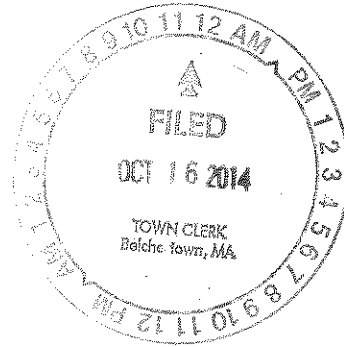


Belchertown EDIC
Meeting

Sept 17, 2014



Members

Bill Terry ___x___ Jonathan Spiegel ___x___ Beth Maroney ___x___
Kirk Stephens ___x___ Juanita Holler ___0___ Bob Rivard ___x___

Meeting Open ___7:05 p.m.____
Small Meeting Room, Town Hall

Guest, Presenters, Observers;

Rich Henderson Mass Development, Clair O'Neill Mass Dev, Doug Albertson Town Planner,
Ron Aponte Select Board, Bill Barnett Select Board, Fred Morris COA.

Media

Pat Barry; Community Television

Agenda Item #1 Introduction of Guests

Bill Terry Introduced Rich Henderson and Claire O'Neill to the Board, other guests and members of the viewing public.

Agenda Item #2 Payables

A duplicate invoice was received from Turley Publications. Bill Terry asked Beth Maroney to confirm that payment was in fact sent. Affirmed.

A deposit check was received for the final settlement of the Workman's Comp payment reimbursement \$94 dollars.

Agenda Item #3 Adoption of Minutes

The minutes from the August 20th meeting were circulated.

Discussion; Beth Maroney indicated that she was present at the meeting and the minutes did not reflect that fact.

Bill Terry Moved to Approve the Minutes with the correction

Beth Maroney Seconded.

No discussion

Voted 3 -0-1 Bob Rivard abstained

Kirk Stephens arrived after the Vote

The Public Hearing minutes from Aug 20th were circulated however they came late and members did not have adequate time to review those minutes. No Vote taken.

Agenda Item # 4 Additions to Agenda

Jonathan Spiegel added a brief report to the Board that he had a conversation with Ms. Aldrich of the Select Board who communicated that the work BEDIC was doing was much appreciated in Town and the Select Board had taken note of our recent efforts to find solutions. Bill Terry added that he also had a conversation with Mr. Archible of the Select Board who expressed his gratitude as well.

Agenda Item # 5 Letter of Interest for Board Membership

Mr. Terry took up the question of the Low Income Board member. A letter of interest was received from Mr. Fred Morris to join the Board. Mr. Morris has been a resident in Town for a number of years. He is currently retired and working with the Council on Aging and volunteering his time at the Senior Center. Mr. Morris raised the question of whether or not he qualified to fill this seat since his household income may not meet the guidelines depending on how it is calculated.

Many Board members reflected on the fact that Mr. Morris has spent considerable time educating himself on the pertinent issues surrounding redevelopment of the site, attended numerous meetings of late, and made the effort to read minutes of our past meetings to get up to speed on our efforts to find solutions.

After some discussion with Mr. Aponte and other Board Members, Jonathan Spiegel moved that we recommend to the Select Board that they appoint Mr. Morris to our Board pending an appropriate review by Town Counsel of the qualifying guidelines to be certain that Mr. Morris met the legal requirements to fill this seat.

Jonathan Spiegel Moved the Question

Beth Maroney Seconded

Voted 4 – 0 – 1 Bill Terry abstained

Agenda Item # 6 Operating Funds, MassDevelopment Funding Proposal

Bill Terry opened the discussion with a review of our current account and future needs vis-à-vis security issues, legal costs and related ongoing expenses. Ms O'Neill presented the Board with a Letter of Process outlining Mass Development's approach to keep the Board functioning during this Fiscal Year. It was proposed that Mass Development fund our account with \$25,000 during this time period with the understanding that we would forward invoices received from vendors to Mass Development with letters from the Board that services were appropriately completed to our satisfaction. Mass Development would review the Invoice and our letter of satisfaction and would then authorize the payment of invoices. In no case will Mass Development cut the checks directly for services. The Board is to certify that services were performed to our standards and satisfaction prior to payment. The Letter of Process is to be submitted to our Legal Counsel for review and recommendations before any monies are transferred to our account. Major contracts like demolition were not discussed.

Mr. Terry indicated that one of our current big needs is brush hogging to control the vegetation and facilitate security on site. Mr. Stephens indicated that he was hoping to have two bids for

that service, however there was a question about prevailing wages and whether or not the service would be provided to BEDIC directly.

