

**Belchertown EDIC**  
October 25, 2016  
Executive Session Meeting

Members

Bill Terry \_\_\_x\_\_\_ Jonathan Spiegel \_\_\_x\_\_\_ Beth Maroney \_\_\_x\_\_\_  
Kirk Stephens \_\_\_x\_\_\_ Bob Rivard \_\_\_x\_\_\_ Rich Kump \_\_\_x\_\_\_

Meeting Open \_\_7:30 p.m.\_\_\_\_  
Central Hall, Town Hall  
Guest, Presenters, Observers;  
Claire O'Neill, Mass Development

Agenda Item #1 Developer Update

The Day School proposal was discussed further. They have offered to purchase a 1.5 acre parcel at the interior of the development facing the proposed green space in the central portion of the site for \$100,000 subject to a Grant approval. They would also like to Option an additional half acre at the rear of their proposed building for future expansion for \$10,000. Their proposal is for a 7,000 square foot building to house a Day Care facility that would be at the rear of the green space not on the proposed Front St. The pre-grant submission deadline is upon us, October 31<sup>st</sup>, but the actual Grant Application would be submitted in January with a decision sometime in March, 2017. Ms. O'Neill had a draft P & S which opened the door to the Option but did not stipulate all the terms of that future purchase.

Mr. Stephens questioned the Option portion of this proposal and how much additional frontage this would relinquish.

Ms. O'Neill indicated that the additional land would possibly be used for a play ground to permit the program to separate the age groups outdoors.

Mr. Kump asked if this Option would handcuff us should another proposal surface for the rear parcel. Ms. O'Neill said that the Individual Living Units envisioned for the back parcels did not materialize and that MassDev was lowering their expectations for that use in terms of size, but that this Option would be time limited in any case so it would tie us up for a long timeline.



Mr. Stephens brought up the question of tax-exempt status of this proposal.

Ms. O'Neill indicated that a Day Care facility was in the overall best interest of the remainder of this project and fit in with overall development goals, reserving the right of any future landowners association to assess payments in lieu of taxes for maintenance and improvement within the project.

Mr. Spiegel asked if the proponents were made aware of our concerns for architectural considerations.

Ms. O'Neill said she forward the link from the Planning Departments commercial guidelines and that the Board of Directors for the Day Care had hired an architectural firm to develop a building design.

Ms. O'Neill said that the Letter of Intent for the grant pre-application provides for sixty days to execute a Purchase and Sale Agreement. The Plans with supporting descriptions could be submitted to the Planning Board for input and review and to DCAMM for their sign off. Mr. Terry indicated that DCAMM has a twenty day window, failure to act signified consent.

Claire O'Neill asked that the Board authorize Mr. Terry to execute a Letter of Intent which she drafted stipulating our intentions to move forward.

Ms. Maroney asked if their Board had any environmental concerns.

Ms. O'Neill said that they routinely issue a blanket letter informing all proponents that it is their obligation to do their own due diligence.

Jonathan Spiegel moved that the Board authorize the Chairman to execute a Letter of Intent, with the Belchertown Day School and their official representatives for the initial purchase of 1.5 acres and an Option for the .5 acres to be negotiated.

Mr. Stephens seconded.

Discussion; The ensuing discussion centered on the Option piece. Some members felt that setting this parcel aside could tie it up for an extended period and we did not want to create roadblocks for other uses of that piece.

Ms. Maroney stated that this is a good deal with Grantham let's not make it more difficult with this piece.

Mr. Stephens asked for more clarification on the Option piece.

Ms. O'Neill stated that they would need to be up and operating before the Option would even begin a clock.

Mr. Spiegel asked when they anticipated opening a new facility.

Ms. O'Neill said Spring 2018 given a one year construction schedule. The timeframe she envisioned for this process is that the Day Care would elect to proceed within 190 days of the Letter of Intent, that they would come forward at



the appropriate time to negotiate the terms and conditions of the Option presumably after they are up and running, and have an intended use in mind that the Board would have an opportunity to review. The outside window in this scenario was approximately 24 months from this Letter of Intent.

Ms. Maroney stated that this was an established operation and they should have a good handle on the reception they receive in the new facility in short order, but that they had a good history coming in, solid student participation and financial cash flow that would carry their operation.

