



Jonathan F. Mitchell, Mayor

CITY OF NEW BEDFORD TAX INCREMENT FINANCING BOARD

1213 Purchase Street
New Bedford, MA 02740

Tel. (508)991-3122
Fax (508)991-7372

Project:

STA - proposed 5 -year agreement

Windward Power Systems Inc.
2185 Purchase Street
New Bedford, MA 02740

Contact Information:

Nathan Tynan, President
n.tynan@windwardpower.com
508-774.992.0059

Company Background

Established on Alden Road in Fairhaven in 2006, Windward Power Systems Inc, provides sales, service, and parts support for marine diesel engines, generators, and transmissions. Roughly four years ago the company became a distributor of hydraulic fittings and adapters, and developed the ability to manufacture hydraulic hose. Since then, company ownership has recognized that the market for customized hydraulic assemblies and tubing is underserved, and that these products are required across many industries. Greater expansion into this space will not only allow the company to diversify, doing so will also position Windward Power Systems Inc. to capture the opportunities presented by the offshore wind industry.

Current Employment

9 Employees based in Fairhaven.

Proposed Project

This project is the creation of a manufacturing division. Windward Power Systems has purchased the vacant and long underutilized property at 2185 Purchase Street. Of the existing 21,000 ft² property, approximately 17,000 ft² will be rehabilitated for manufacturing. Renovations will include the installation of an oil and water separator, new overhead doors, new windows, new doors, interior build-out, roof repairs, upgraded electrical, and sitework improvements.

Proposed Investment

The proposal requires an investment of approximately \$1.390MM. This includes acquisition (\$585M), construction (\$250M), and machinery/equipment (\$555M).

The 2185 Purchase Street property has a current total assessed value of \$467,900 (FY22).

Employment Projections

The project proposes the creation of 11 new jobs including management, professional, skilled, and unskilled labor positions. Salaries will range from \$39M - \$120M annually. All employees will be offered company healthcare and retirement account participation.

EDIP Participation

- Local real estate Special Tax Agreement beneficiary (hypothetical calculation attached)

Location: 2185 PURCHASE ST **Parcel ID:** 92 9 **Zoning:** MUB **Fiscal Year:** 2022 **Account Number:** 27827

Current Owner Information:
 JORDAN AGV INC
 30 CLARKS COVE DRIVE
 SOUTH DARTMOUTH , MA 02748

Current Sales Information:

Sale Date:

02/15/2017

Sale Price:

\$295,000.00

Card No. 1 of 1

Legal Reference:

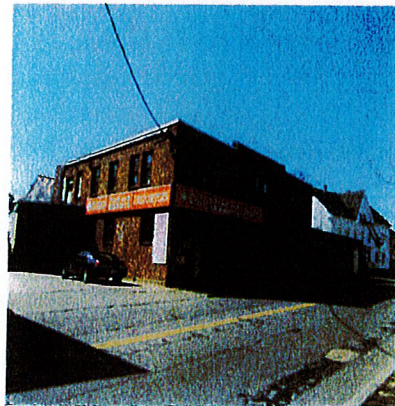
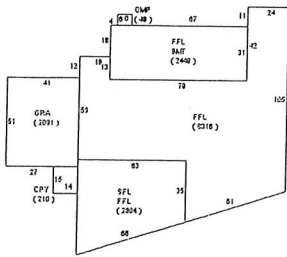
11988-275

Grantor:

MARTINS & AFONSO REALTY LLC,

This Parcel contains 0.55011 acres of land mainly classified for assessment purposes as IND WHS with a(n) OLD MILL style building, built about 1920, having Brick exterior, Tar&Gravel roof cover and 16373 Square Feet, with 1 unit(s), total room(s), total bedroom(s) total bath(s), 0 3/4 baths, and 3 total half bath(s).

