

ADVISORY AND FINANCE COMMITTEE

MEETING MINUTES

March 3, 2016

A meeting of the Advisory & Finance Committee was held on Thursday, March 3, 2016. The meeting was called to order by Chairman John Moody at 7:00PM and was conducted in the Mayflower II Meeting Room at the Plymouth Town Hall, 11 Lincoln Street, Plymouth, Massachusetts.

PRESENT **12 members of the committee were present:**

Kevin Canty, Robert Cote, Harry Helm, Shelagh Joyce, Ethan Kusmin, Mike Lincoln, Marcus McGraw, John Moody, Patrick O'Brien, Harry Salerno, Marc Sirrico, Scott Stephenson

ABSENT **3 members of the committee were absent:**

Betty Cavacco, Patricia McPherson, Christopher Merrill

Agenda Items

➤ Town Meeting Articles

ATM 16A – CPC – Paydown Courthouse

Bill Keohan, Community Preservation Committee (CPC) Chair, presented Article 16A. This reduces the borrowing authority for the 1820 Court House project by \$500,000. \$5 million was originally appropriated at the 2014 Spring Annual Town Meeting. Borrowing authorization was reduced by \$500,000 at both the Fall 2014 and Spring 2015 Town Meetings. This additional reduction will bring the authorization down to \$3.5 million. The CPC intends to move available funds into an account to be utilized for the renovation, preservation and rehabilitation of the 1820 Court House. The borrowing reduction strategy is a policy of the CPC to build up a reserve fund to avoid borrowing. This allows the CPC to avoid paying interest by paying for construction activities with cash on hand. The CPC has been working hard at saving architectural elements from the building for reuse in the renovation.

Question:

- Is the project on schedule? (E Kusmin) It is ahead of schedule thanks to the mild weather.

Patrick O'Brien made a motion to recommend ATM Article 16A to Town Meeting. Harry Salerno, second. The motion carries unanimously (11-0-0).

ATM 16B – CPC – Paydown Simes

Bill Keohan, CPC Chair, presented Article 16B. \$2.5 million borrowing authority was voted at the 2015 Fall Town Meeting for the renovation, preservation and rehabilitation of the Simes House. This article will reduce that authorization by \$500,000 to \$2 million. CPC had requested \$3.4 million in the fall and Town Meeting reduced that number by \$900,000 to \$2.5 million. There is a working group walking a fine line to plan for renovations within that budget which to accomplish its mission without decreasing square footage or historical relevance. It is looking promising at this point that they will be able to do that.

Questions:

- What is the expected date of completion? (S Joyce) Once they zero in on an option, the working group will present to the Building Committee. They are motivated to get that project moving forward. Not sure of timeline at this point.
- Will the timeline and plan be ready to share at Town Meeting? (S Joyce) We hope so.

Harry Salerno made a motion to recommend ATM Article 16B to Town Meeting. Marcus McGraw, second. The motion carries unanimously (11-0-0).

ATM 16C – CPC – Paydown Stephens Field

Bill Keohan, CPC Chair, presented Article 16C. At the 2015 Spring Annual Town Meeting \$2 million borrowing authorization was approved for Stephens Field. This article will reduce that borrowing

authorization by \$200,000 to \$180,000 by moving those funds into an account to be utilized for the renovation, preservation and rehabilitation of Stephen's Field. The town has been looking at what costs it can take care of in house. The CPC is actively looking at grant opportunities.

Question:

- Why are the other reductions \$500,000 and this one \$200,000? (K Canty) That is the number we came up with in consultation with the Finance Director. Borrowing for this project is still a ways off so it is not as imperative with this project to reduce the borrowing authority as much at this time.

Patrick O'Brien made a motion to recommend ATM Article 16C to Town Meeting. Ethan Kusmin, second. The motion carries unanimously (11-0-0).