No further discussion

Voted 6 – 0 – 0

Bill Terry, aye, Jonathan Spiegel, aye, Kirk Stephens, aye, Beth Maroney, aye, Rich Kump, aye, Bob Rivard, aye.

## Agenda Item #2 Adjournment

Bill Terry Moved to Adjourn the meeting at 8:05 p.m.

Mr. Kump Seconded

By Voice Vote: Terry aye, Spiegel aye, Stephens aye, Maroney aye, Kump aye and Rivard aye.

Voted 6 – 0 – 0

Respectfully Submitted



Bob Rivard,

Director



## Letter of Intent

THIS LETTER OF INTENT is made as of this \_\_\_\_ day of \_\_\_\_\_, 2016 (the "Effective Date") by and between by and between BELCHERTOWN ECONOMIC DEVELOPMENT INDUSTRIAL CORPORATION, a Massachusetts economic development corporation created under Mass. Gen. Laws c. 121C, with a business address of 2 Jabish Road, Belchertown, Massachusetts (the "Seller"), and the BELCHERTOWN DAY SCHOOL, INC., a Massachusetts non-profit corporation, having a business address 51 State Street, Belchertown, Massachusetts 01007 ("Purchaser").

### RECITALS

WHEREAS, the Commonwealth of Massachusetts acting through its Division of Capital Asset Management and Maintenance ("DCAM"), acting pursuant to the authority and terms of Chapter 353 of the Acts of 1996 (the "Act") by a Release Deed to the Seller dated April 12, 2002, and recorded in the Hampshire County Registry of Deeds at Book 6614, Page 0331 ("Release Deed") conveyed to the Seller approximately 259 acres of land that was part of the former Belchertown State School in Belchertown, Massachusetts (the "Property") for redevelopment for job creation and general purposes of economic development; and

WHEREAS, Massachusetts Development Finance Agency (the "Agency") pursuant to a Memorandum of Agreement dated November 13, 2012, by and among the Agency, the Town of Belchertown, and Seller is acting as the agent for the Seller for the redevelopment of the Property (the "Agency MOA"); and

WHEREAS, the Property is subject to, among other things, the terms of the Release Deed; a Memorandum of Agreement dated April 12, 2002, between DCAM and the Seller recorded in the Registry in Book 6614, Page 0337, as amended ("DCAM MOA"); and the Development Plan approved by the Seller dated December, 2014 ("Development Plan"); and

WHEREAS, the Seller worked with the Town of Belchertown (the "Town") to amend its zoning ordinance (the "Belchertown Zoning Ordinance") to further permit mixed uses at the Property; and

WHEREAS, acquisition and development of any portion of the Property is subject to all of provisions of the Act, the Release Deed, the DCAM MOA, the Development Plan, and the Belchertown Zoning Ordinance; and

WHEREAS, the Purchaser desires to purchase a portion of the Property consisting of parcel of approximately 1.5 acres on the western portion of the property with frontage on Front Street extension (to be built) as shown on the proposal attached as Exhibit A (the "Premises") for the development of a proposed 10,000 square foot, one-story day care facility (the "Project").

NOW THEREFORE, in furtherance of the foregoing and in consideration of the mutual promises hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Non-Binding Letter of Intent. The purpose of this document is to memorialize certain business points. The parties mutually acknowledge that this Letter of Intent is qualified and that they,

therefore, contemplate the drafting and execution of a more detailed agreement. They intended to be bound only by the execution of such an agreement and not this preliminary document.

2. Negotiation Period; Certificate of Consistency. Within sixty (60) days of the Effective Date of this Letter of Intent, the parties shall negotiate the terms of a purchase and sale agreement (the "Purchase and Sale Agreement") setting forth all of the terms and conditions under which the Seller shall sell the Premises and the Purchaser shall acquire the Premises (the "Negotiation Period"). Seller shall not solicit other offers for the Premises during the Negotiation Period. Upon agreement on the terms of the Purchase and Sale Agreement and in accordance with Article 2 of the DCAM MOA, the Seller shall deliver a Notification of Transfer (as defined in the DCAM MOA) to DCAM for its review. Within five (5) business days following the receipt of DCAM's Certificate of Consistency (or constructive approval by DCAM in accordance with Article 2 of the DCAM MOA), the parties shall execute the Purchase and Sale Agreement. Failure to execute the Purchase and Sale Agreement prior to the end of such five (5) business days shall result in the expiration of this Letter of Intent and any rights or obligations of either party hereunder.
3. Pre-Application to CEDAC. Prior to execution of the Purchase and Sale Agreement, the Purchaser shall submit a pre-application to the Community Economic Development Assistance Corporation requesting a future award from the Early Education and Out of School Time Capital Fund.
4. Business Points.

Premises: Approximately 1.5 acres with frontage on Front Street Extension, Belchertown MA, as shown on Exhibit A and an option to purchase an additional 0.5 acres to the immediate west of the Premises, as shown on Exhibit A

Purchase Price: \$100,000 for 1.5 acres

Use: A day care facility

Development timeline: The Purchase and Sale Agreement shall contain provisions satisfactory to both parties regarding the development timeline, including, without limitation, timelines and other provisions for obtaining development and operational permits, a payment in lieu of taxes and financing, design plan approval and a construction timeline.

Due Diligence Period: The Purchase and Sale Agreement shall grant the Purchaser one hundred and ninety days from its execution to conduct due diligence regarding the status and condition of the Premises with specific items for investigation to be set forth in the Purchase and Sale Agreement and provisions agreeable to both parties regarding the Purchaser's right to terminate the Purchase and Sale Agreement if the results of such due diligence are not satisfactory.

Condition of Property: The Property will be delivered in "as is" condition without any parties in possession.



Financing Contingency: The Purchase and Sale Agreement shall contain a financing contingency on terms satisfactory to the parties for Purchaser to obtain necessary equity, loans, and grants for the acquisition of the Premises and the construction and development of the Project.

Permitting Contingency: The Purchase and Sale Agreement shall contain a permitting contingency on terms satisfactory to the parties for the Purchaser to secure the permits necessary for the development of Project.

Project Design: The Project will be substantially designed and incorporate the items set forth in the Purchaser's description of the Project in the Purchaser's proposal (Exhibit A), dated October 13, 2016, submitted to Seller in response to the Seller's request for proposals for development of the Premises with any modifications that the parties agree to in the Purchase and Sale Agreement. The Purchase and Sale Agreement will contain provisions for design and construction review by Seller.

Certificate of Consistency: No purchase and sale agreement shall be executed or effective until the Seller is issued a Certificate of Consistency form DCAM per Article 2 of the DCAM MOA.

The purpose of this document is to memorialize certain business points. The parties mutually acknowledge that this Letter of Intent is qualified and that they, therefore, contemplate the drafting and execution of a more detailed agreement. They intended to be bound only by the execution of such an agreement and not this preliminary document, except for the provisions of Section 2 and 3 which shall be binding on the parties until the execution of the Purchase and Sale Agreement or the termination of this Letter of Intent.

<Signatures on next page>

EXECUTIVE SESSION MATERIALS

**BELCHERTOWN ECONOMIC DEVELOPMENT  
INDUSTRIAL CORPORATION**

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_, 2016

**BELCHERTOWN DAY SCHOOL, INC**

By: \_\_\_\_\_

Name:

Title: President

Date: \_\_\_\_\_, 2016

By: \_\_\_\_\_

Name:

Title: Treasurer

Date: \_\_\_\_\_, 2016

EXECUTIVE SESSION MATERIALS

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# MBL HOUSING AND DEVELOPMENT

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REAL ESTATE CONSULTANTS

October 13, 2016

Ms. Claire M. O'Neill  
VP Planning & Development  
MassDevelopment  
89 Shrewsbury Street, Suite 300  
Worcester, MA 01604

Via: [coneill@massdevelopment.com](mailto:coneill@massdevelopment.com)

Dear Ms. O'Neill:

On behalf of our client Belchertown Day School (BDS), MBL Housing and Development (MBL) would like to express interest in purchasing a 1.5 acre parcel noted on the attached plan of the former Belchertown State School (A.K.A. Carriage Grove). Our intention would be to secure only the land required to develop a day school facility for our client.

For twenty eight years our client a private non-profit nationally accredited school that provides child care for children ages 15 months through 12 years has operated a successful day school and after school program serving Belchertown and the surrounding area. BDS is actively pursuing a new location to develop a state of the art child care center with the purpose to provide a happy, home-like environment in a school setting which develops the whole child through social awareness in preparation for lifelong learning.

We are proposing the purchase of 1.5 acres for \$100,000 for the development of approximately 10,000 square feet of commercial space. We would also like to secure an option to purchase an additional ½ acre parcel abutting the proposed site to the west. We understand further negotiation will be required to achieve a mutually agreeable use of these undeveloped parcels.

Our schedule currently envisions a construction start in the late summer of 2017 and occupancy by September 2018. The development team includes Kuhn Riddle Architects who have begun preliminary program development and preliminary design work.

The purpose of this letter is intended as a statement of general interest and not as a specific offer to purchase, it is also intended to provide and memorialize certain business points. The parties mutually acknowledge that their agreement is subject to and contingent upon the execution of a more detailed agreement to be negotiated at a future

time, which is satisfactory to both parties ("Letter of Intent"). The parties intend to be bound only by the execution of such an agreement and not by this preliminary document.

Contingencies:

- A. The obligation of the Buyer to proceed with the purchase of the Property is subject to the satisfaction of the following contingencies, within **one hundred ninety (190) days** after the execution of Letter of Intent (the "Due Diligence Period"):
1. Inspection. Buyer obtaining an inspection of the Property, which must be satisfactory to Buyer in Buyer's sole discretion.
  2. Environmental Conditions. Buyer obtaining an environmental site assessment of the Property acceptable to Buyer in its sole discretion.
  3. Title. The property shall be free from all liens and encumbrances and the Seller shall convey good, clear, marketable and insurable title at the time of closing.
  4. Wetland Studies. Buyer determining to its satisfaction that the wetland conditions on the Property are acceptable to Buyer in its sole discretion.
  5. Zoning. Buyer determining to its satisfaction that the intended use is permitted as of right in accordance with the current zoning ordinance of the Town of Belchertown.
  6. Financing. Buyer obtaining a commitment for acquisition and construction financing in amounts and upon terms and conditions acceptable to Buyer in its sole discretion.
  7. Appraisal. Buyer and/or Buyer's lender obtaining an appraisal of the Property showing an "as is" current fair market value equal to at least \$100,000.00.
- B. Permitting. The obligation of the Buyer to proceed with the purchase of the Property is subject to Buyer's receipt of all necessary local and state permits and approvals and incentives (without the filing of any appeals thereto) for the Buyer's intended use with the required parking on the Property within sixty (60) days after the expiration of the Due Diligence Period (the "Contingency Period"). Seller shall cooperate with Buyer's efforts to obtain said permits and approvals. The Contingency Period shall be extended as needed to insure that all appeals periods with respect to the

permits and approvals have expired without the filing of any appeals thereto.

Enclosed is some general information about MBL Housing & Development. Should you have any questions or need more information, please contact me at 413-853-0242 x 105 or JooRi Johnson at 413-853-0242 x 100. Thank you for this opportunity.

