



TOWN OF MEDFIELD MEETING NOTICE

Posted:

Town Clerk

Posted in accordance with the provisions of M.G.L. c. 30A, §§18-25

This meeting will be held in a hybrid format. Members of the public the meeting may do so in person or via Zoom by one of the following options.

1. To join online, use this link:
<https://medfield-net.zoom.us/j/86784501182?pwd=NSStcGY0NXIvS1E5azBETjZuSE8yQT09>
 - a. Webinar ID: 867 8450 1182
 - b. Password: 057865
2. To join through a conference call, dial 309-205-3325 or 312-626-6799 or 646-931-3860 or 929-436-2866 or 301-715-8592 or 386-347-5053 or 564-217-2000 or 669-444-9171 or 669-900-6833 or 719-359-4580 or 253-215-8782 or 346-248-7799
 - a. Enter the Webinar ID: 867 8450 1182
 - b. Enter the password: 057865

Warrant Committee



PLACE OF MEETING	DAY, DATE, AND TIME
Medfield Public Safety Building 112 North Street, Medfield MA First Floor, Training Room Also available via Zoom	Tuesday, March 19, 2024 at 7:00 pm

Agenda (Subject to Change)

- Call to order and disclosure of video recording
- Approval of March 12, 2024 meeting minutes
- 2024 Calendar and Meeting Minute Assignments
- Discussion of General Articles
 - Dog Control Bylaw
 - Town Charter Amendment - Moderator Term

- Enforcement of Zoning Bylaw Violations
 - Substitution of “Select Board” and “Select Board member” in Town Bylaws
- Discussion of Citizens’ Petition: Sale of Property
- Update from Town Finance
- Informational items
- Other topics not reasonably anticipated 48 hours prior to the meeting

Dog Control Bylaw Amendments

§ 100-5. Restraint of dogs.

Any persons owning or harboring a dog shall not suffer or allow it to run at large in any of the streets or public ways, or places in the Town of Medfield, or upon the premises of anyone other than the owner or keeper, unless the owner or occupant of such premises grants permission. ~~No dog shall be permitted in any public place or street within the Town of Medfield unless it is effectively restrained by a chain or leash or is attended by a person able to properly control its actions.~~ No dog shall be permitted on any public place or street within the Town of Medfield unless it is effectively restrained by a chain or leash not more than ten feet in length; this prohibition shall not apply to posted "off-leash" areas, as provided in the next section.

§ 100-5a . Restraint of Dogs in Off-Leash Areas:

A dog may be off-leash within the confines of a Town-designated and posted "off leash" area, if effectively under voice control of the animal's owner or keeper, provided that the dog shall be and remain, at all times, within said person's field of vision.

Drafted by: Jean Mineo 617-877-5158

Email to: warrantcommittee@medfield.net

Whenever possible consider using URL links to the original source document in the response or as part of a list of attributions and sources that you provide.

Article # (TBD)

Date Form Completed: 1/8/24

Article Title: Sale of Property

Sponsor Name: Jean Mineo, Ex. Dir. Bellforge Arts Center

Sponsor Email: jmineo@bellforge.org

1 Provide the article motion exactly as it is intended to be voted on by the Warrant Committee.

Drafted by Lisa Mead of Mead, Talerman & Costa LLC

To see if the Town will vote authorize the Select Board to sell or otherwise convey a portion of the property known as the Medfield State Hospital, that portion being as set forth on the sketch plan dated Jan. 7, 2024 and on file with the Town Clerk, which includes 120,483 square feet more or less, but no more than 126,000 square feet and no less than 115,000 square feet, including the buildings thereon contingent upon a final approval not required plan being endorsed by the Planning Board, and further contingent upon the sale not being in violation of the Town's Land Disposition Agreement with agreement by the purchasers of the Medfield State Hospital Property, Trinity Acquisitions, LLC and under such terms and conditions as the Select Board deem appropriate and in the best interest of the Town and to further authorize the Select Board to enter into any agreements and/or restrictions to effect said conveyance, or take any other action relative thereto.

2 At a summary level and very clearly, what is proposed purpose and objective of this Warrant Article and the required Motion? *(Solving a problem through some action, providing new and currently unrealized benefits, extending some tangible existing value to a great level)*

The purpose is to authorize the Select Board to sell the property the Town currently leases to the Cultural Alliance of Medfield, Inc. (a 501-c-3 organization) DBA Bellforge Arts Center.

The objective is to support the timely project completion of the arts center to align with, and support Trinity Financial's development of the State Hospital. Ownership will address evolving impediments including significant delays in construction due to cost escalation, new challenges in financing a ground lease, and limited flexibility in the bidding process.

3 What does the Town gain from a positive action by Town Meeting on the motion?

What are the benefits to the Town? Does the sponsor have any conflicts of interest with Town interests or benefits now or in the future? If so, please disclose them.

The Town gains financially from proceeds of the sale of property currently valued at \$0. Bellforge completed a formal property assessment in Oct., 2023 by Bonz and Company, the present value is \$0 (attached).

The Town also realizes more revenue due to an accelerated construction schedule. Put another way, for every year construction is delayed, the Town loses \$1,150,100 in economic activity beyond ticket sales (based on calculations by Arts Market, a third-party organizations consulting to arts centers nationally) generated by patrons of Bellforge. Delay will also defer collection of property taxes on the project, (historic tax credits require for-profit custody for five years).

The Town also gains by supporting Trinity in their challenging project by lowering the risk of delayed/prolonged construction in the center of their campus and disruption to new residents.

Finally, there is urgency around renovations due to lack of maintenance and utilities. Within the past year, the Infirmary (Bellforge's second building) has had a partial collapse of the first floor into the basement due to water infiltration from leaks in the roof. Trinity has shared that they are observing partial collapses in other buildings as well. This may create structural issues and produce a mix of hazardous materials - both of which may further increase renovation costs.

There are additional economic benefits to the Town from Bellforge being open and individuals gain health benefits outlined in the appendix.

There are no known conflicts of interest with Town interests or benefits.

4 Describe with some specificity how the sponsor envisions how: the benefits will be realized; the problem will be solved; the community at large will gain value in the outcome through the accompanied motion?

Why does the sponsor believe the proposed solution is workable and effective? What is your understanding of who benefits and who pays? What do you perceive to be the pros and cons of the proposed motion, both long- term and short-term? Has the sponsor done any primary or secondary research on this topic that can be shared? Are there analogs or benchmarks that can be drawn from other communities or the private sector to support the desired outcome?

