AGREEMENT REGARDING PROPERTY TAX ASSESSMENT

This Agreement is entered into this _____ day of _____, 2020, by, between and among the **TOWN OF EAST HADDAM**, a municipal corporation and body politic having its corporate limits located within the County of Middlesex and State of Connecticut (hereinafter "Town"), and **CLARK GATES LLC,** a Connecticut limited liability company with an address of 24 Mount Parnassus Road, P. O. Box 283, East Haddam, Connecticut 06423 (hereinafter "TAXPAYER").

WITNESSETH:

WHEREAS, TAXPAYER owns the real estate at 382 Town Street, East Haddam, CT (the "Real Property"); and

WHEREAS, TAXPAYER has made substantial renovations and improvements to the Property and has leased space therein to several small businesses (acquisition of said Property, renovations and rehabilitation of the existing historic structures and construction of new buildings are hereinafter collectively referred to as the "improvements"); and

WHEREAS, TAXPAYER has invested not less than $500,000.00 in the improvements and qualifies for the abatement set forth in Section 290-25.A(2) of said Ordinance.

NOW, THEREFORE, in consideration of TAXPAYER's improvements, thereby adding value to the tax base of the Real Property, and TAXPAYER's promise to lease the Premises to one or more small business tenants continuously for at least two (2) years from October 1, 2020, being the date of the grand list following the completion of the improvements, and in consideration of the Town agreeing to provide real estate and personal property tax relief to TAXPAYER pursuant and subject to the applicable provisions of Chapter 203 of the Connecticut General Statutes and the East Haddam Tax and Business Incentive Program Ordinance (the "Ordinance"), **BE IT AGREED** that:

1. TAXPAYER has agreed to construct the improvements, which reflect an investment of not less than $500,000.00.

2. The Town shall fix the assessment of TAXPAYER existing land, buildings and other improvements to the real estate at 382 Town Street, East Haddam, CT, in accordance with the Ordinance by granting it an abatement from the assessed value of the land, buildings and other real estate improvements and the personal property in the amount of eighty percent (80%) for the grand list of October 1, 2020 and seventy percent (70%) for the grand list of October 1, 2021.

3. TAXPAYER agrees to pay all tax obligations owed by it to the Town during the term of this Agreement as and when such taxes become due and payable and pay off any tax arrearages, interest, penalties and fees on prior grand lists, if any, on or before the date this agreement is executed. TAXPAYER may not assign or transfer this Agreement or any benefit conferred by, through or under this Agreement to any other person, business, party or entity. Any assignment or transfer made or attempted without the prior express written consent of the Town shall constitute a material default of this Agreement.

4. In the event that TAXPAYER defaults in the performance of any obligation hereunder and fails to correct same within thirty (30) days of receipt of a written notice to

TAXPAYER of such non-performance, this Agreement shall terminate and the abatement of real estate taxes provided hereunder shall cease and come to an end. TAXPAYER shall reimburse the Town for all taxes abated hereunder and not paid to the Town together with interest at the rate of eighteen percent (18%) per annum from the date such taxes became due in accordance with the applicable sections of the General Statutes of the State of Connecticut in effect at the time of the occurrence of said default for assessment and collection of real estate property taxes. All payments shall be applied first to interest and then to the outstanding balance of unpaid taxes. In the event that the Town is required to use the services of a lawyer to enforce any provision hereunder including but not limited to collection of unpaid taxes, TAXPAYER agrees to pay to the Town all of lawyers' fees and costs incurred by the Town in enforcing the terms of this Agreement. In the event TAXPAYER does not correct the violations of this Agreement within said thirty (30) days of receipt of said written notice of default, the Town has no further obligation to provide tax relief to TAXPAYER or any business owned and/or operated by said TAXPAYER under this Agreement or associated with any application for tax relief or amendment thereto which gave rise to this Agreement or any new application filed thereafter by TAXPAYER or any affiliate of TAXPAYER.

5. All notices required to be sent by the Town are to be mailed to TAXPAYER via certified mail, return receipt requested (provided that refusal of TAXPAYER to accept such delivery shall be deemed as delivery hereunder) to 24 Mount Parnassus Road, P. O. Box 283, East Haddam, Connecticut 06423.

6. TAXPAYER waives any right it has or may have against the Town, its agents, servants and employees and releases the said Town and its agents, servants and employees from any and all liability, of whatever nature, legal or equitable, which may have arisen or which may arise in connection with this Agreement, including the implementation hereof.

7. TAXPAYER shall defend and indemnify the Town and any of its agents, servants and employees against any action, claim, suit, judgment or damages in any amount or of any nature whatsoever, arising out of or associated with the any breach by the TAXPAYER of this Agreement and/or any failure by the TAXPAYER in its undertaking of its obligation hereunder.

8. That TAXPAYER has the authority to execute this Agreement for itself and on behalf of its business and represents that it does not need the consent or permission, written or otherwise, of any other person, business or entity to execute this Agreement. All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the heirs, executors, successors and permitted assigns of respective parties hereto.

9. This Agreement, together with any and all exhibits and schedules attached hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties. No supplement or modification of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No delay by the Town in exercising its rights hereunder shall constitute a waiver thereof; nor shall any waiver granted by the Town constitute a continuing waiver unless otherwise expressly provided. All remedies of the Town hereunder are cumulative and are not exclusive of any other remedies provided by law. All of the terms and conditions of this

Agreement shall be construed and interpreted in accordance with the laws of the State of Connecticut.

10. This agreement becomes effective upon execution and approval of the East Haddam Board of Selectmen and Town Meeting.

Witnessed by:

TOWN OF EAST HADDAM

_____

By_____
Robert R. Smith, Its First Selectman

_____

CLARK GATES LLC

_____

By_____
Robert Casner, Its Member

_____

STATE OF CONNECTICUT:
: ss. _____, 2020
COUNTY OF MIDDLESEX:

Personally appeared Robert R. Smith, First Selectman of the Town of East Haddam, duly authorized, Signer and Sealer of the foregoing instrument, who acknowledged the same to be his/her free act and deed and the free act and deed of said Town of East Haddam, before me,

_____

Notary Public
My Commission expires:

STATE OF CONNECTICUT:
: ss. _____, 2020
COUNTY OF MIDDLESEX:

Personally appeared Robert Casner, Member of Clark Gates, LLC, duly authorized, Signer and Sealer of the foregoing instrument, who acknowledged the same to be his free act and deed and the free act and deed of said limited liability company, before me.

_____

Notary Public
My Commission expires: