

ATM 10 – Environmental Affairs Fund

draft minutes from 3/2/16 A&F meeting

Melissa Arrighi, Town Manager, presented ATM Article 10. Selectman Mahoney moved a t a previous Board of Selectmen meeting that the town establish a special fund utilizing revenues generated from payment-in-lieu-of-taxes (PILOT) agreements with various renewable energy firms. Under the authority of the Town Manager, the Fund will be managed by the Department of Marine and Environmental Affairs for the purposes of various environmental projects to include mitigation, land acquisition, water quality assessments, stormwater improvement and river restoration. Additionally this Fund may be used for a grant match for potential environmental related funding opportunities. This is a way to address environmental needs with a dedicated funding source. We will petition for special legislation to authorize this Special Act – An Act Authorizing the Town of Plymouth to Establish an “Environmental Affairs Fund”. The act language is in the meeting packet.

Questions:

- Where are we now with PILOT revenue? (H Helm) We are only collecting from 2 PILOTs at this time which are deposited into the general fund.
- Would this new fund cover items already being funded? (H Helm) No, this would cover brand new projects that are not currently being funded. To give you an example, we had a citizens request for a water quality test, this Environmental Affairs Fund could cover something like that.
- So this would take certain taxes out of the general fund and into a fund with less control? Wouldn't everyone else's taxes then go up to cover this amount removed from the general fund? (H Salerno) Yes.
- Would there be any cap since PILOTS are increasing in frequency? (E Kusmin) There is no cap, all will be deposited into this fund. We will need to watch it and see. If we decide to put a cap on it, that would require Town Meeting vote to update the Special Act.
- If we did not want to pass the special act, nothing prevents money from going into the general fund and these projects going on the list requesting funding from the general fund, correct? (K Canty) Correct.
- There seems to be redundancy with this fund and CPC land acquisition? (S Joyce) The CPC is very limited as far as what it can fund. The Environmental Affairs Fund would provide more flexibility to take care of environmental issues. CPC could buy beach property but what they can do with it is limited. This fund could be used to add a pier for ferry access.
- Each PILOT generates approximately \$100,000 per year with 2 in place and 2 coming online that would be \$400,000 per year, correct? (J Moody) Yes, if we collect from all that would be about right.
- Was there any discussion on placing 50% instead of 100% in this fund? (C Merrill) I do not believe the Selectmen debated that at all.

Ethan Kusmin made a motion to recommend ATM Article 10 to Town Meeting. Harry Helm, second.

Discussion/Comments:

- This idea feels like it is not quite ready for prime time. (E Kusmin)
- These are simply taxes which will be earmarked for a specific cause. These can go bad. Anyone with a cause could then seek earmarked funds. This would then remove capital projects from our full vetting process with CIC, Selectmen, Advisory & Finance and Town Meeting. (H Salerno)
- At the last meeting we discussed funds where we don't have a say over where it goes. I do not want to see funds set aside where we do not have a say. I can not support this. (M Sirrico)
- It does not make sense to earmark this since nothing prevents us from engaging in funding these projects at the town level without having to go through the state. Engaging in environmental projects is a good idea but we should not tie our own hands. These funds should be kept in the general fund and we should keep the flexibility. I am voting against this article. (K Canty)
- The Entergy PILOT has not been mentioned. With the time period involved in changing the act at the state level, this is untenable. (H Helm)
- I can't support this. The special legislation process takes 18 months to 2 years. (P O'Brien)
- This kills the PILOT program. We can't take these off the tax roles. (H Salerno)

The motion fails unanimously. (0-13-0)