How the benefits will be realized by the Town:

Assuming a 2/3 majority passes the article and when legislative approval is received, Bellforge proposes to purchase the property, at a price to be negotiated with the Town.

Workable and effective:

If positive action is achieved at Town Meeting, the Select Board will determine if and when to seek legislative approval. Bellforge anticipates a 9 – 12 month legislative approval process, based on its experience with legislative approval of its lease. It is Bellforge's ambition to seek this approval as soon as possible so that the Town and Bellforge may enter into a sales agreement immediately after MSH property transfers to Trinity.

Ideally, Bellforge would like to bid the project in early 2025. Bellforge requires approximately 16 months to complete its renovations. Construction documents are completed.

Bellforge has engaged in conversations with Rep. Vaughn, Rep. Garlick and Senator Rausch to advocate for the motion. They are consistent that if the Town votes favorably, they see their role as shepherding it through the approval process.

Bellforge and Trinity are working closely to align schedules so that infrastructure is available for Bellforge and the arts center can open prior to the residential units, and disruption to visitors and residents is minimized.

Who benefits and who pays:

The town benefits financially from the sale of the property and benefits economically in addition to an expanded range of local cultural opportunities and jobs.

Bellforge benefits from flexibility and cost savings, while ownership secures its future against displacement.

Pros and Cons:

Pro: The sale will allow freedom of action to mitigate the risk of a significant delay in the Bellforge construction timeline, causing the Trinity and Bellforge projects to fall out of sync. Medfield's newest residents and Trinity's partnership will suffer from significant disruptions if Bellforge construction is delayed by fundraising delays and/or inability to secure sufficient financing.

Con: Sale of the property may limit the Town's ability to redirect use of the property in the event the sale with Trinity does not proceed. This concern can be addressed by deferring execution of the sale until the town has completed sale/conveyance of the remaining hospital property to Trinity Financial.

Examples of arts organizations securing ownership from municipalities are below (question 11).

5 How does the proposed motion (and implementation) fit with the relevant Town Bylaws, financial and capital plan, comprehensive plan, and community values as well as relevant state laws and regulations.

What is your understanding of the cost implications, both operating and capital, both immediate and long-term to the town? Would this benefit cover gaps or overlap in any way with other Town projects or services?

Bellforge proposes to pay the Town to purchase the property it currently leases - there is no negative cost implication to the Town. Bellforge is responsible for the costs of renovations and operations.

This project does not overlap with other Town projects or services. The facility fills a gap where the Legion formerly had a facility for gatherings, events, fund raisers, etc. Bellforge is focused on performing arts, is significantly larger than Zullo Gallery, and won't have the limited availability found at the Council on Aging, Library and school auditoriums. Bellforge has engineered flexibility in the plans to accommodate multiple types of user groups.

6 Have you considered and assessed, qualified, and quantified the various impacts to the community such as:

- Town infrastructure (traffic, parking, etc.)
- Neighbors (noise, traffic, etc.).
- Environment and green issues (energy conservation, pollution, trash, encouraging walking and biking, etc.).

How does the proposed action fit into the framework of other local efforts currently underway (i.e., Medfield Master Plan, Sustainability Initiatives, etc.)? Is state action pending?

The impacts will be similar whether Bellforge owns or leases the property. Trinity Financial completed traffic and parking studies for the Hospital campus and is improving three traffic intersections as a result and providing additional public parking to accommodate Bellforge visitors.

The motion supports several of Medfield's 2022 Master Plan Goals, Objectives and Strategies including:

- 1.1.2 Support preservation, through re-use, of the Medfield State Hospital's historic buildings and landscape
- 3.1. Diversify the TAX BASE
- 3.2 Become more business-friendly
- 5.2.3. Consider creating an intergenerational Community Center
- 6.1. Pursue the vision and aspirations of the MEDFIELD STATE HOSPITAL MASTER PLAN
- 6.1.2. Make the MSH campus into a town destination
- 6.1.4. Support the reuse the Chapel as an arts and cultural center

7.2. Promote HEALTHY LIFESTYLE choices, especially for YOUTH

7.2.2. Explore ways of providing a broad range of activities

7.4.5. Support regional efforts to increase area diversity

7.5 Expand Opportunities for community gathering:

7.5.3. Support the redevelopment of the Chapel on the Medfield State Hospital Campus into an Arts and Cultural Center recreation amenities

7 Who are the critical participants in executing the effort envisioned by the article motion?

To this point what efforts have been made to involve those participants who may be accountable, responsible, consulted or just advised/informed on the impacts of executing the motion?

Can a Town Committee or Town Official handle the matter more effectively? Is a vote of Town Meeting as effective as citizens' letters, telephone calls, or petitions in the case of addressing local issues?

Bellforge has engaged Select Board members (accountable), Town Counsel (consulted), Town Administrator (responsible), notified the Town Planner (informed), and met with our Senator and State Representatives (accountable).

A 2/3 favorable vote by residents at a town meeting is required to authorize the Select Board to sell the property. If the Select Board agrees to move forward, legislative approval will be required to sell the property to Bellforge.

8 What steps and communication has the sponsor attempted to assure that:

- Interested parties were notified in a timely way and had a chance to participate in the process, that.
- Appropriate town Boards & Committees were consulted.
- Required public hearings were held.

Have the Board of Selectmen, Town Administrator, School Committee and Superintendent, Planning Board or other Town Agency had an opportunity to address the issue before bringing it to Town Meeting? Please provide the details as to which Boards, Committees or Commissions have held hearings, on what dates, how much time was spent by each in the hearing/meeting period, what was the outcome (vote, deferred, continued, etc.)

Hearings are not required. Bellforge's Ex. Dir. has met individually with the Select Board members, Town Administrator and Town Planner, and emailed with Town Counsel and lawyer Lisa Mead who drafted the warrant article. Ms. Mead is the Town's legal counsel for the State Hospital project.

Ms. Mead advises that the Planning Board will need to approve the final plan. Bellforge and Trinity have agreed on the property plan for Bellforge (which was not defined with specifics in its lease with the Town). A preliminary site plan has been provided

(attached). However, Trinity's plans are not as developed as the Bellforge plans. An engineered site plan for Trinity's property will be forthcoming, from which Bellforge can provide its engineered site plan for Planning Board approval, in advance of signing a Land Disposition Agreement with the Town. Bellforge has completed a preliminary review with both the Planning Board and the Medfield Historic District Commission. No significant concerns were raised.

