

INTRODUCTION

SALES PARTNERSHIP MODEL

May 7, 2013

MEDFIELD STATE HOSPITAL

SALES PARTNERSHIP MODEL

The Municipality-Commonwealth Sales Partnership Model, a new land disposition model initiated by the Patrick-Murray Administration includes the follow elements:

- > Allows the Town to control the end use destiny of the Property -the Town may acquire title to the Property on an unrestricted use* basis by paying the State a portion of its "sunk costs"** - unrestricted use allows the Town the flexibility to choose to 1) retain the Property (or portions of) for a direct public use and/or 2) sell the Property (or portions of) to a private developer;
- > Town can receive 50% of the net resale proceeds and up to an additional 20%*** if it achieves certain redevelopment milestones;
- > Collaborative planning among stakeholders to return Property to productive reuse compatible with the Town of Medfield's Land Use Master plan, redevelopment guidelines, zoning and Town-wide land development timelines;
- > Town may receive technical assistance from the Commonwealth in the areas of reuse planning, marketing and sale of the Property.

Definitions:

***Unrestricted Use** - Town may retain the Property (or portions of) for a direct public use or sell the Property (or portions of) to a private developer.

****Sunk Cost** - Sunk Costs are capital expenditures and operating expenses (hard cost and soft costs) incurred by the Commonwealth to improve, maintain, replace or repair the Proposed Disposition Parcel which includes land, infrastructure and improvements. Costs incurred in preparation for or after closure of the facility.

OVER

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*****Redevelopment Milestone Incentives**

Buyer (Town) shall be entitled to a base percentage of 50% of any net resale/ground lease proceeds. As an incentive, the Buyer can earn up to an additional 20% of the net resale/ground lease proceeds according to the following breakdown listed below:

- A. Additional 10% if the Buyer resells/ground leases the Property within 1- 2 years of original Closing Date.
- B. Additional 5% if the Buyer resells/ground leases the Property within 3- 5 years of the Closing Date.
- C. Additional 2.5 % if the Buyer completes a comprehensive market study to inform land use decisions including zoning for the site.
- D. Additional 2.5% if the Buyer adopts by right zoning (to be informed by market study) on the site a portion of which must be for residential housing of at least 4 units per acre for single family units and 8 units per acre for multifamily units.
- E. Additional 2.5% if the Buyer adopts 43D of the Acts of 2006, Section 11 of Chapter 205 entitled "local Expedited Permitting" which provides for expedited permitting (180 days) on a redevelopment site.
- F. Additional 2.5% if the Buyer adheres to the Commonwealth's sustainable development principles (found at http://mass.gov/envir/smart_growth_toolkit/pdf/patrick-principles.pdf) in the planning of future development of the site.