

Community Preservation Committee

October 24, 2006 - Meeting Minutes

Committee members present: George Bailey, Corey Snow, Arnold Cohen, Robert Young, Arnold Kublin, Peg Arguimbau, Janet Sargent-Tracy. *Others present:* See attachment 1.

The meeting started at 7:05 p.m. The minutes of September 12, 2006, were approved unanimously as amended.

Mr. Snow, CPC Treasurer, reported that the accumulated Sharon CPA funds (about \$700,000 town/state total) were getting 2.4% interest. He said he would ask the Town Treasurer whether a better rate could be obtained. The CPC does not participate in the investment process.

The Personnel subcommittee (Messrs. Kublin, Cohen, and Bailey) interviewed several candidates for secretary and recommended one, whom the Committee agreed to accept on the subcommittee's recommendation without meeting her. Mr. Kublin said he would seek to raise the starting hourly salary from lowest grade/step to a higher one. Letters were sent to inform most other candidates that the job was filled (three letters remain to be drafted).

There was some discussion of the Finance Committee's warrant recommendation to indefinitely postpone the CPC's recommendations for the Housing and drinking fountain proposals. Also, Mr. Bailey said he will be seeking a planner (has spoken to MAPC) for a CPC plan.

Mr. Young distributed a Historical Commission application for CPA funding of Historical Plan, Inventory, and Survey of Resources, for the May Town Meeting cycle, but this was not discussed. Mr. Bailey stated that Mr. Hooper's Water Department application requesting \$825,000 in CPA funding for renovation of a historic pump house (submitted 9/11/06) was "not complete" and that the Water Department would be paying two-thirds of the total sum for new Water Department offices (internal) and asking for one-third from CPC for renovation of the historic outside of the building.

The Committee discussed whether it could hear a presentation about CPA participation in the Town's proposed purchase of Horizons For Youth land. Mr. Kublin said the issue had not been presented to the Committee, and he did not know whether new issues can be brought up at this point. Mr. Bailey said any additional recommendations, including both HFY and MBNA land purchases, are "off the table" because they are not printed in the warrant. Ms. Cheyer said the CPA warrant article had been written purposely broadly to allow CPC to formulate its recommendations up to the time of Town Meeting. The opinion of Ben Puritz was sought, resulting in a message for the Committee to "carry on" for now, which the Committee did.

Ms. Arguimbau moved to reconsider the Committee's negative vote on recommending the MBNA land purchase proposal: "Why am I doing this," she asked. "Why can't Ms. Miller herself ask for reconsideration?" Mr. Bailey answered that only a CPC member could ask for reconsideration: "I'm not going to act on the request of a citizen." The Committee voted to reconsider 4 in favor, 3 against (Bailey, Snow, Kublin). Ms. Miller presented three new options from the Massapoag Brook Neighborhood Association [attachment 2], all reducing the funding request below \$1 million as the result of MBNA's having obtained pledges from abutters to provide \$200,000. One option would create an affordable house. Ms. Miller said that MBNA had created a private/public partnership and had

worked hard to bring the funding request down and include affordable housing, as the Committee had asked. She asked the Committee to vote affirmatively and allow the proposal to go to Town Meeting. Ms. Roth said the CPC should seriously consider this proposal, that combining the open space and affordable housing purposes was something the CP Coalition encouraged. “All over the state,” she said, “organizations have worked hard to include affordable housing in such proposals. I am concerned about constantly putting off projects to protect open space. Other opportunities may or may not materialize. We don’t need another dense development like Hunter’s Ridge in the center of town.” Mr. Bailey and Mr. Young asked about the half-acre lots that would be bought and conservation-restricted by three individuals paying \$150,000—would that land be accessible to the public? Mr. Kublin asked whether there had been an independent appraisal. Mr. Appel said that the Billings Street Land was a “pristine section of our beautiful Town” that would be completely clear-cut and destroyed by development.