Bellforge's Ex. Dir. has also discussed the article with Trinity Financial, their response: *"Jim [Keefe, Principal] understands what CAM is trying to accomplish and is supportive of your endeavors....It is obviously in Trinity's interest that CAM's development move forward and be successful and we are certainly aware of the pressure of construction costs."*

9 Why is it required for the Town of Medfield AND for the sponsor(s)?

Why now versus at some later date? Has the problem been carefully defined and analyzed? Have alternative solutions been considered? Is more study required?

Bellforge ownership is helpful to the Town by mitigating risk to Trinity through more favorable conditions to align construction schedules between the two interdependent projects. While the Select Board is not compelled to act upon passage, expediting the legislative review will position all parties to affect a sale quickly if such action is deemed by all salient stakeholders (Bellforge, Select Board, Trinity) to be necessary to stay on track to fund (either through a secured loan or accelerated fundraising) and execute the project in alignment with Trinity's schedule.

With current conditions of the capital markets, the compression of credit has led lenders to be stricter. These lending conditions are materially different than they were 12 – 18 months ago. When the Town and Bellforge structured the ground lease, ground leases were financeable. However, these tighter lending restrictions have been caused by a broader deterioration in the credit markets. Bellforge remains concerned about its ability to secure adequate funding in its current ground lease and is working to confirm with local lenders.

It is beneficial for Bellforge in providing flexibility for working with contractors, to find cost savings in potential bulk purchase of materials with Trinity, in realizing more favorable interest rates as owner occupant, and securing necessary financing.

Assuming a positive vote, the legislative review may take 9 – 12 months. While Bellforge hoped to begin construction in late 2024, it's likely to be delayed until early 2025. Our estimated construction duration is 16 months. It's important to open in the first half of 2026 in advance of an academic year beginning in September in order to enroll students in classes. In addition, Bellforge has been the recipient of a three-year grant supporting programs which ends after the 2025 season.

Bellforge meets monthly with Trinity Financial to coordinate schedules since Bellforge will rely on Trinity to bring infrastructure to the campus and to align schedules to minimize disruption to both Bellforge visitors and new residents to the campus.

10 Since submitting the article petition have you identified issues that weren't initially considered in the development of the proposal?

What are those issues and how do they affect the efficacy of the proposed article?

Bellforge has achieved 52% of its fundraising goal of \$25 million (net after historic tax credits estimated at \$5 million). This is very encouraging, but significant uncertainty remains.

The feedback we've received on the availability of funding and interests rate under either a ground lease or full ownership continues to evolve with the probability of being able to borrow a significant sum of money at a favorable interest rate declining. We expect this uncertainty to continue until a loan is finalized upon commencement of construction.

As mentioned elsewhere, the intent of this proposal is to allow timely purchase of the property with such action being essential to achieving the objectives of the Bellforge, Trinity Financial, and the town.

11 What are other towns and communities in the Metro West area, or the Commonwealth of MA doing similar to what your motion seeks to accomplish

In East Boston, the non-profit Zumix purchased a vacant (30 years) firehouse for \$1 from the City of Boston in 2005, then raised the funds for renovations and still operates out of this location. Zumix empowers young people to build successful futures for themselves, transforming lives and community through music, technology, and creative employment.

In Natick, the town sold the Central Fire Station (c. 1879) in 2001 to a non-profit to create a facility dedicated to the arts. The plan saved the Firehouse and preserved this historical Natick landmark. TCAN opened its 290-seat venue in 2003 and showcases 90+/- live music performances annually.

In Hudson, the volunteer Hudson Cultural Alliance is securing ownership of the Town's Armory building (c. 1910), to be finalized in early 2024 after an initial 3 year lease and responsibility to maintain the building in the interim.

In Boston, the North Bennett Street School (founded 1881) purchased 2 city buildings in the North End in 2013 to house all of its programs in bookbinding, cabinetry, carpentry, jewelry, locksmithing and security technology, piano technology, preservation carpentry and violin making and repair, together.

In Northampton, their Community Music Center (CMC founded 1986) purchased their property from the town in 2019. The property was abandoned in 1982, CMC was the sole occupant starting in 1998. The Town initially provided a 20 year lease to CMC raise the funds for renovations and code compliance which was completed in three phases with an investment of \$1.5 million.

In Wendell, a historic meeting house (c. 1846) was purchased from a church by a volunteer-led non-profit to preserve the building as a center for spiritual, cultural, and community programs. The Friends re-opened the doors in 2001 after the building was vacant for 30 years. The Town of Wendell retained ownership of the land until 2021, when it was deeded to the non-profit Friends for \$100.

The MA Cultural Facilities Fund Director also identified the Children's Museum (CME) in Easton as a non-profit that purchased their property from the town. Bellforge has emailed for details, but does not have a response to date.

There are also examples of non-profit arts organizations securing ownership from private developers including:

- Western Ave Studio and Lofts in Lowell
- 119 Braintree Street in Allston
- Charlestown Rehearsal Studios
- Joy Street Studios and Milk Row Artists in Somerville
- Sound Museum in Brighton
- Midway Studios in Fort Point, Boston
- Humphrey Street Studios in Dorchester
- Creative Hub Community Center in Worcester

A Boston Globe article (Aug. 5, 2023) discussed the problem of displacement among artists and creatives: *"...a problem that by some estimates has caused more than 2 million square feet of cultural space to vanish over the years, as gentrification emptied studios and other venues across Fort Point, the South End, the Fenway, Cambridge, and beyond."*

Arts displacement, although a systemic, chronic problem in Greater Boston, also takes a toll outside of the city.

12 If this Warrant Article is not approved by Town Meeting what are the consequences to the Town and to the sponsor(s)? Please be specific on both financial and other consequences.

The Town will not receive financial compensation (to be negotiated) in exchange for sale of the property.

The town may experience potential delays in:

- Tax revenue from Bellforge during the period its for-profit subsidiary operates in order to realize the benefits of historic tax credits
- Indirect economic benefits of Bellforge operation (see appendix)

If the article is not approved, the Town also risks incompatible construction schedules between Trinity and Bellforge. Both projects support town goals and the State Hospital master planning goals. Bellforge construction may experience scheduling delays due to timing of fund raising or ability to attain sufficient financing. Risks have increased due to cost inflation and a less favorable funding environment.