Ms. O'Neill indicated that Mass Development would seek reimbursement for the \$25,000 from the funds being released for cleanup of Pad 1, due to begin in this Fiscal Year, however if those funds are not forthcoming, Mass Dev would seek reimbursement at a later date from Leases or Sales of portions of our site.

Jonathan Spiegel questioned if this was the process that we would follow in the future or if Mass Development saw this as a one-time solution to our current needs.

Ms. O'Neill indicated that the Letter of Process was to solve our current needs, however if in the future other financial considerations come into play that we could certainly take up the question again to find an appropriate solution.

Beth Maroney Moved to accept the Letter of Process as presented to BEDIC pursuant to the MOA subject to review by Jeff Fialky our Legal Counsel. Kirk Stephens Seconded. Vote 5-0-0

Agenda Item # 7 Security

Mr. Stephens indicated that he was hoping to receive some information this evening concerning the brush hogging, however he waited until the last moment before attending this evening and nothing had been received as yet.

Mr. Stephens brought up the current level of activity on site that indicates an ongoing attractive nuisance phenomenon. Beth Maroney mentioned that four people had been arrested recently for B & E on the site and hoped that word would circulate in the community that entering these hazard filled buildings would lead to prosecution.

Kirk Stephens indicated that prior police action led to dismissal of charges by the Courts and that until that aspect changes little more can be done to prevent this type of activity.

Jonathan Spiegel brought up the remediation of Pad - 1 and expressed the hope that if any excess fill was generated that we could secure some of these opening with fill or boulders that would make access to the buildings and tunnels more difficult.

No vote taken.

Agenda Item # 8 Development Status; Fiscal Year 2015 Goals

Claire O'Neill opened the discussion with a handout of bullet points and a Projection of Sources and Use of Funds through 2020.

The initial imbalance between the Income side and Expense side in 2013, and 2014 are indicated as coming from the General Fund however in Fiscal Year 2015 and beyond the Commonwealth of Massachusetts will provide funds from a Capital Bond of some \$10,000,000. Additional Funds are projected to come from ground leases and Land & Building sales as the site is remediated. An additional source of infrastructure improvements will be funded by the Town of Belchertown up to \$1,250,000 bonding level which has been authorized by a Town Meeting vote. A third source of Funding will be sought by Mass Development in the form of an Infrastructure Grant for Economic Development. It is projected that this

redevelopment will operate in the black from Fiscal Year 2016 onward, with the deficits being carried by the Massachusetts General Fund in the interim. Built into these projections is the transfer from DCAM to BEDIC of 7.5 acres along the frontage at Rt. 21. Mass Development is to put out an RFP for the Administration Building this Fiscal Year and would hope to have this building broom clean as part of the initial cleanup effort.

Several Board Members and Ron Aponte of the Select Board questioned some of the assumptions and sought reassurances from Mass Dev that we would be able to manage the project should some of the projections fail to materialize.

Mr. Henderson indicated that he felt these were achievable Goals that the estimates were conservative, that Mass Dev has expertise to manage projects and would work with the Town to manage this project to completion.

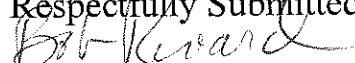
Bill Terry Moved to adjourn the regular meeting at 8:00 p. m. and to convene an Executive Meeting

Kirk Stephens Seconded

Voted 5 – 0 – 0

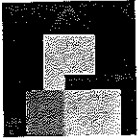
Kirk-yes, Bob-yes, Beth-yes, Jonathan-yes and Bill-yes.

Respectfully Submitted



Bob Rivard,

Director



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HAND DELIVERY

September 17, 2014

Mr. W. Terry, Chairman
Belchertown Economic Development Industrial Corporation
2 Jabish Street, P.O. Box 670
Belchertown, MA 01007

Re: Belchertown State School Redevelopment / BEDIC unpaid operating expenses

Dear Mr. Terry,

The Memorandum of Agreement between the Massachusetts Development Finance Agency (MassDevelopment) and the Belchertown Economic Development Industrial Corporation (BEDIC) and the Town, dated November 13, 2012, (the "MOA") regarding the redevelopment of the Belchertown State School (the "Project") provides in Section 3 for the payment of MassDevelopment's and BEDIC's expenses. It also provides that MassDevelopment and BEDIC will determine a process for the submission and payment of BEDIC's invoices and related matters. This letter outlines the process for payment of BEDIC's anticipated FY2015 expenses.

DEVAL PATRICK
Governor

GREGORY P. BIALECKI
Chairman

MARTY JONES
President and CEO

The MOA provides that MassDevelopment shall pay to BEDIC any out-of-pocket operating expenses incurred by BEDIC in its regular course of business such as insurance; utilities; and office rent, if any. The MOA provides for payments to be made from Grants and Proceeds (as these terms are defined in the MOA). All contractors and vendors doing work for BEDIC are to be selected by BEDIC according to any procurement and contract policies applicable to BEDIC.