Mr. Cohen said he had voted in favor of the MBNA land purchase before but would now like to hear the presentation about Horizons for Youth land because it is a high-priority property for the Town. “Before I can make a decision [on MBNA],” he said, “I want to hear about Horizons. We need to hear both.” Discussion of the MBNA proposal was tabled until the Committee had heard the presentation on Horizons for Youth.

Advocates for the Town’s purchasing the Horizons For Youth property (56 acres) appeared at the CPC for the first time, presented a sketch of the property’s borders, and asked CPC to consider recommending some CPA funds to help the Town with the purchase (which is on the Nov. 13 Town Meeting warrant). Asked whether the land to be purchased met CPA purposes, Mr. Gary Bluestein said he would “leave that to the Committee.” This proposal came at the last minute and there was no concrete information to offer about the uses of the land and its price, he said, because the Selectmen are under “a confidentiality agreement” and had not released information. However, parts of the land adjoin the Lake and some Schools-owned property, so it is an important parcel for the Town. Parcels for conservation and recreation could be identified to be purchased with CPA funds. Mr. Heitin stated that the total price for 56 acres would be \$4 million–\$6 million.

Discussion highlights:

- ◆ Several CPC members felt that although the no-information, last-minute request was undesirable, the Committee needed to consider adding CPA funds to help the Town with a purchase in order to ameliorate the tax burden that would result from a debt exclusion.

MR. SKOLNIK: Where is the HFY application and the detailed process that other projects had been asked to meet? How can the Committee make wise decisions and conclusions based on nothing specific proposed? It is not fair to the other applicants who have met CPC criteria and rules.

MR. COHEN: It’s a bad way of doing things, but that’s the way it is.

MR. BAILEY: They have the support of the Selectmen. There is a specific appraisal. The Town will handle the legal issues. This proves we can respond to an emergency.

- ◆ Particular parcels to be purchased with CPA funds would have to be specifically delineated and linked to specific CPA purposes. Allocation of funds would depend on the parcels’ designated purposes.

MR. HEITIN: We would split it any way the Committee recommends.

MR. KUBLIN: The parcels of land will meet the criteria.

MR. BAILEY: We can live with a 10-acre limit. [He proposed an allocation of half open space funds and half

recreation funds.]

MR. COHEN: Why not [allocate] only for the open space? Why [allocate for] recreation?"

MR. SNOW: If CPA funds have purchased a parcel for recreation, CPA funding can then provide fencing and lighting for an athletic field.

- ◆ It was decided that CPC would make a commitment—pending receipt of more specific information at the next meeting—of “up to \$1 million” toward the purchase of 10± acres, to be divided between the open space and recreation purposes.

MR. YOUNG: Am I the only one disturbed by this last-minute proposal when it could have been broached at any time within the last several months? Why do we have to decide in five minutes? The CPC has a fiduciary responsibility not to fill in a blank check with no idea of what it is buying. For \$1 million, we must include an indication of 10 acres; amount and kind of land to be bought must be identified; the parcels must be permanently restricted. There is pressure on us, and we must return pressure to be sure we are upholding our duties.

MS. ARGUIMBAU: I’m glad that CPA would contribute to the HFY purchase. Both land purchases [HFY and MBNA] have merit, and the Committee should fund both. Even if CPC could not recommend funding for HFY, it would not be the end of HFY because Article 2 of Nov. 13 Town Meeting warrant requests Town funding.

MR. COHEN: I want to vote on HFY first; I am not sure on MBNA. If we did not vote for HFY, I might not vote for the MBNA.

MS. ARGUIMBAU: Is there enough money to fund both [land purchases]?

- ◆ Mr. Snow is to prepare for the next meeting a financial analysis of the effect of funding both proposals. He said it might be possible to prepay with cash on hand, not to borrow the entire recommended amount. Also, there could be a five-year borrowing instead of longer-term.

he Committee voted unanimously to recommend an allocation of CPA funds up to \$1 million toward the Town’s purchase of 10± acres of the property known as Horizons For Youth land, and to take part of the funds from the open space reserve and the remainder from the Community Preservation fund balance.

