

**TAX INCREMENT FINANCING AGREEMENT  
BY AND BETWEEN (AMONG)  
THE TOWN OF DALTON  
AND  
DKA REALTY, LLC (“DKA REALTY”)  
and SINICON PLASTICS INC. (“SINICON”).**

AGREEMENT is made this 5<sup>th</sup> day of May, 2026, by and between (among) the TOWN OF DALTON (“TOWN”), DKA REALTY, LLC (“DKA REALTY”) and SINICON PLASTICS INC. (“SINICON”).

**PRELIMINARY STATEMENTS**

WHEREAS, DKA REALTY is a Massachusetts corporation headquartered in Dalton, MA, and SINICON is a Massachusetts corporation headquartered in Dalton, MA; and

WHEREAS, on or about September 15, 2008, DKA REALTY acquired the property known as 455 W. Housatonic Street, Dalton, Massachusetts (the “Project Property”); and

WHEREAS, SINICON intends to expand certain of its business operations at the Project Property, resulting in \$5,000,000 of new construction, renovations and investment over the next 4 years, plus projected additional investment of \$1,000,000 for equipment anticipated to be completed by the end of fiscal year 2028 (the “Expansion Project”); and

WHEREAS, SINICON anticipates that the Expansion Project will create 5 permanent full-time jobs for residents of Dalton and the Berkshire Economic Target Area (as defined below). The Berkshire Economic Target Area (the “ETA”) is the geographic area defined as the TOWN OF DALTON, the Town of Lenox, the Town of Lee, the Town of Great Barrington, the Town of Sheffield, and the City of Pittsfield, all located in the County of Berkshire in the Commonwealth of Massachusetts; and

WHEREAS, DKA REALTY is seeking a Tax Increment Financing Exemption (as such term is defined below) from the TOWN in connection with the Expansion Project, in accordance with the Massachusetts Economic Development Incentive Program and M.G.L. c. 23A, §3E and M.G.L. c. 40, §59; and

WHEREAS, the TOWN strongly supports increased economic development to provide additional jobs for residents of the ETA and the TOWN, expand commercial and industrial activity within the TOWN, and develop a healthy economy and stronger tax base; and

WHEREAS, the Expansion Project is located at 455 W. Housatonic Street, Dalton, Massachusetts, also identified as Assessor's Map 113, Lot 98; and

WHEREAS, the Expansion Project is located within the boundaries of the ETA, and the Economic Opportunity Area (the "EOA"), which have been designated by the Massachusetts Economic Assistance Coordinating Council; and

WHEREAS, the Expansion Project furthers the economic development goals and the criteria established for the ETA and the EOA; and

WHEREAS, the current assessed valuation for the Project Property for fiscal year ending June 30, 2026 is \$1,899,700 resulting in \$32,620 in property taxes for the TOWN;

**NOW THEREFORE**, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the others as follows:

1. The TOWN, as authorized by the ANNUAL TOWN MEETING on May 4, 2026 hereby enters into with DKA REALTY and SINICON a Tax Increment Financing Exemption with respect to the Project Property and the Expansion Project, encompassing the property described as 455 West Housatonic St., Dalton, MA, also identified as Assessor's Map 113, Lots 98. A map of the Project Property and area subject to the Tax Increment Financing Exemption is hereby attached as Exhibit A. A description of the property is hereby attached as Exhibit B.

The TOWN is entering into this agreement for the benefit of DKA REALTY and SINICON. SINICON acknowledges that it is responsible for any increases in taxes on the property leased from DKA REALTY, and it agrees to pay all increases in taxes as specified in the lease agreement dated September 8, 2008, and addenda. Consequently, SINICON will benefit from the Tax Increment Financing Exemption defined in this agreement.

2. The Tax Increment Financing Exemption granted herein shall be in effect for a term of five (5) fiscal years, commencing on July 1, 2026 and expiring on June 30, 2031.

3. The Tax Increment Financing Exemption formula for the Project Property will be calculated as prescribed by Massachusetts General Laws and regulated by the Department of Revenue, and shall apply to the incremental difference in the assessed real property tax valuation of the Project Property for the fiscal year ending June 30, 2026 (the "Base Year"), and its assessed valuation for each of the next five (5) fiscal years.