ATM 16D – CPC – Black Cat Road

Bill Keohan, CPC Chair, presented Article 16D. The CPC is recommending the purchase of 14.6 acres of land off Black Cat Road, off Ship Pond Road. The intention is to preserve the headwaters of the Town Brook. Water from this property runs to Billington Sea and down the Town Brook which is a major contributor to Plymouth Harbor. Our ability to preserve the water quality is directly related to the viability of the Town to build a local sustainable economy. Residents depend on clean water and eco-tourism visitors also expect protected natural resources.

Questions:

- Several committee members asked about the appropriation of the article as well as the additional costs mentioned in the application in the packet of materials provided. Bill Keohan explained that the article appropriates \$46,000 for the purchase of the land. A conservation restriction will be obtained and the Wildlands Trust will oversee the land. There would be additional costs for due diligence (surveys, legal fees, etc.) and a stewardship endowment. Those would be funded with the CPC administrative budget. The stewardship endowment may be up to \$10,000 but would not be more than that. The \$10,000 would be an endowment for this property specifically. Wildlands Trust would be able to spend the interest from the endowment on maintaining the property.

Marcus McGraw made a motion to recommend ATM Article 16D to Town Meeting. Patrick O'Brien, second. The motion carries unanimously (11-0-0).

ATM 16E – CPC – Hedges Pond Road

Bill Keohan, CPC Chair, presented Article 16E. CPC is recommending the purchase of 7.8 acres off Hedges Pond Road. This \$45,000 purchase would increase the size and amenities of the Hedges Pond Recreation Area and Preserve (purchased by the CPC in 2007). This parcel appraised for \$46,000. The CPC owns land surrounding the entire lake and has a series of trails throughout the property. The property is also entirely within the Herring River Watershed Area which is land recognized as an area of Critical Environmental Concern and is in close proximity to areas designated by the Natural Heritage and Endangered Species Program as an important wildlife habitat. This 7.8 acres would add additional trails and stretch the CPC land toward Elmer Raymond Park. Some already utilize trails on this property which is currently private property. The CPC hopes to acquire additional lots in the future maybe connecting the two parks someday.

Questions:

- There were several questions about the additional landlocked lots and whether or not it makes sense to buy this lot now or wait and buy them all at once achieving the connection of Hedges to Elmer Raymond. Bill Keohan explained that this lot is worth buying regardless of whether or not CPC is able to buy the other parcels in the future. This lot is adjacent to the existing Hedges Pond Park & Preserve allowing us to expand the park and preserve. There are already

trails on the parcel that tie into our trails. The purchase of this one lot will directly enhance the park. The CPC will not piecemeal the rest of the parcels extending to Elmer Raymond, they will purchase all or none.

- Are there any watershed benefits to purchasing this parcel? (K Canty) Hedges Pond is a pristine 38 acre pond. Anything we can do to minimize septic additions in the area will help protect the pond. This parcel is in a high priority area of critical environmental concern.
- What did owner pay for the parcel? Are taxes paid to date? (S Joyce) Not sure of purchase price it was a long time ago. Taxes are paid up but if there are ever back taxes due on any parcels that we purchase, we collect the taxes at closing.
- What is the overall trail plan? (K Canty) In the 1990s talk began about a wish to create a trail network system connecting downtown to Myles Standish Forest and from there down to Ellenville. Plymouth is underserved when it comes to recreation space. The trail strategy is on-going. Just want to add that Hedges Pond is the only pond that the town owns entirely.

Public Comment:

Steve Striar said that this is a land locked parcel with no frontage, no access, no development to impact the environment and that there are a lot of properties between this parcel and Elmer Raymond. As much as this would add value to Hedges Pond Recreation area there is no other value and he would rather see the \$45,000 spent elsewhere.

Patrick O'Brien made a motion to recommend ATM Article 16E to Town Meeting. Harry Salerno, second.

Harry Salerno said that the public is currently using trails on this private land and to avoid conflict and to help complete the circumference of the outer trails around the pond, it makes sense to purchase this lot particularly because it is not very expensive. He supports this article.

The motion carries (8-3-0). Harry Helm, Kevin Canty, Robert Cote, opposed.