Ms. Arguimbau moved to table the vote on the MBNA land purchase until the next meeting, which CPC unanimously approved.

Beth Green, of the neighborhood group concerned with 40B development of the Intoccia Pine Woods project, declared they would not request CPA funding for this cycle.

The next meetings are scheduled for Wednesday, November 1, 6 p.m., and Thursday, November 9, 7 p.m.

The meeting was adjourned at 10:15 p.m.

*Submitted by Alice Cheyer
Interim Secretary*

ATTACHMENT 1 - LIST OF PEOPLE ATTENDING CPC MEETING, OCT. 24, 2006

Lois Miller and Mary Tobin, Massapoag Brook Neighborhood Association; Rich Shantz and Gary Bluestein, Recreation Advisory Committee; Ira Miller and Joel Alpert, Finance Committee; Paul Lauenstein, Planning Board; David Martin, Historical Commission; Beth Green, Ronald Langlois, Maria Cushman, Paul Skolnik, Jessie Kravette, Bill Appel, Patti DaFonte, Nancy Allison, Michele Botaish, Marc Bluestein, Rose Perrizo, Ron Davidson, David Grasfield, Kathy Roth, Bill Heitin (briefly).

ATTACHMENT 2 – REVISED PROPOSAL FROM MASSAPOAG BROOK NEIGHBORHOOD ASSOCIATION

To: Community Preservation Committee October 23, 2006
Fr: Massapoag Brook Neighborhood Association, Lois Miller Re: Revised Funding Request

In our original *Proposal for Purchase of the Billings Street Land West of Massapoag Brook* (May 31, 2006), we requested the Committee to approve \$1 million in CPA funding for this open space purchase. At that time, this was the best estimate we could make without having asked the developer for a price.

You may recall that the Billings Street Land is a rectangular parcel comprising 11.2± acres, and that it adjoins a separate half-acre lot at 9 Glenview. In August, the developer stated a selling price of \$1,385,000, comprising \$1,150,000 for the 11.2-acre open space acquisition and \$235,000 for the house/lot. Subsequently, the Committee members voted not to recommend this proposal, in part because they believed the \$1 million funding request was too high.

In the hope that the Committee would reconsider recommending this open space purchase, the MBNA committed to *bring down our funding request to under \$1 million* so as to reserve more CPA funds for other worthy projects. This we have done. We have worked diligently to solicit donations from MBNA members and others, and to negotiate with the developer. Three abutters have expressed the intent to purchase half-acre portions of the 11.2-acre rectangular parcel, for a total of \$150,000, and place conservation restrictions on them. The developer currently states a selling price of \$1,300,000, comprising \$1,050,000 for the 11.2-acre open space acquisition and \$250,000 for the house/lot (the Assessor’s value is \$266,000). The house/lot could be sold at ~\$200,000 if designated affordable (per Sharon Housing Partnership) and at \$300,000–\$350,000 on the market.

We would like the Committee to consider three options:

OPTION 1 – PURCHASE ONLY THE 11.2-ACRE PARCEL AS PRESERVED OPEN SPACE, FROM THE CPA OPEN SPACE RESERVE.

\$1,050,000	Total price
– 200,000	Pledged from MBNA

\$ 850,000	Requested from CPA open space reserve
	Total CPA request

OPTION 2 – PURCHASE THE 11.2-ACRE PARCEL, AS PRESERVED OPEN SPACE, FROM THE CPA OPEN SPACE RESERVE, AND PURCHASE THE HOUSE/LOT, TO BE SOLD AS AFFORDABLE, FROM THE CPA AFFORDABLE HOUSING RESERVE.

\$1,300,000	Total price
– 200,000	Pledged from MBNA
– 200,000	Sold as an affordable house

850,000	Requested from CPA open space reserve
50,000	Requested from CPA affordable housing reserve

\$900,000 Total CPA request

OPTION 3 – PURCHASE THE 11.2-ACRE PARCEL, AS PRESERVED OPEN SPACE, AND THE HOUSE/LOT, TO BE SOLD AT MARKET RATE, FROM THE CPA OPEN SPACE RESERVE, AND DONATE \$50,000 TO THE AFFORDABLE HOUSING TRUST FUND.