The base valuation is the assessed value of the property in the fiscal year immediately prior to the fiscal year in which the property becomes eligible for a tax increment exemption. The base valuation of the Project Property for fiscal year ending June 30, 2026 is anticipated to be \$1,899,700 (the "Base Valuation").

The Base Valuation will be adjusted annually by an adjustment factor which reflects increased commercial and industrial property values within the community, as defined in G.L. c.40 s 59(iii)(a)(b) . Any increase in the assessed value of the Project Property over the Base Valuation, or “increment,” attributable to the renovations and/or improvements made in connection with the Expansion Project is that amount eligible for exemption from taxation (the “Tax Increment Financing Exemption”).

The Tax Increment Financing Exemption shall be applied in decreasing amounts in accordance with the following schedule:

Year 1:	July 1, 2026 – June 30, 2027	100% of the increment;
Year 2:	July 1, 2027 – June 30, 2028	90% of the increment;
Year 3:	July 1, 2028 – June 30, 2029	70% of the increment;
Year 4:	July 1, 2029 – June 30, 2030	50% of the increment;
Year 5:	July 1, 2030 – June 30, 2031	20% of the increment.

Personal property shall be 100% exempt from taxation during the entire term of the Tax Increment Financing Exemption.

4. The TOWN is granting the Tax Increment Financing Exemption in consideration of SINICON’s commitment to:

a) create and maintain 5 new, permanent full-time jobs within the five (5) year period beginning July 1, 2026, hiring residents of the ETA and the TOWN OF DALTON as follows:

	<u>ANNUAL</u>		<u>CUMULATIVE</u>
	<u>Within ETA</u>	<u>Outside ETA</u>	
July 1, 2026 – June 30, 2027	jobs 3	jobs 0	jobs; 3
July 1, 2027 – June 30, 2028	jobs 2	jobs 0	jobs; 5
July 1, 2028 – June 30, 2029	jobs 0	jobs 0	jobs; 5
July 1, 2029 – June 30, 2030	jobs 0	jobs 0	jobs; 5
July 1, 2030 – June 30, 2031	jobs 0	jobs 0	jobs; 5

(b) invest \$5,000,000 in renovations and improvements to the Project Property, in new construction and renovations to be completed by June 30, 2027, plus an additional estimated \$1,000,000 in new capital equipment anticipated to be completed by the end of fiscal year 2028.

5. SINICON shall submit annual reports on job creation, retention and new investment at the Expansion Project Property to the DEVELOPMENT AND INDUSTRIAL COMMISSION, TOWN OF DALTON, by July 31st of each year for which the tax benefits granted herein are

enjoyed. Reports shall be submitted for the fiscal year starting July 1, 2026 and ending June 30, 2027, and each subsequent year through fiscal year 2030, for the duration of the Tax Increment Financing Exemption. The annual report shall include the following, as applicable:

- (a) the number of permanent full-time jobs created, and the number of people hired from within the ETA for the annual time period and on a cumulative basis; and
- (b) the value of capital improvements invested by SINICON in the Project Property annually and on a cumulative basis.

6. If SINICON fails to meet the job creation and investment commitments specified in Paragraphs 4 (a) through (b) herein, or fails to comply with all reporting requirements specified in this Agreement, including but not limited to Paragraphs 5 (a) through (b) herein, the TOWN, acting through its Select Board, may, at its sole discretion, take action to decertify the project. Upon decertification, the TOWN shall discontinue the Tax Increment Financing Exemption benefits described in Paragraph 3 hereof, commencing with the fiscal year for which SINICON did not meet its commitments.

If the Expansion Project is decertified as set forth above then, pursuant to G.L. c. 23A, s. 3F, and any other applicable law, rule or regulation, the Town shall be entitled to recapture the value of any and all taxes not paid to the Town by virtue of this Agreement (i.e. any tax benefit provided hereunder).