ATM 16F – CPC – Ship Pond Marsh

Bill Keohan, CPC Chair, presented Article 16F. CPC would like to appropriate \$140,000 to purchase 9.98 acres located off Fisherman's Lane, Ship Pond Marsh, Surfside and Bayside Beaches. The intention is to preserve the 1,200 feet of frontage on Ship Pond Marsh and 1,000 feet of frontage on Cape Cod Bay (south of Surfside Beach and north of Bayside Beach). The 90 feet of frontage on Fisherman's Lane will allow access and accommodation for a trailhead. The property will have pedestrian access from 180 feet of frontage on Bayberry Road and Douglas Avenue. The property possesses considerable natural resource values. It is within areas designated by the Commonwealth of Massachusetts as "Barrier Beach" and "Hurricane Surge Inundation Zone" and is directly adjacent to areas just offshore that are designated "Lobster Harvest Zone" and "Approved Shellfish Growing Area". It contains the entirety of Ship Pond's eastern shoreline as well as a barrier beach that includes extensive frontage on Cape Cod Bay.

Questions:

- Any plans to add parking? (P O'Brien) No, the lot is too small. Maybe have an area to pull up and make a three point turn but that is all. It will provide pedestrian access to those that live in the area. Maybe in the future we can find an area to add a few parking spaces.
- So this would be a town owned beach with no parking? (H Helm) There are lots of people that live in that area that can walk there.
- There is already an easement on this property at the southern edge of the pond correct? (M McGraw) There is an easement for maintaining a culvert. The current owners do allow public

access to the beach but if they sell the lot the new owners may deny access.

- It looks like in 5 years the owners have doubled their money comparing what they paid for the lot to what they are selling it for? (S Joyce) We are paying the appraised value. We do appraisals jointly where the seller pays half and CPC pays half.
- What is the 61B reference? (S Joyce) It is a tax break because the town has an easement to manage the culvert.
- How long has this lot been receiving the tax break? (S Joyce) 61B is offered in 7 year cycles, not sure how long it has been receiving that.
- Has this plan been discussed with the neighbors? I am worried it may turn into a parking nightmare like White Horse Beach. (H Salerno) Not yet. Typically we get Town Meeting approval first then have meetings with the neighbors. This will be a neighborhood enhancing feature which will increase their property values. It is small and will not attract the interest that White Horse receives.
- Lot is non-buildable? (K Canty) Yes.
- Have there been studies on the erosion and elevation and how long the property may exist since it is in the Hurricane Surge Inundation Zone? (J Moody) The beach will exist well into the future, it is quite substantial and rugged.
- Why are there are different acreages listed? (S Joyce) It is because of the tides. It is approximately 6 acres at high tide, 10 acres at low tide.
- Every stretch of beach is unique, how is a property like this appraised? (H Salerno) Surprisingly, there are a lot of comps available for unbuildable lots with beach frontage or beach rights. People buy the lots for recreational amenities and access. The appraisal showing the comps is available for viewing in the Town Clerk's office.

Public Comment

Steve Striar commented that this land is in a multiple resource area with certain protections, that it is undevelopable and would be better served by a private owner denying access to the public. Similarly to the dunes at White Horse Beach and the plovers at Long Beach, it is better protected without the public accessing it. The Town has been offered first right of refusal because that is a condition of Chapter 61 status. Someone may offer to buy this land for significantly less money.

Bill Keohan said that there are different approaches with Chapter 61. Some offer to sell it to the town and others pull out of Chapter 61, pay back the rollback taxes and sell the property.

Steve Striar said it may be best for the seller to pay the rollback taxes and keep the beach in pristine condition for everyone's benefit. All of the roads leading to this lot are private and there may be an issue with public access on the private roads.

Bill Keohan said that owners have rights through two access points that many roads in Plymouth are private.

