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Christian Kloe Chief Financial Officer Novartis Institutes for BioMedical Research 250 Massachusetts Avenue Cambridge MA 0213 (Phone (617) 871-8000)

June 20, 2011

Mayor David P. Maher
Vice Mayor Henrietta Davis
Ordinance Committee Chair Sam Seidel
City Councilor Leland Cheung
City Councilor Marjoric C. Decker
City Councilor Craig A. Kelley
City Councilor Kenneth E. Reeves
City Councilor E. Denise Simmons
City Councilor Timothy J. Toomey, Jr.
Cambridge City Hall
795 Massachusetts Avenue
Cambridge, Massachusetts 02139

ORDINANCE NUMBER 1338

Re: Commitments and conditions accompanying the amended zoning petition for Special District 15, attached hereto as Attachment A

Dear Mayor Maher, Vice Mayor Davis, Ordinance Committee Chair Seidel and Councilors Cheung, Decker, Kelley, Reeves, Simmons and Toomey:

The purpose of this letter is to describe commitments and benefits which Novartis (hereinafter defined) is prepared to offer the City of Cambridge, to facilitate and enable Novartis to construct a life science research campus on Massachusetts Avenue between Windsor Street and Osborn Street, subject to the satisfaction of the "Conditions" set forth below. All capitalized terms used herein and not otherwise defined herein shall be used with the meanings as set forth in Attachment A.

A. Novartis' Commitments

- 1. Within ninety (90) days after the adoption of the Zoning Petition creating Special District 15, Novartis will contribute \$250,000.00 to the City of Cambridge (the "City").
- 2. Within nincty (90) days of the approval of Novartis' application for a Special Permit from the Cambridge Planning Board authorizing the construction of its "Research Campus" in Special District 15, Novartis will contribute \$250,000.00 to the City of Cambridge.
- 3. Upon the issuance of a building permit authorizing construction of the Research Campus pursuant to the Special Permit referenced in Paragraph 2 above, Novartis will contribute \$250,000.00 to the City of Cambridge.

- 2. Within ninety (90) days of the approval of Novartis' application for a Special Permit from the Cambridge Planning Board authorizing the construction of its "Research Campus" in Special District 15, Novartis will contribute \$250,000.00 to the City of Cambridge.
- 3. Upon the issuance of a building permit authorizing construction of the Research Campus pursuant to the Special Permit referenced in Paragraph 2 above, Novartis will contribute \$250,000.00 to the City of Cambridge.
- 4. Upon the issuance of a Certificate of Occupancy for the first building of the Research Campus Project, Novartis will contribute \$250,000.00 to the City of Cambridge.

B. <u>Conditions to Novartis' Commitment</u>

For purposes of clarification, Novartis' commitments set forth above are offered if the following conditions (the "Conditions") are met:

- I. The amendments to the Cambridge Zoning Ordinance set forth in Attachment A are duly adopted in the form attached hereto as Attachment A, and no challenge to the validity of the same shall have been made (or in the event of any challenge, such challenge shall have been finally resolved in favor of such validity.)
- 2. Novartis' application for a Special Permit from the Cambridge Planning Board authorizing the construction of its "Research Campus" in Special District 15 is granted, including but not limited to, approvals pursuant to Sections 19.20, 17.604, and 17.606.
- 3. The appeal periods for the zoning approvals and permits necessary for the buildings authorized by such a Special Permit shall have expired without appeal having been made, or in the event that any appeal does occur, the outcome of said appeal shall not result in a change in the validity, or reduction in the development rights set forth in, the permits and approvals. All time periods specified in this Letter of Commitment shall be tolled during the resolution of any appeal.
- 4. So long as Novartis, its successors and assigns, is proceeding with development in accordance with the Special Permit and until the Project is completed, the City shall not have initiated or supported any rezoning or other ordinance changes that would have the effect of adversely affecting any of the uses or development authorized by the creation of Special District 15 or by such an approved Special Permit.

In addition to requirements and conditions of any required permits for the project.

Novartis is making these payments to provide the city with resources should it become necessary to mitigate any impacts which might result from the project which it will build on Special District 15 as a result of the rezoning, special permit and issuance of the building permit. Should such impacts arise, these payments will enable the city to take appropriate steps to mitigate those impacts in the manner and at the times deemed most appropriate by the city.

As Novartis' duly authorized representative, I am pleased to make these commitments on Novartis' behalf.

Sincerely,

Christian Klce

Chief Financial Officer

Attachment A: Zoning Petition for Special District 15