The original (pre-Covid) Bellforge project budget was \$20M, which escalated to \$30M with the completion of construction documents. Bellforge anticipates \$5M in historic tax credits, our working goal for the capital campaign is \$25M. This startup non-profit is tasked with raising a significant amount of funding on an aggressive schedule to align construction with Trinity Financial.

If the article is not approved, Bellforge will work to complete the project and stay in the 99-year lease signed in June, 2020. Bellforge will lose flexibility in selecting local contractors and will not be able to work with Trinity to realize savings on bulk purchases of materials. It will take longer to achieve the campaign goal which may jeopardize alignment with Trinity's schedule. Bellforge's ability to finance the construction in a ground lease situation may be problematic and likely more costly for the organization, potentially increasing the campaign goal and timeline.

APPENDIX

Article # (TBD)

Date Form Completed: 1/8/24

Article Title: Sale of Property

Sponsor Name: Jean Mineo, Ex. Dir. Bellforge Arts Center

Sponsor Email: jmineo@bellforge.org

How the community gains value:

The arts deliver economic benefits. From our 2017 Arts and Economic Prosperity Study, we know that non-residents spend \$16.43 (beyond the price of admission) for every cultural event they attend in Medfield. In Bellforge's first season of programs (April – Oct., 2022) we hosted 10,000 visitors from 207 MA zip codes and every New England state. We expect the per person expenditure will increase once Bellforge buildings are open. From Bellforge's 2022 updated Market Analysis:

The potential economic value of the expanded [Bellforge] profile as identified in our 2022 study is significant. [Note: this includes additional space beyond the property currently leased from the Town.]

Using the same methodology employed in the 2017 Americans for the Arts Economic Impact of the Arts study for Medfield, this study finds that the total economic value comprised of operational expenditures as well as expenditures made by arts/entertainment/cultural visitors to [Bellforge] and related enterprises will equal \$7 million annually into the local and state economy, and provide full-time equivalent employment for 226.

This level of a creative economy almost certainly and within short order will lead to more, as a solid audience base for arts and creativity and a strong creative enterprise profile leads additional for and nonprofit creative groups and individuals to locate near the campus. In addition, the construction of the [Bellforge] portion of the campus will yield a significant economic impact. By year five after opening, the cumulative real financial impact to Medfield will be \$235.93 million, a powerful return on investment for the capital costs [Bellforge] will incur.

Another area of economic benefit is consumer surplus, which is the benefit of being able to attend or participate in cultural activities close to home as compared to having to drive for the same experience. This is an economic benefit realized by area residents, effectively putting more of their paycheck back into their household savings by not expending money to travel to other locations. Another way to look at this is that the Medfield zip code will be able to hold onto this economic activity whereas, at present, there is economic leakage as local dollars go to the arts elsewhere.

Arts and culture organizations employ people locally, purchase goods and services from nearby businesses, and produce the authentic cultural experiences that are magnets for visitors, tourists and new residents. They also employ accountants, printers, builders, plumbers, and an array of occupations spanning many industries. Event-related spending by their audiences generates valuable revenue for local merchants – dining in a nearby restaurant, shopping at local retail store, etc. – a value-add few industries can compete with. These actions, in turn, support jobs, generate household income, and generate tax revenues to the government that more than offsets the public’s arts and culture sector investment. ([Americans for the Arts, Arts and Economic Prosperity 6](#))

The arts also deliver health benefits. Neuroaesthetics or neuroarts is a growing field, enabled by advances in technology to study human physiology. The book, Your Brain on Art offers evidence of how our brains and bodies transform when we participate in the arts—and how this knowledge can improve our health, enable us to flourish, and build stronger communities.

...we now have scientific proof that the arts are essential to our very survival...In short, the arts and aesthetics change us and, as a result, they can transform our lives. Many of us tend to think of the arts as either entertainment or as an escape. A luxury of some kind. But what [Your Brain on Art] will show you is that the arts are so much more. They can be used to fundamentally change your day-to-day life. They can help address serious physical and mental health issues, with remarkable results.

In one example from the book, epidemiologist Daisy Fancourt used data from cohort studies (these studies track thousands of people often from birth, every few years of their lives) to show what the arts do for overall longevity: “People who engage in the arts every few months...have a 31 percent lower risk of dying early when compared to those who don’t. Even if you bring the arts into your life only once or twice a year, you lower mortality risk by 14 percent. The arts literally help you live longer.”

Additional research

Bellforge’s Executive Director communicates with the [ArtStaysHere](#) coalition working to preserve cultural spaces and the [Arts and Business Council’s Creative Space](#) program dedicated to developing and owning creative real estate projects.

Time Period	Agreement/Law	Relevant Procurement or Agreement Provisions	Other Comments and Questions
December 2014	Land Disposition Agreement (LDA) between Medfield and DCAMM	Requires Public Procurement Process for any land disposition covered by DCAMM LDA (includes land on which Chappel is located)	Medfield agrees to indemnify DCAMM/State for all environmental liability issues on land purchased from the State of Massachusetts.
STM October 28, 2018	Special Town Meeting Article 4 - Lease Article, Board of Selectmen sponsored article and voted passage	Authorization given to Select Board to lease portion of town owned land at MSH and two buildings (Chapel and Infirmary) for up to 99 years for purpose of developing and operating an arts and cultural center and if deemed necessary or desirable petition the Mass General Court to enact special legislation authorizing.	
July 26, 2019	Special Legislation – Chapter 40	Special Legislation removes the Chappel land lease from DCAMM LDA public uniform procurement provisions. Exempt from requirements of chapter 40, Sec 3 and chapter 30B, Sec 16	Effectively allows for the bypass of public uniform procurement provisions only for a land lease agreement with CAM

Time Period	Agreement/Law	Relevant Procurement or Agreement Provisions	Other Comments and Questions
STM November 18, 2019	Special Town Meeting approval of Medfield State Hospital District	Rezones the Medfield State Hospital area. The plan sets out a broad list of permitted uses for each of the six subzones (including Arts and Cultural on the core/main campus subzone).	Rezone article effectively allows for uses other than Business/ Industrial.
June 27, 2020	99 Year Lease agreement with CAM executed for Chapel, Infirmary, and land.	Select Board negotiates a lease with CAM to protect the Town's interests, risks, and liabilities. In lieu of rent, CAM shall pay for all improvements to the leased premises. Key provisions negotiated and included in the lease address the risk of CAM failure to successfully fundraise \$\$ for significant capital improvements. Also includes requirement for "Construction Approval" (pre-approval by Select Board of construction plan and phases), prior to Construction Commencement Deadline. Includes provision for lease termination if fundraising goals are not achieved by Construction Commencement Deadline. (7 years after lease execution with 3 one-year extensions, if needed). CAM is required to submit an annual report during Pre-Construction period. Report shall include information regarding fundraising and financial status of the Project.	The lease agreement includes 3 Terms with requirements in each Term. (1) Pre-Construction, (2) Construction and (3) Occupancy. The original estimate in 2019 for fund raising requirement was \$18 million to complete project. Due to passage of time and inflation, the current estimate of fund raise goal is closer to \$25-\$30 million.

