



TOWN OF GROTON

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Town of Groton Affordable Housing Trust

Stuart M. Schulman, *Chair*
Allen B. King, *Vice Chair*
Colleen A. Neff, *Treasurer*
David A. Wilder, *Secretary*
Joshua A. Degen, *Member*

Town Manager
Mark W. Haddad

Meeting Minutes

Date: October 6, 2011
Time: 7 p.m.
Location: 1st Floor Small Meeting Room, Town Hall
173 Main Street Groton, MA 01450

Present Members: Colleen Neff, David Wilder, Stuart Schulman, Josh Degen
Absent Member: Allen King
Other Attendees: Bob France (Mt. Laurel), David Valletta (KMPD Capital)
Meeting handouts: agenda

The meeting was called to order at 7:10 p.m.

Colleen Neff moved to approve the September 13, 2011 minutes as drafted, David Wilder seconded, motion carried 4:0.

Colleen Neff moved to approve the September 26, 2011 minutes as drafted, David Wilder seconded, motion carried 4:0.

Agenda item: Review investment package for 134 Main Street development

On behalf of the housing trust, Stuart welcomed Bob France and David Valletta to the trust's meeting. Trust members had been seeking input and clarification of certain terms of the proposed investment contracts for the 134 Main Street development.

Trust members decided to review the documents starting with the memorandum of understanding drafted to address the Conservation Commission's concerns. Regarding the developer's twenty-five thousand dollar contribution to the Conservation Fund, David Valletta assured the group that the project would guarantee the payment out of its own line of credit. David Valletta further emphasized the fact that the contribution would be guaranteed even with a lien on the property.

At this point, Trustees turned their attention to the promises made by the housing trust to the Conservation Commission and voted to execute the memorandum of understanding as drafted.

Josh so moved, David Wilder seconded and the trustees passed the motion 4:0.

David Valletta then noted that the generically titled Memorandum of Understanding may be confused with a document of the same name but different terms in the investment binder. After some discussion, the group agreed to rename the document "Conservation Fund Memorandum of Understanding" in an effort to remove any obvious confusion.

Josh moved to rescind the trust's previous approval of the Memorandum of Understanding and to execute a revised document titled Conservation Fund Memorandum of Understanding. Colleen seconded and the motion carried 4:0.

David Valletta updated the housing trust on the needs of the project. Specifically, the project needs to show the Trust's commitment as it lines up financing. David Valletta would like to have the Commitment Letter executed by the Trust by October 17.

The group then engaged in a discussion of certain commitment letter wording designed to protect the Trust's investment in the event of an appeal. David Valletta and Bob France were amenable to this change. As always, the housing trust will seek Town Counsel's review before executing a legally binding agreement.

Next, the meeting focused on the Opt Out agreement's terms.

1. For the Opt Out agreement, in Section 2.C.i. Optionee's Deliveries, David Valletta explained the rationale for the language regarding return of shares. Apparently, there is a problem with investors cashing out and never returning shares as intended. A failure to return shares is not just a formality and would be disruptive and potentially damaging to the project's interests. Therefore, the wording is drafted as such to ensure that should the Trust opt out, it must return its shares at the closing.
2. For the Opt Out agreement, in Section 1.C. Option Fee, David Valletta said that the option fee was part of the deal with the North Middlesex Bank, as represented by Mike Rasmussen, so it cannot be altered now. Trust members seemed accepting of this limitation.
3. For the Opt Out agreement, in Section 1.E. Option Payment, David Valletta and Bob France seemed accepting of the "pro rata" edit that Town Counsel made.

Josh moved to adjourn meeting at 8:10 p.m., Colleen seconded and motion carried 4:0.

The next meeting is scheduled for Monday, October 17, 2011 at 6:45 p.m. in the middle school cafeteria which is fifteen minutes in advance of Fall Town Meeting.

Minutes drafted by Fran Stanley.

Meeting Minutes Overview

Meeting Date	Status	Town Website
September 8, 2010	Final	Posted
October 13, 2010	Final	Posted
November 17, 2010	Final	Posted
December 20, 2010	Final	Posted
February 2, 2011	Final	Posted
April 6, 2011	Final	Posted
April 25, 2011	*	n/a
May 18, 2011	Final	Posted
June 27, 2011	**	n/a
July 27, 2011	Final	Posted
August 24, 2011	Final	Posted
September 13, 2011	Final	Posted
September 26, 2011	Final	Posted
October 6, 2011	Draft	In the process of being posted

* See Town record of Spring Town Meeting of even date.

** See Selectmen's minutes of even date.