

Kathleen Ramsay

From: Benjamin Putnam <Benj@ndp-law.com>
Sent: Friday, November 09, 2018 9:08 AM
To: Kathleen Ramsay
Cc: Chris English; Beth Dow; Jennifer Murray
Subject: 3 Mill Street Waiver of Right of First Refusal

Kathleen,

I have reviewed the documents submitted by Middlebury College as well as the original deed establishing the Town's rights with regard to the 3 Mill Street (Old Stone Mill) property.

As background, the Town acquired the 3 Mill Street building from Central Vermont Public Service Corp. in 1967. When the Town sold the property in 1976, it reserved a right of first refusal (ROFR). Under the terms of the ROFR, before the property can be sold to a third party, it must first be offered to the Town at the same price and on the same terms as the proposed third-party sale. If the Selectboard wishes to proceed with the purchase, it must notify the current owner of the property and then hold a town meeting within 60 days, at which the voters will have the final say as to whether to purchase the property.

The property has changed hands several times since 1976. Each time, the Town has waived its ROFR for that transaction, allowing the sale to go forward, but has reserved the ROFR as to future transfers.

The current owner, Middlebury College, is now proposing to sell the property to Community Barn Ventures, LLC, for the sum of \$500,000. There are various contingencies in the contract, including a financing contingency.

At this point, the Selectboard has two main options:

1. It can vote to accept the purchase, in which case a town meeting will need to be held within 60 days, and the voters will decide whether to purchase the property for \$500,000 (subject to the same contingencies and other terms set forth in the contract).
2. It can waive its ROFR for this sale, which will allow the transfer to Community Barn Ventures to go forward without submitting the purchase opportunity to the voters. The Town's ROFR will remain in effect for future transfers.

The Selectboard should vote on this and communicate its decision back to the College by November 20. Please let me know what the decision is made; if it is to waive the ROFR, I can work with the College to finalize the waiver form for your signature.

If you have any questions or if you think the Selectboard will need any further guidance in deciding how to proceed, please let me know.

Thanks,
Benj

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