Time Period	Agreement/Law	Relevant Procurement or Agreement Provisions	Other Comments and Questions
STM June 2022	Special Town Meeting – Article authorized Select Board to execute LDA with Trinity on MSH Core Campus	LDA agreement with Trinity excludes land upon which Chapell is located. Trinity agrees to a \$1 million cash payment to CAM to help with construction efforts. Additional support offered to help with construction planning.	<p>What are the terms of the Trinity and CAM agreement? Is payment only made when CAM has secured all necessary funding for their project?</p> <p>Trinity agreed in LDA to assume Medfield's environmental indemnifications to State for all land they will purchase. Medfield is still responsible for environmental liabilities on land currently leased to CAM (still subject to DCAMM indemnification agreement. What will happen with the remaining indemnification for leased land if sold?</p>
Feb 2024	Citizens Petition Proposed Article for 2024 Town Meeting on disposition of Chappel land	CAM requested through a Citizens Petition at Town Meeting, article to authorize the Select Board to dispose of Chappel Land and buildings to CAM at a negotiated price. Questionnaire submission to Warrant Committee discusses a future negotiation of price and includes an appraisal of property with a valuation of zero for land and buildings. Also discusses an assumed Special Legislative Process to allow for sale to CAM without a proper procurement process.	Lisa Mead is Town counsel for MSH matters. She is of the opinion that there is no authority for the Select Board to dispose of property by sale or without following the requirements of MGL- c30b, Sec 16. Can not sell land to CAM or anyone else absent a proper procurement process and termination of lease.

March 2024	Additional Legal Counsel Advice	Town Counsel – in the event a sale is possible following public procurement process, a separate lot would have to be created to create something to sell.	Creation of lot would be dependent on the final subdivision plan by Trinity as approved by the Select Board.
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Kelly Vitale Raffol LLC
CERTIFIED PUBLIC ACCOUNTANTS



Financial Statements

For the Years Ended June 30, 2023 and 2022

*105 Chestnut Street, Suite 12, Needham, MA 02492
4238 Washington Street, Suite 307, Boston, Massachusetts 02131
Certified Women Owned Business in the Commonwealth of Massachusetts
Member, American Institute of Certified Public Accountants*

CULTURAL ALLIANCE OF MEDFIELD, INC.

Financial Statements

For the Years Ended June 30, 2023 and 2022

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Kelly Vitale Raffol LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Directors
Cultural Alliance of Medfield, Inc.
Medfield, Massachusetts

Opinion

We have audited the accompanying financial statements of Cultural Alliance of Medfield, Inc. (a nonprofit organization), (CAM) which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of Cultural Alliance of Medfield, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cultural Alliance of Medfield, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cultural Alliance of Medfield, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our reported dated August 31, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

KellyVitleRafoll LLC

Needham, Massachusetts
August 31, 2023

CULTURAL ALLIANCE OF MEDFIELD, INC.

Statements of Financial Position

As of June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<i>Assets</i>		
Cash and cash equivalents	\$ 1,397,092	\$ 676,082
Accounts receivable	193,849	47,500
Promises to give, net	2,728,284	860,900
Prepaid expenses	8,500	-
Construction in process	1,136,551	-
Right-to-use asset	13,654	-
<i>Total assets</i>	<u><u>\$ 5,477,930</u></u>	<u><u>\$ 1,584,482</u></u>
<i>Liabilities and Net Assets</i>		
<i>Liabilities:</i>		
Accounts payable and accrued expenses	\$ 38,991	\$ 6,650
Deferred revenue	18,616	-
Lease liability	14,132	-
<i>Total liabilities</i>	71,739	6,650
<i>Net Assets:</i>		
Without donor restrictions	1,666,760	245,051
With donor restrictions	3,739,431	1,332,781
<i>Total net assets</i>	<u><u>5,406,191</u></u>	<u><u>1,577,832</u></u>
<i>Total liabilities and net assets</i>	<u><u>\$ 5,477,930</u></u>	<u><u>\$ 1,584,482</u></u>

CULTURAL ALLIANCE OF MEDFIELD, INC.

Statements of Activities

For the Years Ended June 30, 2023 and 2022

	<i>2023</i>			<i>2022</i>		
	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Support and Revenues:</i>						
Contributions and grants	\$ 816,296	\$ 3,253,929	\$ 4,070,225	\$ 480,359	\$ 1,332,781	\$ 1,813,140
Government grants	110,191	541,272	651,463	98,000	-	98,000
Sponsorship	7,955	-	7,955	1,940	-	1,940
Program service revenue	58,684	-	58,684	27,611	-	27,611
In-kind donations	358,560	-	358,560	-	-	-
Net investment income (loss)	6,109	-	6,109	(4,034)	-	(4,034)
Net assets released from restrictions	1,388,551	(1,388,551)	-	-	-	-
<i>Total support and revenue</i>	2,746,346	2,406,650	5,152,996	603,876	1,332,781	1,936,657
<i>Expenses:</i>						
Program services	760,540	-	760,540	213,441	-	213,441
General and administrative	150,176	-	150,176	54,534	-	54,534
Fundraising	413,921	-	413,921	231,315	-	231,315
<i>Total expenses</i>	1,324,637	-	1,324,637	499,290	-	499,290
<i>Change in net assets</i>	1,421,709	2,406,650	3,828,359	104,586	1,332,781	1,437,367
<i>Net assets, beginning</i>	245,051	1,332,781	1,577,832	140,465	-	140,465
<i>Net assets, ending</i>	\$ 1,666,760	\$ 3,739,431	\$ 5,406,191	\$ 245,051	\$ 1,332,781	\$ 1,577,832

See accompanying notes to financial statements.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Statements of Cash Flows