Payment of BEDIC's FY2015 Expenses:

BEDIC's FY 2015 operating expenses are estimated below. As required under the MOA, the parties have discussed and agreed upon these proposed expenditures. Any additional expenses or amounts in excess of the estimates below must be discussed and approved in advance in writing by MassDevelopment and BEDIC.

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BEDIC FY2015 Expenses:

General Liability Insurance	\$1,300.00
Liability Insurance	\$11,000.00
Grounds clearing	\$8,000.00
Audited Financial Statements	<u>\$4,000.00</u>
Total:	\$24,300.00

- BEDIC's signature below constitutes a request for funds for the FY2015 Expenses, and MassDevelopment has agreed to provide \$25,000 (the "Escrowed Funds") to cover such expenses and related costs, if any.
- These funds will be wired transferred to BEDIC's account pursuant to the wire transfer instructions on Exhibit A and be held by BEDIC in escrow and disbursed only to pay invoices for the FY2105 Expenses upon MassDevelopment's disbursement approval.
- BEDIC agrees that the Escrowed Funds shall not be used to pay any other expenses of BEDIC or of the Project without MassDevelopment's prior written consent.

MassDevelopment Disbursement Approval:

- Upon receipt of any invoice(s) for the FY2015 Expenses, please submit them to MassDevelopment within 3 business days of receipt by BEDIC, either by mail to:

MassDevelopment
99 High Street, 11th Floor
Boston, MA 02110
Attn: Claire O'Neill, VP Planning and Development

or by pdf attached to an email to Claire O'Neill at coneill@massdevelopment.com.

- Invoices must be accompanied by a signed writing from BEDIC stating that (i) the work described in the invoice(s) has been completed and accepted by BEDIC; (ii) the vendor(s) under the contract(s) for such service(s) is not in default and neither is BEDIC; and (iii) the amounts on the invoice(s) are still outstanding and have not been paid from any other BEDIC funds.

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- Claire O'Neill or Michael Miller of MassDevelopment will then in writing inform BEDIC if the submitted invoice(s) may be paid from the Escrowed Funds.

Reimbursement to MassDevelopment

BEDIC has indicated that it does not at this time have sufficient funds to pay the FY2015 Expenses. The MOA provides that BEDIC's operating expenses will be paid from funds from Grants, which by definition includes Commonwealth funds from appropriations or bonds, and Proceeds.

- At this time there are not sufficient funds available from Grants or Proceeds to provide the Escrowed Funds, so MassDevelopment has provided the Escrowed Funds from its own funds.
- These funds constitute Costs (as defined in the MOA) incurred by MassDevelopment in the performance of Services and it anticipates being reimbursed for them from Grants from the Commonwealth in the near future.
- If such reimbursement is not funded by the Commonwealth, then these Costs must be reimbursed to MassDevelopment by BEDIC according to the Memorandum of Agreement.

Massachusetts Development Finance Agency

By: Richard Henderson

Name: Richard Henderson

Title: Executive Vice President for Real Estate

Acknowledged and agreed to:

Belchertown Economic Development Industrial Corporation

By: William A. Terry

Name: WILLIAM A. TERRY

Title: CHAIRMAN

Wednesday, August 20, 2014

Public Hearing

BEDIC members in attendance

Bill Terry
Jonathan Spiegel
Juanita Holler
Kirk Stephens
Beth Maroney

Guests In attendance

Claire O'Neill
Ron Aponte
Fred Morris

The Public hearing on the BEDIC Revised Development Plan to be presented at a Town Meeting was opened by Bill Terry at 7:34 pm in Belchertown Town Hall.

It was announced that Mass Development has been working with the Belchertown Planning Board to revise zoning. If approved then the revisions will be presented at a Town Meeting. Mr. Morris questioned what the changes were to the plan. The changes are to allow for the work/live component anticipated to be in the new zoning. Changes also include the different parties involved for example MassDevelopment is now the developer.

Mr. Morris also expressed his concern for the need for more senior housing.

Jonathan Spiegel spoke to the changes in the zoning document. The proposed document is attached.

Section A - language now consistent with B NC zone- may acquire a contiguous parcel

Section D - edits

Section E - includes the approval received for one million dollars in FY15 with three million dollars to follow. MassDevelopment is working on the funding.

Section G - language about the new zone

Section H - edits including working with MassDevelopment

A question was raised about the release of the one million dollars for FY15. MassDevelopment is working on an interdepartmental agreement to manage the funds.

The meeting adjourned at 8:13 pm.

Respectfully submitted