Questions/Comments:

- If there is a hurricane this parcel would most likely incur minimal damage because there is no seawall or cliff to slide into the ocean, it is at grade with the ocean. (S Stephenson)
- What if after the purchase the neighbors are concerned with traffic? What if they don't agree with this purchase? (H Helm) The public currently drives down there but there is limited desirability. With improved safe and reliable access and signage, there may be slightly more interest.
- What if there is a plover issue that arises? (S Joyce) That would be handled similarly to how it is handled at every other public beach. We don't want that to be a reason to not buy the land.

Patrick O'Brien made a motion to recommend ATM Article 16F to Town Meeting. Scott Stephenson second. The motion carries (7-3-1). Kevin Canty, Shelagh Joyce, Robert Cote, opposed. The Chair voted in opposition which would only count in the event of a tie.

ATM 16G – CPC – Little Sandy Pond

Bill Keohan, CPC Chair, presented Article 16G. CPC would like to appropriate \$175,000 to purchase 26 acres off Little Sandy Pond Road and Livingston Drive. The land is across the street from Camp Massasoit and Elbow Pond. To the north, the town owns open space which abuts this property. There is also a well servicing the residential drinking water to the Ponds of Plymouth. This purchase will also help preserve water resources as the nearby great Herring Pond flows into the Cape Cod Canal. The power lines to the west side act as a natural wildlife corridor. The property is in a location for passive recreational walking trails. There is an abutting subdivision which is developing trails on its property as well. The parcel appraised for \$425,000 we offered \$175,000 as a bargain sale. Massachusetts grants incentives for these types of sales where the buyer can take the difference between the appraisal price and the sale price in tax credits with the State. Also, we have been in discussion with Camp Massasoit about the possibility of purchasing that property but we are at an impasse.

Questions:

You mentioned the source of well servicing the Ponds of Plymouth, what is the direction of the flow of the water table in this area? Wouldn't this be downstream of the well? (J Moody) Not sure, will have to check with the Water Department.

Comment

Steve Striar said that with the well separation and the natural heritage priority area, this lot is reduced to 60-70% developable which would be the size of a 5 lot subdivision at most, not what is indicated in the packet of materials. A prior appraisal shows this land valued at \$290,000. It does not abut town property. It is misleading. He hopes the town does not purchase this property.

Patrick O'Brien made a motion to recommend ATM Article 16G to Town Meeting. Marcus McGraw, second. The motion carries unanimously (11-0-0). The Chair voted in opposition which would only count in the event of a tie.

A motion was made with no objection to take a 5 minute recess. The meeting was called back to order at 8:52PM.

ATM 16H – CPC – Budget / Set-Asides

Bill Keohan, CPC Chair, presented Article 16H, the CPC budget and set-aside amounts for FY2017. The CPC recommends that 10% of the Fiscal Year 2016 estimated annual Community Preservation Fund revenues be set aside for each of the following purposes: a) community housing, b) historic resources and c) open space, including land for recreational use; and further, that 4% of the annual revenues in the Community Preservation Act Fund be appropriated for the purpose of funding the administrative and operating expenses of the Community Preservation Committee including legal services, appraisal work, as well as signage and establishing safe or emergency access to CPC approved projects. Any unused portion of funds appropriated for the administrative purposes of the Committee reverts to the CPA unallocated balance at the end of each fiscal year. The CPC does not have paid employees. They are made up of a 9 member volunteer committee.

Questions:

- The FY2017 CPC Fund sheet says "but not" and then is cut off. What should that say? (K Canty)

I will find out and let you know.

- Is it fair to say very little money is used to maintain properties after the purchase? (K Canty)
The administrative fund takes on some one-time costs.

Public Comment

Steve Striar said that the CPC is successful in keeping its costs down but some expenses are inappropriate like \$4,500 for tree removal on North Street, money spent on the fishermen's shanties on Warren Ave, and parking areas.

Questions/Comment:

- Where are the set asides that reduce borrowing placed? (J Moody) Like the other funds, they are on deposit with the Town Treasurer where standard investment strategies are used.
- With 1 million set aside for the 1820 Court House, why is there only \$5,000 of interest earned? (J Moody) I will check and find out.