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<i>Cash Flows from Operating Activities:</i>		
Change in net assets	\$ 3,828,359	\$ 1,437,367
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized (gain) loss on investments	-	4,034
Donation of investments	(494,490)	(349,714)
<i>Change in:</i>		
Promises to give, net	(1,867,384)	(860,900)
Accounts receivable	(146,349)	(47,500)
Prepaid expenses	(8,500)	-
Right-to-use asset	(13,654)	-
Accounts payable and accrued expenses	32,341	6,650
Deferred revenue	18,616	-
Lease liability	14,132	-
<i>Net cash provided by operating activities</i>	<u>1,363,071</u>	<u>189,937</u>
<i>Cash Flows from Investing Activities:</i>		
Proceeds from sale of investments	494,490	345,680
Investment in property and equipment	(1,136,551)	-
<i>Net cash provided by (used in) investing activities</i>	<u>(642,061)</u>	<u>345,680</u>
<i>Net change in cash and cash equivalents</i>	721,010	535,617
<i>Cash and cash equivalents, beginning of year</i>	<u>676,082</u>	<u>140,465</u>
<i>Cash and cash equivalents, end of year</i>	<u><u>\$ 1,397,092</u></u>	<u><u>\$ 676,082</u></u>
<i>Supplemental disclosures:</i>		
Contribution of donated rental	\$ 358,560	\$ -

See accompanying notes to financial statements.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Statements of Functional Expenses

For the Years Ended June 30, 2023 and 2022

	2023				2022			
	<i>Program Services</i>	<i>General and Administrative</i>	<i>Fundraising</i>	<i>Total</i>	<i>Program Services</i>	<i>General and Administrative</i>	<i>Fundraising</i>	<i>Total</i>
Salaries and wages	\$ 131,729	\$ 84,204	\$ 195,573	\$ 411,506	\$ 41,351	\$ 26,433	\$ 61,393	\$ 129,177
Payroll taxes	10,478	6,697	15,555	32,730	3,814	2,437	5,662	11,913
Fringe benefits	5,461	3,492	8,108	17,061	-	-	-	-
Professional fees	17,503	877	47,076	65,456	38,590	1,934	103,791	144,315
Event performers and supplies	141,342	-	1,501	142,843	38,203	-	12,500	50,703
Event personnel	64,794	-	3,340	68,134	19,875	-	1,025	20,900
Rent and utilities	4,658	16,737	4,782	26,177	864	3,105	887	4,856
In-kind donated rent	358,560	-	-	358,560	-	-	-	-
Supplies	-	-	125,426	125,426	6,572	385	8,970	15,927
Licenses and fees	35	-	-	35	150	-	-	150
Advertising and promotion	24,077	-	12,560	36,637	62,591	-	32,650	95,241
Insurance	1,903	19,242	-	21,145	947	9,578	-	10,525
Office expenses	-	18,888	-	18,888	-	10,662	-	10,662
Printing	-	-	-	-	-	-	3,639	3,639
Postage	-	-	-	-	-	-	798	798
Event security	-	-	-	-	484	-	-	484
Travel	-	39	-	39	-	-	-	-
<i>Total expenses</i>	<i>\$ 760,540</i>	<i>\$ 150,176</i>	<i>\$ 413,921</i>	<i>\$ 1,324,637</i>	<i>\$ 213,441</i>	<i>\$ 54,534</i>	<i>\$ 231,315</i>	<i>\$ 499,290</i>

See accompanying notes to financial statements.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 1. Nature of Activities

Cultural Alliance of Medfield, Inc. (the Organization) (CAM) (the Bellforge Arts Center) is a non-profit organization located in Medfield, rooted in nature with a legacy of healing, nurturing community, creativity, and self-expression through the arts. At CAM, we work to build community through the transformative power of the arts and shared cultural experiences. We believe the more inclusive we are, the more enriching these shared experiences will be.

The Bellforge Arts Center is a d/b/a of the Cultural Alliance of Medfield, a 501(c)(3) organization established in 2015 to support artists, expand cultural opportunities and nurture the creative community. CAM has secured the rights to develop an Arts Center at the former Medfield State Hospital and entered into a 99-year lease with the Town of Medfield for the use of the former Chapel and Infirmary buildings.

CAM is raising private funds for this effort and ultimately envisions a performing arts and education center featuring indoor and outdoor performance venues, rehearsal space and classrooms, and open space for community activities.

Note 2. Summary of Accounting Policies

Basis of Accounting and Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Revenues are recognized when the services are performed, and expenses are recorded as incurred.

As required by the FASB Accounting Standards Codification, the Organization's net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk

The Organization occasionally maintains deposits in excess of federally insured limits. Accounting standards generally accepted in the United States of America, identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all cash accounts in high quality financial institutions insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2023 and 2022, the Organization had \$910,416 and \$426,382 of cash in excess of the FDIC \$250,000 insurance.

Revenue Recognition

Contributions: The Organization recognizes contributions when cash, securities, other assets, and unconditional promise to give, or notification of a beneficial interest are received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations about the use of the donated assets, or if they are designated as support for future periods.

Exchange transactions: Reciprocal transfers in which each party receives and sacrifices goods or services with approximate commensurate value are recognized as exchange transactions. The Organization adopted Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers (Topic 606) using the modified retrospective method applied to all contracts not completed as of the date of the adoption. The core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Organization applies Topic 606 to exchange transactions in which it receives consideration for products or services offered. Under U.S. GAAP, these arrangements are exchange transactions between the Organization and the customers participating in the Organization's programs or using their services.

The Organization's revenue is derived from grants and contributions from individuals and corporations. All revenue is recorded at estimated net realizable amounts.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Organization considers cash and cash equivalents to be cash on hand, cash in operating bank accounts, sweep accounts and money market funds. The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Income Tax Status

The Organization is exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The Organization is also exempt from Massachusetts state taxes.

Contributions Receivable

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivables are written off when deemed uncollectable. Management determined that there was no need for an allowance of uncollectable accounts.

Conditional Promises to Give

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Consequently, at June 30, 2023, contributions approximating \$3,650,000 have not been recognized in the accompanying statement of activities because the condition(s) on which they depend has not yet been met.

The amount of \$3,650,000 is allocated as follows:

Condition	Amount
Capital grant conditioned upon project funding	\$ 1,000,000
Programing conditional upon additional project funding	250,000
Capital grant required for obtaining match funds and becoming match certified	200,000
Conditioned upon receiving match funds in fiscal year 2024 for programing	200,000
Capital grant conditioned upon receiving 80% of project budget fund	2,000,000
	<u>\$ 3,650,000</u>

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis. Professional fees, salaries, payroll taxes and benefits are allocated depending on time and effort. Depreciation is allocated across the useful life of the assets. Rent is allocated in accordance with square footage used by full-time equivalents.