Building Value:	Land Value:	Yard Items Value:	Total Value:
267200	195100	5600	467900



Fiscal Year 2023

Tax Rate Res.:	14.29
Tax Rate Com.:	29.88
Property Code:	401
Total Bldg Value:	267200
Total Yard Value:	5600
Total Land Value:	195100
Total Value:	467900
Tax:	\$13,980.85

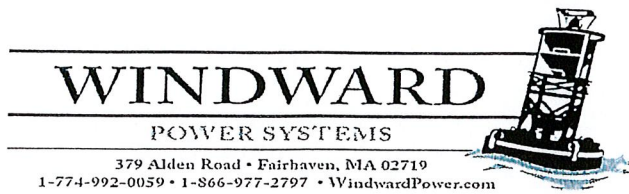
Fiscal Year 2022

Tax Rate Res.:	15.54
Tax Rate Com.:	33.51
Property Code:	401
Total Bldg Value:	267200
Total Yard Value:	5600
Total Land Value:	185800
Total Value:	458600
Tax:	\$15,367.69

Fiscal Year 2021

Tax Rate Res.:	15.59
Tax Rate Com.:	32.76
Property Code:	401
Total Bldg Value:	264700
Total Yard Value:	5600
Total Land Value:	176500
Total Value:	446800
Tax:	\$14,637.17

Disclaimer: Classification is not an indication of uses allowed under city zoning. This information is believed to be correct but is subject to change and is not warranted.



January 24, 2023

Mayor Jonathan F. Mitchell
City of New Bedford
133 William Street
New Bedford, MA 02740

RE: Intent to Apply for MA Economic Development Program (EDIP) in New Bedford

Dear Mayor Mitchell:

Please accept this Letter of Intent as required pursuant to MA Economic Development Incentive Program(EDIP). We are interested in applying for this program and would like to discuss with you any opportunity for municipal support in the form of Tax Increment Financing (TIF) on local property tax and/or personal property or Special Tax Assessment (STA) on real property for our property at 2185 Purchase St. As you may be aware, a TIF or STA requires final approval from the MA Economic Assistance Coordinating Council. If not for the tax incentives available through this program, it would not be possible to complete this project as planned.

On December 14, 2022, my company met with Will Crocker of Mass. Office of Business Development to discuss EDIP Program and various incentives.

Windward Power has been in operation for 17 years, offering sales/service/parts support for Marine Diesel engines, supporting our working waterfront. We are expanding into a manufacturing division to build hydraulic tube assemblies and grow our hydraulic hose and fitting business. The manufacturing division will also support the Wind Farm initiative as this is a specific need.

This Projects requires a total investment of \$1,285,000 and includes:

- \$585,000 Acquisition of 2185 Purchase Street. New Bedford, MA. Renovation and fit out that will require approximately 6 months beginning in Feb 2023.
- \$250,000 Renovations and Improvements
- \$450,000 Equipment and Machinery

This expansion will create 5 jobs and relocate 2 jobs from Fairhaven. We commit to offering at least 51% of these new jobs to New Bedford residents. In addition, we commit to working with City's employment agencies such as Mass Hire New Bedford in our search for new hires. We also pledge to abide by the City's guiding principles for investment in New Bedford as articulated in New Bedford Works.

SPECIAL TAX ASSESSMENT AGREEMENT

By and Between

The City of New Bedford, MA

and

Windward Power Systems Inc., and Superfly Enterprises LLC

AGREEMENT is made this day of 2023 and between the City of New Bedford, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at 133 William Street, New Bedford, Massachusetts 02740 (hereinafter referred to as the "City"), **Windward Power Systems Inc.**, a Massachusetts Corporation, having a principal place of business 379 Alden Road, Fairhaven, Massachusetts 02719 (hereinafter referred to as the "Company"), and **Superfly Enterprises LLC** a Massachusetts Limited Liability Company and the owner of the property (hereinafter referred to as the "Owner").