Sincerely,

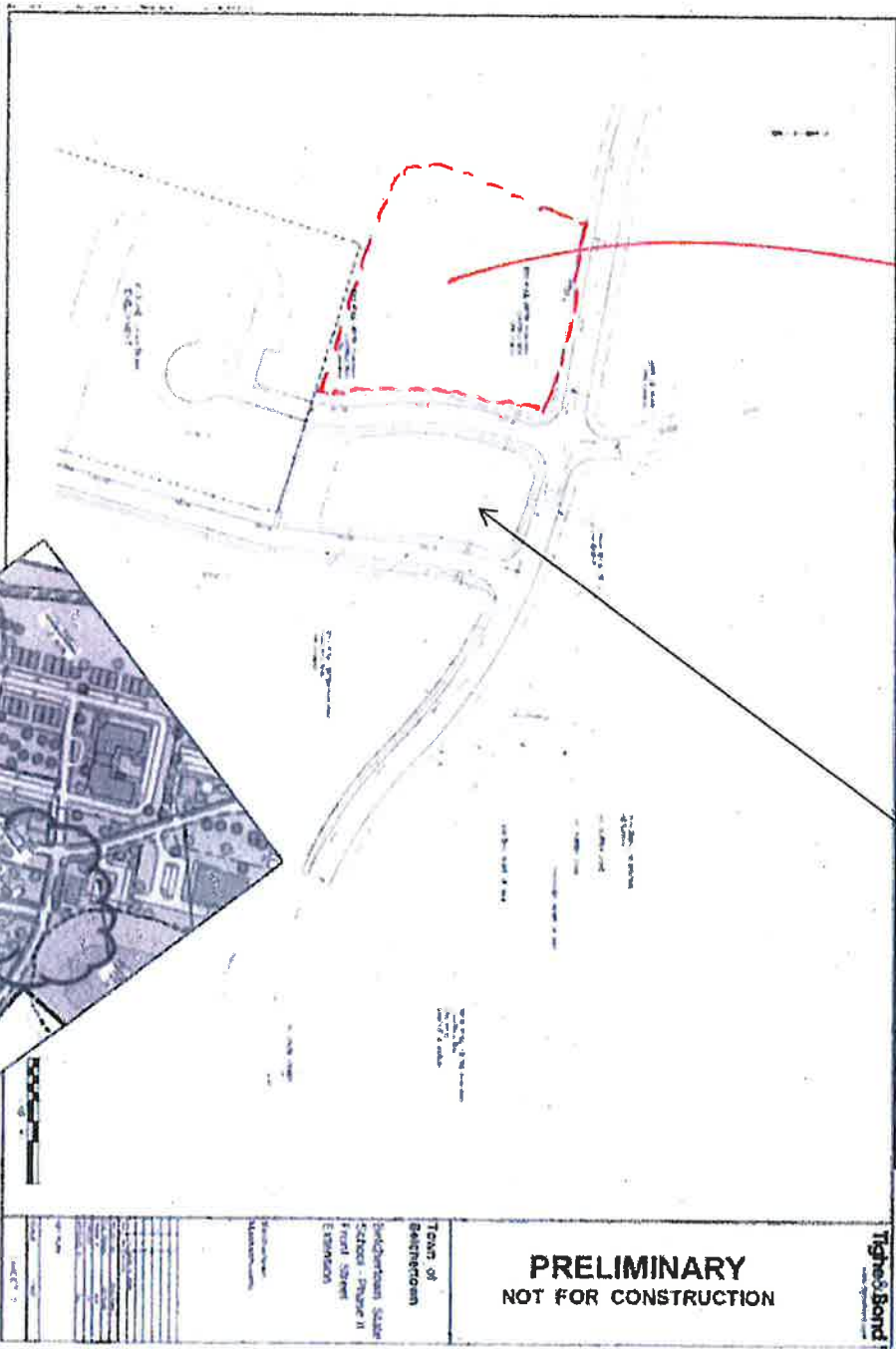
A handwritten signature in black ink, appearing to read "Peter L. Graham", written over a horizontal line.

Peter L. Graham  
MBL Housing & Development

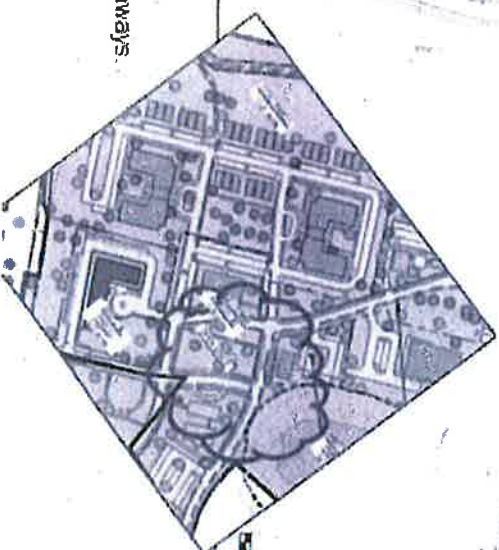
cc: Belchertown Day School Inc.

1.5 Acres

Future Village Common is also under design



Area of Town funded infrastructure improvements including road, water, public storm water and pathways.