Prior to taking any action to decertify the Expansion Project the Town shall give written notice of the alleged material default to SINICON, and provide them an opportunity to meet with Town officials having the relevant authority under this Agreement to discuss a remedy for the alleged default. SINICON shall have sixty (60) days from the receipt of such written notice to respond to the Town regarding any alleged default, and one hundred twenty (120) days from the receipt of such written notice to remedy such alleged default, or, with respect to alleged defaults which by mutual agreement of the parties herewith, cannot be remedied within such one-hundred-twenty (120) day period, within such additional period of time as is required to reasonably remedy such alleged default, provided SINICON exercise due diligence in the remedying of such alleged default. Any such notice of default shall also be provided to any secured creditor with a lien on the Property who previously provided written notice of such lien to the Town. The Town shall also permit any such secured creditor with the opportunity to cure any such default within the same period of time permitted to SINICON. The parties agree that SINICON shall not be liable for failure to perform its obligations under this Agreement if such failure is caused by an event beyond their reasonable control, including but not limited to: war, terrorism, natural disasters, labor strikes or governmental actions provided that it takes reasonable steps to mitigate the effects of the delay and resume performance as soon as reasonably possible.

7. If SINICON, or any entity to which this Agreement has been assigned or transferred, ceases to conduct business operations at the Project Property during the term of this Agreement, this Agreement shall be immediately null and void and the TOWN shall seek decertification of the Expansion Project as provided in Paragraph 6 herein.

8. SINICON shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the TOWN with the exception of any transfer of interest in SINICON to a current shareholder's spouse, lineal descendant(s) or to a trust or other entity established for bona fide estate planning purposes provided that the transferee agree to be bound by all terms of this Agreement. The foregoing notwithstanding, the rights and obligations of this Agreement shall inure to the benefit of any entity succeeding to the interests of SINICON by merger. This agreement shall be binding upon subsequent owners of the Project Property.

9. SINICON shall give the TOWN ninety (90) days prior notice of any corporate decision to (i) change the nature and/or character of their business operations at the Project Property to one other than the provision of plastic injection molding services, or (ii) cease their business operations at the Project Property. No such decision shall be deemed taken unless an appropriate resolution shall have been passed by the SINICON Board of Directors, or, if such a resolution is not required, by an executive officer empowered to make such decision.

10. All notices or other communications required or permitted by this Agreement or by law shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, or sent for overnight delivery by a nationally recognized courier such as Federal Express, addressed to the other party as follows:

SINICON PLASTICS INC. 455 W. Housatonic St., Dalton MA 01226

DKA REALTY LLC 455 W Housatonic St., Dalton, MA 01226

TOWN: Eric Anderson, Town Manager, 462 Main Street, Dalton, MA 01226

Any party may change its address for notice from time to time by serving notice on the other party as provided above. The date of service of any notice served by mail shall be the date upon which such notice is deposited in a post office of the United States Postal Service.

11. This Agreement may be executed in separate counterparts, each of which when so executed shall be an original; but all of such counterparts shall together constitute but one and the same instrument. Facsimile, portable document format (PDF) copies of signatures and electronic signatures by DocuSign shall be deemed original signatures.

12. The Town of Dalton Select Board is authorized to execute this Agreement in accordance with applicable statutory authority.

**IN WITNESS WHEREOF**, DKA REALTY and SINICON have each caused this Agreement to be duly executed in its name and behalf and its seal affixed by its duly authorized representative, and the TOWN has caused this Agreement to be executed in its name and behalf and its seal duly affixed by its Select Board as of the day and year first above written.

**TOWN OF DALTON  
SELECT BOARD**

Robert W. Boyd  
M. Strat  
J. H. Boyle  
Jane A. Hays  
C. M.

**DKA REALTY, LLC**

David K. Allen  
By: David K. Allen, Manager

**SINICON PLASTICS INC.**

David K. Allen  
By: David K. Allen, President

**EXHIBIT A**  
**MAP OF PROPERTY**



**EXHIBIT B**

**DESCRIPTION OF PROPERTY**

The property known as 455 West Housatonic Street, Dalton, Berkshire County, Massachusetts, also known as Assessors' Map \_\_\_\_\_, Block \_\_\_\_\_, Lot \_\_\_\_\_.

Beginning