PRELIMINARY STATEMENTS

- A. Whereas, Owner and Company are parties to a Lease for certain land containing approximately 1.14 acres and shown on New Bedford Assessors' records as PARCEL ID 92 9, together with the improvements thereon, located at 2185 Purchase Street, New Bedford, Massachusetts 02740 (hereinafter referred to as the "Facility").
- B. The Owner, and the Company intend to improve and invest in the facility and equipment (hereinafter referred to as the "Project") provided that the City, Owner, and Company enters into this Agreement.
- C. The Project will create 11 full-time jobs over the five years of the Special Tax Assessment Agreement for residents of the greater New Bedford area. The Project will result in over \$1,390,000 for acquisition and renovation of the property, equipment, furniture, fixtures, and other investment by the Company.
- D. The Owner and the Company are seeking a Special Tax Assessment Exemption from the City, in accordance with the Massachusetts Economic Development Incentive Program and Chapters 23A and 59 of the Massachusetts General Laws.
- E. The City strongly supports increased economic development to provide additional jobs for residents of the Economic Target Area and the City wishes to expand commercial, industrial and marine related activity within the City, and attempts to develop a healthy economy and stronger tax base. Further, to assess the needs, in each of its neighborhoods, in addressing blight and distressed properties.
- F. The proposed Project will be located at 2185 Purchase Street, New Bedford, MA, and as Parcel 92 9 according to the New Bedford Assessors' records and shown in the City's real property assessment database.

G. The proposed Project boundaries are in the Greater New Bedford Economic Target Area (the “ETA”) and are located within the existing New Bedford Business Park Economic Opportunity Area (the “EOA”) as approved by the Massachusetts Economic Assistance Coordinating Council (the “EACC”).

H. The Company’s and Owner’s Project furthers economic development goals and the criteria established for the ETA and the EOA.

IT IS HEREBY AGREED THAT:

The City, as authorized by the City Council on _____ enters into this Special Tax Assessment Agreement for the Project, encompassing the property described in the attached Exhibit A at 2185 Purchase Street, New Bedford, MA 02740 and shown in the City of New Bedford’s real property assessment database.

ARTICLE I

1. The City is entering into this Agreement for the benefit of the Company and the Owner.
2. This is a Five (5) year incentive continuing through fiscal year 2028. This Agreement is effective beginning July 1, 2023.
3. Specifically, this Agreement calls for an exemption from taxation as follows:

YEAR	FISCAL YEAR	TAX EXEMPTION
1	2024	95% of the total assessed value of the property
2	2025	75% of the total assessed value of the property
3	2026	50% of the total assessed value of the property
4	2027	25% of the total assessed value of the property
5	2028	5% of the total assessed value of the property

4. In accordance with Clause 51st of Section 5 of Chapter 59 of the Massachusetts General Laws, all personal property situated at the Facility is not exempt from tax for an STA Agreement.
5. The City is granting the Special Tax Assessment Exemption in consideration of the Company’s commitment to:
 - a) Create 11 new permanent full-time jobs over the five years of the Special Tax Assessment Agreement and that the Company cooperates with The Greater New Bedford Workforce Investment Board, Inc. dba MassHire Greater New Bedford Workforce Board, the job training provider for the City, or any successor thereto in seeking to fill vacancies.

The Company shall commit to a policy of making jobs available to qualified New Bedford residents for any employment opportunities that become available at the Facility (subject to applicable law and assuming equal qualification).

- b) Invest, together with the Owner, approximately \$1,390,000.00 in the Project. The \$1,390,000 investment will be for the acquisition and renovation of the property, equipment, and other investment by the Company. The development of the Facility will be completed over the 5 years of this Special Tax Assessment Agreement.
6. The Company shall submit annual written reports on job creation, job retention, and new investments at the Property to City of New Bedford Board of Assessors, Mayor, and the New Bedford Economic Development Council, and the EACC by the end of July of each year with respect to the immediately preceding fiscal year during which this STA Agreement is in effect. Reports shall be submitted for the 2023 fiscal year beginning on July 30, 2024, and for every fiscal year thereafter falling within the term of this Agreement; the first report, therefore, shall be submitted by the end of July 2024. The annual report shall include:
- a) Employment levels at the Property at the beginning and end of the reporting period;
 - b) The specific number of New Bedford residents employed at the Property at the beginning and at the end of the reporting period;
 - c) A full accounting of the reasonable commercial efforts made by the Company to open new permanent full-time jobs at the Property to qualified residents of New Bedford and then to the regional ETA;
 - d) A narrative of the reasonable efforts made by the Company to solicit New Bedford businesses, vendors and suppliers to participate in requests for quotations for goods and services to be purchased by Company for the Property, including but not limited to the purchase of new machinery and equipment at the Property;
7. If the Company fails to meet the job creation and investment commitments specified in 5a and 5b, or the Owner fails to timely pay any payments due to the City for the Project, then the City, acting through its Tax Increment Financing (TIF) Board, may, at its sole discretion, take action to lead to decertification of the Project by the Economic Assistance Coordinating Council. Upon decertification, the City shall discontinue the Special Tax Agreement benefits described in paragraph 3, herein, commencing with the Fiscal Year for which either the Company or the Owner did not meet its commitment.
8. The parties hereto hereby expressly agree that the actual loss to the City of New Bedford as a result of the failure of the Company and Owner to comply with the provisions hereof are incapable of precise quantification due to the imprecise nature of secondary losses resulting from the Company's or Owner's breach of this Agreement. Therefore, upon decertification of this Project, the City may recapture the value of the real estate taxes not paid due to the