\$1,300,000 Total price

– 200,000 Pledged from MBNA

– 300,000 Sold as market rate house [1]

\$ 800,000 Total requested from CPA open space reserve

or

\$ 850,000 Total requested from CPA open space reserve; donate \$50,000 to Affordable Housing Trust Fund

[1] Rental income until house is sold = \$1,850 per month.

We have created a public/private partnership to preserve the Billings Street Land for its substantial open space and recreation values, and potentially to assist affordable housing.

We would appreciate your reconsidering your vote, and allowing the proposal to proceed to Town Meeting. Thank you.

ATTACHMENT 3– CORRESPONDENCE

E-mail, 9/22/06, Corey Snow to CPC

I talked to the Town Treasurer about the issue of interest collected on CPA funds prior to the end of the fiscal year (issue was raised during the Fincom meeting on 9/19). Our CP funds have been segregated into a separate bank account. This means that interest will automatically be accrued on the balance as it grows from tax collections. My understanding is that there is no requirement to segregate the funds into a physical bank account, but the accounting is certainly much simpler this way. Excerpt from Department of Local Services: "III. FUNDS A. Community Preservation Fund 1. Account The accounting officer must establish and maintain a separate account called the Community Preservation Fund. G.L. Ch. 44B §7. The treasurer may pool, or establish a separate bank account for, community preservation cash. A treasurer who pools cash must allocate interest earned on community preservation cash to the Community Preservation Fund."

E-mail, 10/3/06, Lois Miller to CPC

George Bailey and members of the Community Preservation Committee,

I am writing to request that the Massapoag Brook Neighborhood Association land purchase application be reconsidered at your October 24th meeting. The developer has reduced the purchase price for the land and the house to \$1.3 million. We have several abutters who are interested in purchasing 1/2 acre lots which would be conservation-restricted. We want the house to be designated "affordable". The CPC funds needed, after deducting the value of the house (\$200,000), is \$850,000.

E-mail, 10/3/06, Robert Young to CPC Secretary

Could you please ask Lois Miller to send Peg the necessary information as to changes in their proposal since it was first presented to the CPC so that Peg can formally request that we move to reconsider their request? It should come from the member whose committee supported the initial proposal, I think.

Letter, 10/5/06, from DOR, Div. of Local Services

I am pleased to announce that the matching funds under the Community Preservation Act reflecting surcharges on property taxes during fiscal year 2006 will be distributed on October 13, 2006. The state matching funds this year are

calculated at 100% of the amounts committed by the assessors. While Chapter 44B provided for a multi-tier formula for computation of the matching funds, the fund balance is sufficient to award 100% of the commitment in the first tier, which is the maximum allowed under the statute. This amount will be paid using the same fund transfer procedure as is used for quarterly payments of local aid. Chapter 44B contains requirements for minimum appropriations or reservations for each of the three purposes of the Act. Chapter 165 of the Acts of 2002 expanded many of its purposes. Local officials should consult Informational Guideline Release 00-209 (as amended by IGR 01-207 and IGR 02-208) issued by the Division of Local Services for details. Chapter 38 of the Acts of 2006 also expanded the use of Community Preservation Funds to include historical documents and artifacts.

E-mail, 10/6/06, George Bailey to CPC

1. According to the latest word from the DOR, FY08 may not be 100% match.
2. I personally do not feel it appropriate to reconsider the MBNA proposal for this cycle. However, if any member wishes to move for reconsideration, please ask that it be placed on the agenda and provide the details of the proposal to the committee in advance of the meeting.

E-mail, 10/11/06, Peg Arguimbau to CPC

I am formally requesting the reconsideration of the MBNA proposal be discussed at our next meeting. Details have been provided by the project proponents and if anything else significant becomes available, I'm sure they will get it to us in a timely manner.