Harry Helm made a motion to recommend ATM Article 16H to Town Meeting. Mike Lincoln, second. The motion carries unanimously (11-0-0).

ATM 32 – Repeal Community Preservation Act

Steve Striar, Petitioner, outlined several practical reasons for repealing the Community Preservation Act in the Town of Plymouth:

- Taxpayers would appreciate the savings upon repeal (about \$85 per year on a \$400,000 home).
- Keeping properties on the tax roll. Not only vacant open space land but existing structures like the Simes House and several downtown properties which were acquired and repurposed. These properties may have ultimately found their way into private ownership and back onto the tax roll. All together they could be generating hundreds of thousands of dollars in tax revenue every year to help pay for needed town services and projects.
- Along with the increase in the tax base associated with development and private ownership, the town would also benefit from increases in other taxes and fee revenue. Its citizens and businesses benefit as well, from additional consumer spending for services and products to enhanced employment opportunities to provide those services and products.
- Keeping housing affordable in Plymouth, the ability of the marketplace to create and keep pace with the need for real workforce housing. We may be able to slow the price appreciation for homes by pulling the public money out of the mix, allowing market forces to correct a bit and bring the average price down.

He also offered philosophical and historical reasons for repealing the Community Preservation Act:

- Proposition 2 ½ was approved in 1980 by voter referendum. This put a cap on the level of municipal tax increases. Local and state officials look for ways to get around Prop 2 ½ mandates and "Local Option" taxes are used to circumvent the will of the voters as expressed by the approval of Prop 2 ½.
- In the 1990s after repeatedly failing to win passage of legislation to create a Land Bank option for municipalities, which would have been funded by local real estate transfer tax and used exclusively for conservation purposes, proponents changed their strategy to include historic preservation and affordable housing. In order to pave the way for local passage the CPA includes an incentive, matching funds, funds from a fee (another tax) charged for recording documents at the County Registry of Deeds. In September 2000 the CPA was signed into law. What grew out of the best of intentions was a legislative scheme to get around the restrictions imposed by Prop 2 ½.
- Even worse, the towns that did not pass the CPA locally are required to subsidize the participating communities every time they record a document at the Registry.
- And still worse for everyone, because shortfalls in the level of matching funds, down 20%, the

State has started supplementing the community preservation fund with general fund dollars. Millions of dollars that should be going to fix our roads and bridges, fund our schools, to provide health care services for those in need, is being diverted from this common good. Also, considering many of the municipalities that opted for the higher 3% tax are some of the wealthiest in the state, it raises a significant question about the overall fairness and prudence of the Act itself. Is it good public policy to redirect limited assets from poorer communities to wealthier ones?

Mr. Striar asked: "Putting aside the fairness issue, one can now ask, is it in the best interests of the citizens of a city or town to give the local government, even one populated by wonderful people with good intentions, the ability to raise an appropriate money this way? Creating, in essence a slush fund to be administered by those good, well intentioned people to further their vision and beliefs?" He answered, no. He believes these funds should be raised and appropriated like other funds in our community. Open space, historical preservation and affordable housing should not be funded or managed any differently. He believes the people of Plymouth, historical societies, conservation groups and affordable housing advocates will continue their work after the CPA is repealed just like they did before CPA existed. He said a list of projects done prior to CPA is in the material and that Plymouth never lacked desire to support these issues. Also provided in the material is information from the NAHB outlining income, jobs and taxes generated from home building.

Mr. Striar asked for consideration and support of this article. He said that the CPA is another sub-branch of government with minimal oversight. He shared that there is a disturbing provision of the CPA is that it may only be repealed (after being in effect for at least five years) in the same manner by which it was enacted, by legislative action of Town Meeting and then only if they approve, to a referendum. This is the only tax of any kind that places such a burden on the people to affect its repeal.