Exemptions provided herein. Pursuant to Massachusetts General Laws Chapter 23A, Section 3F(e), said recapture shall be made through a special assessment on the Property Owner in the municipal fiscal year that follows the EACC's decision to revoke approval of this Agreement. The assessment, payment, and collection of said special assessment shall be governed by procedures provided for the taxation of omitted property pursuant to Massachusetts General Laws Chapter 59, Section 75, notwithstanding the time period set forth in said Chapter 59 for which omitted property assessments may be imposed for each of the fiscal years included in the special assessment.

9. This Agreement shall be binding upon all parties to it and shall be binding upon and inure to the benefit of subsequent owners, companies, or tenants of the Facility, so long as the Project has not been decertified by the EACC.
10. If the Company ceases to be an operating entity during the term of this Agreement, the City shall thereupon be under no obligation to continue this Agreement unless its obligations are assumed by another entity acceptable to the City. If the Company plans to change its business operations, or move from the Facility, the City shall be given three months notice prior to the change or move.
11. The parties hereto hereby expressly agree that if the Company plans to change its business plan as provided in the previous paragraph, it may request to amend this Agreement and to amend its commitment. There shall also be a corresponding amendment to the Exemption. If said amendment to the business plan results in a reduced commitment in terms of employment and investment, the amended Exemption shall be calculated in such a fashion that the total Exemption provided under this Agreement for this Project shall be reduced by the corresponding percentage of reduced commitment.
12. (a) If the Company defaults or fails to satisfy any of the material representations or obligations set forth in the Certified Project Application said default and/or failure shall be deemed a default of this Agreement.

(b.) Upon determination that the Company is in default as provided herein, the Owner and the Company shall be given written notice by certified mail, return receipt requested, at the address set forth herein and shall be given fourteen (14) days within which to cure said default. If the Owner or Company fails to cure said default as provided herein the Company shall have been deemed to have failed to meet the job creation and investment commitments specified in this Agreement and the TIF Board may exercise any action pursuant to sections 7 or 8 of this Article I.

ARTICLE II
PROJECT REPRESENTATIONS

1. Project:

The Project that is the subject of this Agreement is the acquisition, construction renovation, equipping and improvement of the Facility, more fully described in the Certified Project Application submitted herewith by the Owner, its affiliates, and Company.

2. Representations of Owner:

- (a) The Owner represents that it understands that it and the Company's total investment in the Facility will be approximately \$1,390,000 for acquisition and renovation, equipment, and other investment by the Company necessary to accommodate the Company to the Project.
- (b) The Owner represents that it understands on the basis of the business plan of the Company, and subject to standard business contingencies, that the Company estimates that the Project will create 11 permanent full-time jobs over the five years of the Special Tax Assessment Agreement.
- (c) The Owner represents that it understands the Company shall endeavor first to hire its employees at the Facility from residents of the Greater New Bedford Economic Target Area.
- (d) The Owner represents that it understands that the Company will provide annual reports as required by the Commonwealth of Massachusetts on the employment activities of the Company, as well as annual information on occupancy in the building, investment in the building, and leasing status.
- (e) The Owner represents that the benefits contemplated by this Agreement will inure to the benefit of Company during the term of its lease with Owner and during the term(s) of any options to renew or to purchase exercised by the Company.