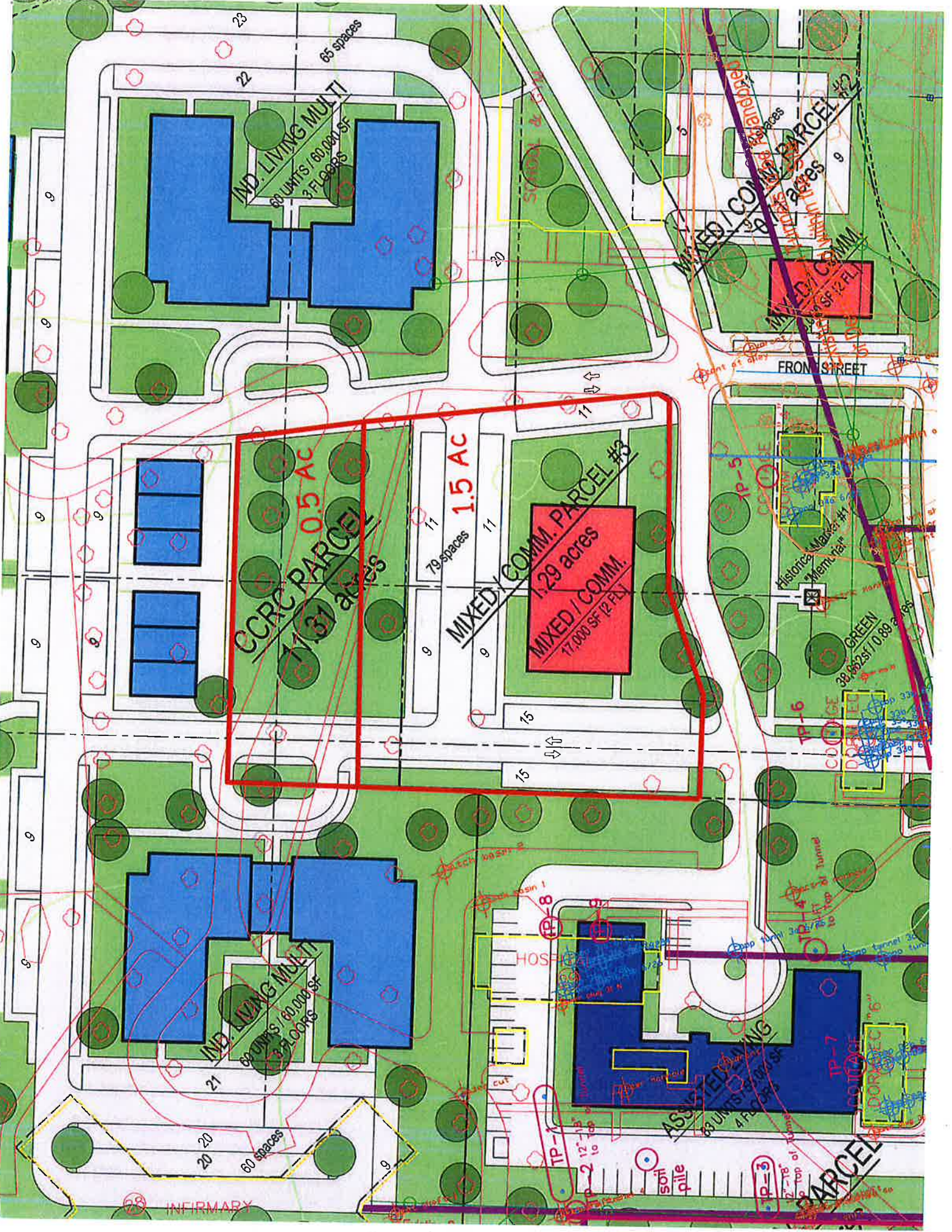
**PRELIMINARY**  
**NOT FOR CONSTRUCTION**

Tighe & Bond  
www.tigheandbond.com

Town of  
Bathurst

Backdown State  
School - Phase II  
Front Street  
Extension

NO.	DESCRIPTION	DATE
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CCRC PARCEL  
17.61 acres  
0.5 AC

MIXED / COMM. PARCEL #3  
1.29 acres  
17,000 SF (2 FL)

1.5 AC

IND. LIVING MULTI  
60 UNITS / 60,000 SF  
3 FLOORS

ASSISTED LIVING  
60 UNITS / 60,000 SF  
4 FLOORS

PARCEL #6  
DORMITORY

MIXED / COMM.  
12 FL

MIXED / COMM.  
12 FL

INFLIRMARY

soil pile

TP-4  
TP-5  
TP-6  
TP-7  
TP-8

HOSP

TP-1

TP-2

TP-3

TP-4

TP-5

TP-6

TP-7

TP-8