Public Comment

- Bill Keohan said that he has been on the Community Preservation Committee for 14 years and that the committee votes on every project. They then attend many Board of Selectmen meetings, Advisory & Finance meetings, and Town Meeting caucuses where the projects are further vetted and approved. The CPA works as a tool benefiting the quality of life here in Plymouth. In addition to the thousands of acres of open space CPC has conserved, and partnerships with housing authorities and non-profits with affordable housing, they have also taken on a lot of historical projects around town. One example is the Spire Center, which was a historical project which created economic development and jobs in town. The CPC was able to secure \$600,000 in grants and now tens of thousands of people have been to events there and those attendees go to restaurants in town, and fill hotels. The CPC has supported historical landmarks which benefit residents and tourists now, into 2020 and beyond. There are lots of examples where CPC has brought amenities online which enhance lives. This is much different than the statistics of the homebuilders association where homebuilding taxes the infrastructure and resources of our town. He shared a pie chart which illustrated the revenues the CPC receives: 37% from the surcharge (tax), 2% from interest, 21% from the state match, and 40% from leverage and grants. The amount received in tax is nearly tripled (2.7x).
- Paul Withington, former CPC member, spoke about the history of the Community Preservation Act. He said it did begin with the motivation to protect open space and then added the preservation of historic character in Massachusetts, and then added affordable housing to achieve the votes they needed to pass the Act. In the first year of CPA, Duxbury passed the Act and Plymouth did not. That year Plymouth paid \$50,000 to the Registry of Deeds to be distributed to those towns in the Act. It can be said basically that Plymouth paid \$50,000 that

year to fund a project in Duxbury. Plymouth joined the Act the next year. Some towns have never joined and continue to pay the fee. If Plymouth repeals, we will do that again, pay for projects in other towns. Plymouth is the perfect place for CPC. We need to protect our aquifer, we have a great quality of water here and we need to protect that. The Open Space Committee is responsible for bringing the CPA to Plymouth. They saw all of the developments that went in where the real estate taxes being paid from those developments did not cover the amount of town services provided. In the long run, if we protect our water supply, it by far provides more good for our population and our town in general.

Mr. Striar said that no one can argue the benefits of the CPA. I feel Advisory & Finance and Town Meeting should approve this article because it is the right of the people of Plymouth that they have the right to vote on whether the CPA stays in Plymouth. The people of the Town of Plymouth should have that right.

Harry Helm made a motion to recommend ATM Article 32 to Town Meeting. Mike Lincoln, second.

Comments/Discussion

- Do homeowners have the ability to vote on their real estate taxes? (H Helm) Not directly.
- Is that similar to the way CPC funds are handled? (H Helm) Yes.
- Water is a big priority. I do not agree with 100% of the purchases but the CPA/CPC do a lot of good in the community. (S Joyce)
- Plymouth saw an opportunity and did something, passing the CPA was the will of those voters. The incentive involved with CPA is legitimate. The use of public funds for that is important and legitimate. The idea that the only way to change this is to put it on the ballot is inaccurate. We can petition the state for special legislation to limit the percentage rate or purpose of CPA. Protecting water is important. Affordable housing is important. Repealing the CPA is not in the town's best interest. Modifying the CPA is a different conversation.

The motion fails unanimously (0-11-0).

Old/New/Other Business

John Moody said that the committee approved Article 9, capital projects, last night. One of the items was \$98,000 for the development of a maritime facility at the harbor. He shared email from David Gould, Director of Marine & Environmental, announcing that they received a grant from the Seaport Council in the amount of \$185,600 for the final design. Once a town can demonstrate that they are going to appropriate funds for a project they can seek grants requiring a portion of matching funds from the town.

Public Comment

Steve Striar thanked the committee for their time and thoughts. He wanted to clarify that repeal/override does require a referendum.

ADJOURNMENT

Patrick O'Brien made a motion to adjourn. Kevin Canty, second.

The motion for adjournment carries unanimously (11-0-0).

The meeting adjourned at 9:52PM.

Respectfully submitted,
Kere Gillette