3. Representations of the City:

The City represents that no betterment or special assessments shall be assessed against the Facility throughout the term of this Agreement for any public construction or construction-related activities contemplated.

4. Representations of the Company:

- (a) In anticipation of the receipt of the STA benefits described in this Agreement, and approval of its Certified Project Application submitted to the EACC, the Company has executed a lease for the Facility.
- (b) The Company will provide annual reports as required by the Commonwealth of Massachusetts on its employment activity at the Facility.
- (c) The Company will endeavor first to hire its employees at the Facility from Residents of the New Bedford Economic Target Area.
- (d) During the term of its lease, and during any extension thereof or upon any exercise of an option to purchase, while this Agreement is in effect, the Company will notify the City of any option or renewal exercised pursuant to its lease for the premises at the Facility.
- (e) Subject to standard business contingencies, the Company estimates that during the term of this Agreement, the Project will create 11 new permanent full-time jobs over the five years of the Special Tax Assessment Agreement. The Company understands and acknowledges that the jobs created or retained to meet project eligibility guidelines must pay a minimum hourly wage equal to 110% of the State minimum hourly wage or equivalent.
- (f) The Company agrees to abide by the terms of this Agreement during the term of its lease with Owner and any option exercised thereunder.

ARTICLE III
MISCELLANEOUS

1. Subject to the provisions of Massachusetts General Laws Chapter 23A and 402 CMR 2.00, this Agreement shall take effect as of the date first set forth on the first page of this Agreement and remain in effect until the Termination Date. The Company shall have the right, in its sole discretion, to terminate this Agreement at any time during the term of its lease for the Facility or any extension exercised thereunder or during ownership of same, if any, after giving notice to the City of New Bedford and receiving approval from the EACC. Upon such termination, the tax increment exemption granted herein shall cease as of the fiscal year next following such termination, as will the Company's ability to take the 5% EOA tax credit on qualifying investments.

2. For the purposes of this Agreement, "Unavoidable Delay" shall mean the prevention, delay or other hindrance of the performance of an action or obligation hereunder by acts of God, fire, earthquake, floods, explosion, actions of the elements, war, riots, mob violence, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnation, court orders, laws or orders of governmental or military authorities, denial of, refusal to grant or appeals of any permit, approval or action of any public or quasi-public authority, official, agency

or subdivision and any litigation relating thereto, or any other cause, whether similar or dissimilar to the foregoing, not within the control of such party obligated to perform such obligation (other than lack of or inability to procure money to fulfill commitments and obligations under this agreement).

3. Failure by the Owner to perform any term or provision of this Agreement shall not constitute a default under this Agreement unless the Owner fails to commence to cure, correct or remedy such failure within thirty (30) days of the receipt of written notice of such failure from the City to the Owner and there after fails to complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults which cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonably remedy such default, provided the Owner exercises due diligence in the remedying of such default. Failure of the Owner to pay real estate taxes as they become due shall constitute a default of the Agreement, and the provisions regarding termination by the City in Article I, section 7 shall then apply. The City will notify the Company of any potential default prior to termination of this Agreement, in order that the Company is provided an opportunity to remedy said default. Company may choose to remedy said default in its sole discretion.

4. If the City determines that the Company has not met the hiring projections described in its Certified Project Application, the amount of Exemption percentage described in Article I, section 3(c) herein may be reduced in an amount proportional to the delta of estimated new jobs to actual new jobs created until such time as the hiring estimates are met, at which time the full exemption will be restored. Such a determination shall be made by the City only after a review of the Project activity up to the date of said review. Said review may consider general economic conditions, regional or industry issues affecting Company directly or indirectly, Company's potential ability to meet hiring projections, and any other relevant factors. Said review may occur beginning in 2024 and be repeated on an annual basis as necessary thereafter.