E-mail, 10/25/06, Janet Sargent-Tracy to CPC

Unfortunately, I will be unable to attend the Wed. 11/1 meeting. I will be leaving town that evening (I thought I was heading out of town on Thurs. am). For what it's worth, if nothing drastically new came to light, I was planning on voting positively on both the Horizons and the MBNA land purchases. I believe they are both deserving of CPA funds. I will be at the Thurs. Nov. 9th meeting.

E-mail, 10/28/06, George Bailey to CPC

Weather permitting, Gary Bluestein will be available to give a site visit for any of the CPC who wish to look at the Horizons for Youth property on either side of Lakeview St. tomorrow at 3 p.m. (Incidentally, a wetlands determination may be quite easy under current conditions). I did a waterfront review from about 50 meters out on Friday (one that I have done many hundreds of times over the last 6 years). I note that the HFY lakefront extends from Camp Gannett to the Yacht club, with just one building visible. Advise Gary by email - if you have questions.

E-mail, 10/29/06, Corey Snow to CPC

Regarding the newer MBNA proposal: One of the scenarios proposed for selling the home that is part of the parcel may not be allowable under CPA. From the CP Coalition:

Question: Can a CPA Committee purchase a house with land then turn around and sell the house to recover some of the money and keep the land? Answer: The answer depends on how you do it. If you want to sell the home at a market rate, then you would have to use another source of funding for that portion of the purchase because market rate housing is not an allowable use of CPA funds. If you wanted to purchase the entire lot with CPA funds, attach a deed restriction to the home to designate it as affordable housing and then sell it at an affordable rate, you could do that with CPA funds. The proceeds from the sale would then go back to the CPA fund.

E-mail, 10/30/06, Robert Young to CPC

I think the one scenario [for] selling the house at market rate included CPA money going to the Sharon Housing Trust so that the trustees could buy and sell the house. Ultimately the money would then be used to gain access to affordable housing, either buying units or using the proceeds to help garner deed restrictions on existing stock.

E-mail, 10/30/06, George Bailey to CPC

I am not a fan of overly rigorous interpretation of the open meeting law but the response to Corey informational memo borders on "deliberation" in my view. That means that the many questions that surround a request for CPA funds must be raised at an open meeting if they have not been addressed in detail in the application. If any member has other views on my understanding of this, please address them to me only to avoid this "deliberation" question. Incidentally, there was nothing to fear about such a violation yesterday. Only Corey Snow and I showed up for the walk around at the Horizons for Youth property. Greg Meister was also present. The Bluesteins were our guides. The property lines are easily identified and with the use of plans (which I have) a walk around gives a good sense of what is within the areas abutting Lakeview St, although the overall property is very large.

E-mail, 10/10/06, Corey Snow to CPC

Thought you might find this interesting. From the chart you can see that CPA collections are down notably from 2003/2004 levels, probably due to the cooling housing market which has resulted in fewer real estate transactions. At the same time, Funds Distributed are up (nearly doubled since 2005!) because more towns and cities have signed on. Cambridge alone draws about \$6 million. The remaining balance is about half what it was in 2005. Something to consider in our long range planning.

Community Preservation Trust Fund - Year End Account Balances

FY	Date	Collections	Matching Funds Distributed	No. of Communities	Account Balance
2001	06/30/01	\$17,100,000			\$17,100,000
2002	06/30/02	\$41,304,419			\$61,279,607
2003	10/11/02		\$17,854,420	34	
	06/30/03	\$53,814,189			\$93,827,402
2004	10/10/03		\$27,161,342	54	
	06/30/04	\$50,519,955			\$117,864,228
2005	10/15/04		\$30,822,218	61	
	06/30/05	\$37,406,197			\$126,723,451
2006	10/14/05		\$46,337,391	82	
	06/30/06	\$36,088,010			\$119,607,609
2007	10/13/06		\$58,666,783	102	
					\$64,347,742

<http://www.dls.state.ma.us/mdmstuf/CPA/CPAFundBalance.xls>