The following functional expenses are directly allocated to the programs, projects, and departments as they are utilized:

- Meeting expenses
- Program supplies
- Postage and delivery
- Printing

The following functional expenses are allocated depending on time and effort:

- Office supplies
- Payroll taxes and benefits
- Professional fees
- Rent
- Salaries
- Telephone

Adopted Accounting Pronouncements

The Organization implemented new lease reporting for operating leases as outlined in the FASB-issued Accounting Standards Update (ASU) 2017-13, *Leases (Topic 842)*. A lease conveys the right-of-use on an underlying asset for a period of time in exchange for consideration. On the lease commencement date, a lessee is required to measure and record a lease liability and right-of-use asset equal to the present value of the remaining lease payments. The right-of-use asset leased from a lessor under an operating lease is reported on the Statement of Financial Position as a right-of-use asset and is amortized over the lease term. The lease liability is initially reported on the Statement of Financial Position at the present value of the operating lease reduced by the annual lease payments.

Reclassifications

Certain reclassifications have been made to the prior-year financial statements in order for them to be in conformity with the current-year presentation. The reclassifications were immaterial and did not result in any changes to the beginning net assets.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 3. *Right of Use Asset and Lease Liability*

Office Lease

The Organization entered into a two-year office lease in Medfield, Massachusetts on May 15, 2022, with monthly payments of \$1,200 each year with an increase of \$1,300 in the second year.

The components of the lease expense, lease term and discount for the year ended June 30, 2023, are as follows:

Operating lease cost	\$	14,600
Weighted-average remaining lease term, operating lease		0.92
Weighted-average discount rate, operating lease		2.84%
Years ending June 30:		
2024	\$	14,300
Less: discount to net present value		<u>(168)</u>
<i>Present value of lease liability</i>	\$	<u><u>14,132</u></u>

Note 4. *Net Assets with Donor Restrictions*

Net assets with donor restrictions consist of grants with timing and purpose restrictions. The Organization must meet certain criteria and report back to the grantors within the grant time period to release the grants from restriction. The purpose restrictions are related to a construction campaign for the new art center. As of June 30, 2023, and 2022, restricted net assets were as follows:

	<u>2023</u>	<u>2022</u>
Purpose restriction	\$ 1,149,274	\$ 252,000
Time restriction	<u>2,590,157</u>	<u>1,080,781</u>
	<u><u>\$ 3,739,431</u></u>	<u><u>\$ 1,332,781</u></u>

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 5. In-Kind Donation

The Town of Medfield, acting by and through its board of selectmen, is hereby authorized to lease a portion of town-owned land at the former Medfield State Hospital, consisting of the 2 buildings formerly known as Lee Chapel and the Infirmary Building, together with the surrounding land, to a public or private entity for up to 99 years, upon such terms and conditions as the board of selectmen determine to be in the town's interests, for the purpose of developing and operating an arts and cultural center. (Bill H.3643, State Legislature)

The lease is restricted to be used for the following purposes:

- Offices of nonprofit and educational organizations.
- Classroom instruction.
- Artist studios and art gallery.
- Public events, including fundraising events, meetings open to the public, staged productions, and similar events.
- During the Lease term, Tenant and its employees, agents, representatives, and invitees shall have the right to use in common with others lawfully entitled thereto the publicly accessible grounds and parking areas adjacent to the buildings.
- The Lee Chapel shall include flexible seating for about 325 to host live music and theatrical performances with opportunities for film, storytelling, literary, and other cultural events. The Chapel will remain a community resource with opportunities for educational, arts, business and civic group meetings and special events. A catering kitchen and concessions will be installed to support these activities.
- The grounds will accommodate live performance, outdoor movies, and events with opportunities for festivals, markets, public art, and the like.
- The former infirmary shall be a center of education for youth and adults with studios for private and group lessons in the visual and performing arts.

The constructions will be separated into three phases:

1. The first phase shall be referred to as the "Preconstruction Period."
2. The second phase shall be referred to as the "Construction Period."
3. The final/third phase shall be referred to "Occupancy Period."

The two buildings combined square footage is 23,904 square feet. The Organization has valued the in-kind donation, which is utilized for programs, based on the comparable commercial rentals in the surrounding area the condition of the building prior to completion of renovations. The buildings weren't ready for use during fiscal year 2022. For the year ended June 30, 2023, and 2022 the value was \$358,560 and \$0, respectively.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 6. Advertising

The Organization expenses advertising costs as incurred. In the year ended June 30, 2023 and 2022, the Organization had advertising expenses in the amount of \$36,637 and \$95,241, respectively, related to program and fundraising events.

Note 7. Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2023:

Within one year	\$ 1,156,584
In one to five years	1,774,887
Subtotal	2,931,471
Less discount to net present value	(203,187)
Promises to give, net	<u>\$ 2,728,284</u>

Note 8. Liquidity and Availability of Financial Assets

The table below presents the Organization's financial assets available within one year to meet its general expenditures at June 30, 2023:

Financial assets:

Cash and cash equivalents	\$ 1,397,092
Accounts receivable	193,850
Pledges receivable	<u>2,728,284</u>

<i>Total financial assets</i>	<u>4,319,226</u>
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Less those unavailable for general expenditure within one year,
due to:

Assets subject to satisfaction of donor-imposed restrictions for purpose and time	<u>1,774,887</u>
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<i>Financial assets available to meet general expenditures within one year</i>	<u>\$ 2,544,339</u>
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As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 9. Historical Tax Credits

The project has been selected to receive \$1,600,000 of state rehabilitation tax credits from the *Commonwealth of Massachusetts*. The project is defined as the Massachusetts Rehabilitation Tax Credit Application, Medfield State Hospital (Chapel and Infirmary) located at 45 Hospital Road, Medfield, Massachusetts (MHC# HRC.904).

The Organization remains eligible to apply for additional funds in future rounds, not exceeding a total of 20% of the qualified rehabilitation costs for the project. This allocation is contingent upon the successful completion of the project and the approval of part three of the state rehabilitation tax credit application in accordance with the regulations.

Once the project is complete and put into service, the Organization can apply for a Part 3 Certification for the project. Part 3 certification and issuance of a project certificate by the *Massachusetts Historical Commission* will be the final step of the tax credit process for a single-phase project. After the Project Certificate is issued, no additional credits can be allocated.