5. After receiving written notice from any person, firm or other entity, that such party holds a mortgage which includes as part or all of the mortgaged premises, any part of the Project Area or any improvements thereon, the City shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to the Owner or Company under the terms of this Agreement, but such notice may be given by the City to the Owner, Company and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default as is available to the Owner and to the Company and that such holder shall have forty-five (45) days more to cure any such default than would be available to the Owner or the Company under the provisions of this Agreement. In addition, so long as any such holder, within seventy five (75) days of receiving any such notice from the City, shall commence proceedings for foreclosure of any such mortgage and shall, in the meantime, keep and perform or cause to be kept and performed all the obligations of the Owner and/or the Company, or shall undertake to cure any default under or failure of the Owner and/or Company to satisfy any condition of this Agreement, to the extent that any such

actions can be performed or undertaken by a party proceeding under foreclosure under applicable law, no default or failure of any condition shall exist under this Agreement.

6. The liability of the Owner or the Company or their successors or assigns, including, without limitation, mortgagees, shall be limited solely to its or their respective interests in the Facility, and any improvements located thereon, and no partner, venture, trustee, beneficiary shareholder, officer, director or the like of the Owner, from time to time, or any such person's or entity's separate assets or property, shall have or be subject to any personal liability hereunder.

7. All notices required or permitted by this Agreement shall be in writing, and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier.

If intended for the City, addressed to:

City of New Bedford
Office of the Mayor
133 William Street
New Bedford, MA 02740

With copies concurrently delivered to:

City of New Bedford
Office of the City Solicitor
133 William Street
New Bedford, MA 02740

New Bedford Economic Development Council
1213 Purchase Street
New Bedford, MA 02740

City of New Bedford
Assessor's Office
133 William Street
New Bedford, MA 02740

Director, Economic Assistance Coordinating Council
Massachusetts Office of Business Development
100 Cambridge Street, Suite 1010
Boston, MA 02114

If intended for the COMPANY, addressed to:

Windward Power Systems Inc.
Attn: Nathan Tynan
379 Alden Road
Fairhaven, MA 02719

If intended for the OWNER, addressed to:

Superfly Enterprises LLC
Attn: Nathan Tynan
2185 Purchase Street
New Bedford, MA 02740

This Agreement shall run with the land. The covenants and agreements herein contained shall inure to the benefit of and shall be binding on the successors and assigns of the parties hereto. This Agreement may be amended only in writing with the consent of all parties and the consent of the Massachusetts Economic Assistance Coordinating Council.

WITNESS the execution hereof under seal in any number of counterpart copies, each of which shall be deemed an original for all purposes as of the day and year first above written.

AGREED TO:

CITY OF NEW BEDFORD

Jonathan Mitchell, Mayor

Date

Commonwealth of Massachusetts
County of _____

On this _____ day of _____, 20____, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identity, which was/were _____, to be the person whose name is signed on the preceding or attached document and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose.

Notary Public
My commission expires _____

Windward Power Systems Inc,

, President

Date

Commonwealth of Massachusetts
County of _____

On this _____ day of _____, 20____, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identity, which was/were _____, to be the person whose name is signed on the preceding or attached document and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose.

Notary Public
My commission expires _____

Superfly Enterprises LLC

, Manager

Date

Commonwealth of Massachusetts
County of _____

On this _____ day of _____, 20____, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identity, which was/were _____, to be the person whose name is signed on the preceding or attached document and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose.

Notary Public
My commission expires _____



1213 PURCHASE STREET
2ND FLOOR
NEW BEDFORD, MA 02740
NBEDC.ORG

June 16, 2023

Linda Morad, President
New Bedford City Council
133 William Street
New Bedford, MA 02740

RE: New Bedford Tax Increment Financing Program
Certified Project Application – 2185 Purchase Street

Council President Morad,

Please find attached the materials (11 copies) for a request to participate in the TIF Program from Windward Powers Systems Inc., at 2185 Purchase Street.

This request is for a five (5) year Special Tax Agreement beginning in FY24 and running through FY28. The project entails the investment of approximately \$1.39 Million and will create 11 full-time jobs over the next five years.

Should you require any additional information, please do not hesitate to call or email with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ramon Silva".

Ramon Silva
Senior Director

Cc: New Bedford City Council
Mayor Mitchell's Office