tenant improvements)**
As a result of the project, will there be any consolidation, relocation or closing of Massachusetts' facilities? If yes, please explain.	☒ **Yes** ☐ **No** **Quest is planning to consolidate operations by creating a central laboratory facility in Marlborough.**
Will the project facility be owned or leased by the applicant? If leased, please identify property owner and confirm that property tax savings will be provided to the EDIP applicant.	**Owned** ☐ **Leased** ☒ **Property Owner: Atlantic-Marlboro Realty, LLC** **All local property tax savings provided to EDIP applicant business** ☒

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4. NATURE AND PURPOSE OF PROPOSED PROJECT

Please provide a summary description of the applicant's project including (a) detail and the proposed timeline of a purchase / lease and / or construction and occupation, (b) equipment purchases, (c) skills needed for new employees and hiring methods. Please explain why local incentives are necessary for the project to move forward.

Quest is planning to establish a central state-of-the-art laboratory facility in the Northeast. To that end, the Company is interested in entering into an agreement to lease approximately 200,000 square feet of space of the approximately 537,582 square foot building located at 200 Forest Street in Marlborough, MA together with parking facilities and other improvements located thereon.

The Company plans to make capital investments estimated to be $77.8 million ($63.85 million taking into account an approximate $14 million reimbursement from the owner for tenant improvements). Quest also anticipates relocating 957 full-time employees and creating 246 new, permanent full-time positions at the location over the first 3 years of the proposed TIF Agreement.

The proposed EOA is zoned for commercial/industrial use and is the former location of Hewlett-Packard. The proposed EOA site meets the definition of a "Decadent Area" due to the area's business/economic conditions. Such adverse changes are evidenced by the building located at 200 Forest Street having been vacant for an extended period of time, by the physical deteriorated condition of the building, and by the overgrown parking lot.

A Site Specific EOA designation will help advance the City of Marlborough efforts to market the current site to a new commercial end user. The 200 Forest EOA designation will serve to attract new jobs and capital investment to the site, strengthen Marlborough's commercial tax base, as well as to encourage the highest and best use of a site that is now vacant.

5. MUNICIPAL INFORMATION			
Municipal Contact:	**Tim Cummings**		
Municipal Address:	**91 Main Street, Suite 204, Marlborough, MA 01752**		
Municipal Email:	**tcummings@marlboroughedc.com**		
Municipal Phone:	**508-229-2010**	**Municipal Fax:**	

6. LOCAL APPROVAL and CERTIFICATE OF GOOD STANDING	
Date Municipality Approved Local Tax Incentive:	
Approving Authority:	**Marlborough City Council**
Attach Municipal Vote Approving Incentive:	☐
Attach TIF/STA Agreement	☒
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 tax incentives. To obtain a Certificate of Good Standing go to https://wfb.dor.state.ma.us/webfile/Certificate/Public/WebForms/Welcome.aspx	**Attached ☒**

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PART II. LABOR AFFIRMATION	
Part A:	
☒ As an applicant requesting Certified Project approval, Quest Diagnostics LLC and its affiliates , 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, Quest Diagnostics LLC and its affiliates, 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 (if yes, please provide details:	
(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 ☒No Details: Quest Diagnostics Incorporated & subsidiaries is a large corporation in a highly regulated industry. See 10-K for information about matters related to the company.
(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 ☒No Details:
(c) any governmental determination of a violation of any public works law or regulation, or labor law or regulation or	☐Yes ☒No Details:

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any OSHA violation deemed "serious or willful?"	

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I/We_ (names and titles) of the applicant business applying for approval of tax incentives 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 and job creation. I/we understand that the information provided with this application will be relied upon by the Commonwealth in deciding whether to approve tax incentives and that the Commonwealth reserves the right to take action against the applicant or any other beneficiary of the tax incentives 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.

AND Certification as to accuracy and Public Records Law acknowledgement:

The signatories herby certify that the answers in this application and the documents submitted in support thereof are accurate and complete representations of the applicant. They 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).

Name	Title	Date
Name	Title	Date

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MASSACHUSETTS DEPT. OF REVENUE
PO BOX 7066
BOSTON, MA 02204

AMY A. PITTER, COMMISSIONER
ROBERT P. O'NEILL, BUREAU CHIEF

QUEST DIAGNOSTICS INC
1290 WALL ST W FL 4
LYNDHURST NJ 07071-3883

243C

Notice 80619
T/P ID 161 387 862
Date 8/23/12
Bureau CERTIFICATE

OP

CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE

The Commissioner of Revenue certifies as of the above date, that the above named individual or entity is in compliance with its tax obligations payable under M.G.L. c. 62C including corporation excise, sales and use taxes, sales tax on meals, sales and use tax on Boats/RV, withholding taxes, room occupancy excise and personal income taxes, with the following exceptions.

This Certificate certifies that individual taxpayers are in compliance with income tax obligations and any sales and use taxes, sales tax on meals, withholding taxes, and/or room occupancy taxes related to a sole proprietorship. Persons deemed responsible for the payment of these taxes on behalf of a corporation, partnership or other business entity may not use our automated process to obtain a Certificate.

This Certificate does not certify that the entity's standing as to taxes such as unemployment insurance administered by agencies other than the Department of Revenue, or taxes under any other provisions of law. Taxpayers required to collect or remit the following taxes must submit a separate request to certify compliance: Alcoholic Beverage Excise, Cigarette Excise, International Fuels Tax Agreement, Smokeless Tobacco or Ferry Embarkation.

THIS IS NOT A WAIVER OF LIEN ISSUED UNDER GENERAL LAWS, CHAPTER 62C, SECTION 52.

Very truly yours,

Robert O'Neill, Bureau Chief

MASSACHUSETTS DEPT. OF REVENUE
PO BOX 7086
BOSTON, MA 02204

AMY A. PITTER, COMMISSIONER
ROBERT P. O'NEILL, BUREAU CHIEF

ATHENA DIAGNOSTICS INC
1290 WALL ST W
LYNDHURST NJ 07071-3603

243C Notice 80619 OP
T/P ID 311 805 826
Date 9/19/12
Bureau CERTIFICATE

CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE

The Commissioner of Revenue certifies as of the above date, that the above named individual or entity is in compliance with its tax obligations payable under M.G.L. c. 62C, including corporation excise, sales and use taxes, sales tax on meals, sales and use tax on Boats/RV, withholding taxes, room occupancy excise and personal income taxes, with the following exceptions.

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Very truly yours,

Robert O'Neill, Bureau Chief