Note 10. Other Commitments and Contingencies

Regulatory agencies may initiate administrative proceedings alleging that the Organization programs, employees, or agents violate statutes and regulations and seek to impose monetary penalties on the Organization. The Organization could be required to incur significant costs to respond to regulatory investigations or defend against civil lawsuits and, if the Organization does not prevail the Organization could be required to pay substantial amounts of money in damages, settlement amounts or penalties.

The Organization is also subject to potential lawsuits under the False Claims Act and other federal and state whistleblower statutes designed to combat fraud and abuse. The Organization is also subject to employee-related claims under state and federal laws, and claims for discrimination, wrongful discharge, or retaliation. The Organization's policy is to accrue for all probable and estimable claims using information available at the time the financial statements are issued. Actual claims could settle in the future at materially different amounts due to the nature of the litigation.

Note 11. Pension Plans

The Organization has a defined contribution pension plan that qualifies as a tax-sheltered account under Section 401(k) of the IRC for the benefit of eligible employees. Under the Plan, benefit eligible employees can invest pre-tax dollars. The employees are not taxed on contributions or earnings until they receive distributions from the account. The Organization is required to contribute 3% of each employee's salary. During the fiscal year ended June 30, 2023, and 2022, the Organization contributed \$17,061 and \$0, respectively, to the employee plans.

CULTURAL ALLIANCE OF MEDFIELD, INC.

Notes to Financial Statements

For the Years Ended June 30, 2023 and 2022

Note 12. Subsequent Events

The Organization has evaluated subsequent events through August 31, 2023, the date the financial statements were available to be issued. There were no material subsequent events as of the date which require disclosure in or adjustment to these financial statements.



Kelly Vitale Raffol LLC
CERTIFIED PUBLIC ACCOUNTANTS

***Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards***

To the Board of Directors
Cultural Alliance of Medfield, Inc.
Medfield, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cultural Alliance of Medfield, Inc. (a nonprofit), which comprise the statement of financial position as of June 30, 2023, the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 31, 2023

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cultural Alliance of Medfield, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KellyVitaleRaffol LLC

Needham, Massachusetts
August 31, 2023



Frank Gervasio <fgervasio@medfield.net>

Fwd: proposed Bellforge construction process

Stephen Callahan <callahanstephend@gmail.com>
To: Frank Gervasio <fgervasio@medfield.net>

Fri, Mar 15, 2024 at 11:46 AM

----- Forwarded message -----

From: **Stephen Callahan** <callahanstephend@gmail.com>

Date: Thu, Mar 14, 2024 at 6:24 PM

Subject: Fwd: proposed Bellforge construction process

To: Bob Sliney <bobsliney1@gmail.com>, Brent Nelson <brentdnelson@gmail.com>, Deborah Cartisser <dcartisser@yahoo.com>, Ed Vozzella <edvozzella@yahoo.com>, Emily C McCabe <ecoombs@gmail.com>, Jillian Rafter <jillsie13@gmail.com>, Pete Saladino <saladino@gmail.com>, Peter Michelson <pmichelson@comcast.net>

Cc: Kristine Trierweiler <ktrierweiler@medfield.net>

FYI

----- Forwarded message -----

From: **Kristine Trierweiler** <ktrierweiler@medfield.net>

Date: Thu, Mar 14, 2024 at 5:55 PM

Subject: Fwd: proposed Bellforge construction process

To: Lisa Mead <lisa@mtclawyers.com>, Stephen Callahan <callahanstephend@gmail.com>, Bob Sliney <bobsliney1@gmail.com>

----- Forwarded message -----

From: **Jean Mineo** <jmineo@bellforge.org>

Date: Thu, Mar 14, 2024 at 5:50 PM

Subject: proposed Bellforge construction process

To: Kristine Trierweiler <ktrierweiler@medfield.net>

Hello Kristine,

To keep you in the loop, I sent this note to each of the Select Board members (separately) this afternoon:

In advance of our conversation at the Select Board meeting on 3/19, I'm writing to share our current thinking about the construction process.

As you can imagine, historic preservation of the 125+ year old buildings will be complicated in that the construction process is likely to uncover unexpected issues - that makes this project fundamentally different than a more-straightforward new construction project. In addition:

- Successful acoustic treatments are critical to the success of both the experience inside the facility and to those who will live just outside of Bellforge. (To that end, Bellforge has invested over \$530k to date in design and engineering for the Chapel acoustics.)
- Especially critical through the process is the selection of general contractors and subcontractors who demonstrate successful collaboration on historic preservation and performance space experience.

Through ownership, Bellforge proposes to contract for Construction Management (CM) Services utilizing a cost plus a fee guaranteed maximum price project delivery. This process includes:

- Identify construction managers and subcontractor teams with historic preservation and performance space experience.
- Solicit qualification packages from those firms identified.
- Review packages and generate final list of CM's to submit proposals.
- Distribute RFP's for CM services (sample attached)
- Review proposals, develop a short list of CM's for interview, conduct interviews and recommend award.
- Contract negotiations for preconstruction services.
- Begin preconstruction services. Review documents for clarity, constructability, potential cost saving alternatives, further destructive/non-destructive investigations; develop and present guaranteed maximum price (GMP) to Bellforge.
 - The list of areas to be investigated results from review of documents and possible assumptions that require field confirmation.
 - Destructive testing can include: removing masonry or concrete to determine structural integrity of supporting members, checking plumbing behind walls, checking out an existing roof.
 - Non-destructive testing is removal and replacement of materials concealing a condition - basically not creating damage to confirm an assumed condition.
- Bellforge agrees to the GMP and enters into a contract.

We are working with Ray Bourcier of DEC Consulting as our Owner's Project Manager (OPM) and he has shared a sample RFP for Construction Management Services used for another client (identifying information has been redacted) so you can gain a better sense of this proposed process.

We hope you'll agree that the specialized nature of work at the Hospital also justifies a process that maximizes our chances for the best possible outcome for all stakeholders (Bellforge, its immediate neighbors and the broader community). And we hope, through the vote, to enable you to consider a sale when you find conditions justify this action.

Thank you for your consideration, I'm available to answer your questions.

Jean

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Jean Mineo
M (617) 877-5158
Executive Director
Pronouns: she/her
Bellforge.org



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Kristine Trierweiler
Town Administrator
Town of Medfield
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Sample RFP for CMS.pdf

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