

**AMHERST FINANCE COMMITTEE
MINUTES**

Meeting of May 6, 2013
Music Room.
Amherst Regional Middle School

FINANCE COMMITTEE MEMBERS IN ATTENDANCE: Kay Moran (vice chair), Janice Ratner, Bob Saul, Anurag Sharma, Doug Slaughter, Andy Steinberg (chair), Marylou Theilman.

OTHERS IN ATTENDANCE: Sandy Pooler, Finance Director; Dave Ziomek, Assistant Town Manager, members of the public

Call to Order 5:35 pm

Steinberg Opening remarks about the role of the Finance Committee: To see if there is a financial consequence...no position if none, further investigation if there is expected to be a consequence. Such determination is necessary to focus the discussion.

Up for consideration: 1) Article 42, Affordable House Restriction (Echo Hill); 2) Article 43, Purchase conservation restriction on a parcel of land ("Cushman") that is currently owned by WD Cows

These articles would authorize the Select Board (SB) to possibly move forward with actions outlined in the article but would not compel it to do so. The Town Meeting (TM) cannot compel the SB to take a particular action. Both articles are consistent with land acquisition articles that have come before the TM in prior years. The town has acquired land in the past, contingent on grant funding and in some instances not so. For instance, the authorization for land acquisition on Potwine Lane did not come with grant funding contingency.

Article 43

Jack Hirsh (Petitioner) asked what the cost to the town would be now and into the future as a consequence of this article, in either scenario of the conservation restriction or development as anticipated.

David Ziomek replied that, at this point, cost estimates would be pure speculation. Pooler seconded this.

Discussion ensued. No clear answer. The issue transitioned into police response costs and the discussion generated several points of view but ended with the inability to fix costs in a meaningful way.

David Ziomek indicated that the Conservation Commission was scheduled to meet on May 22. Questions that arise as to the source and credibility of the \$1.2 million figure for purchasing the conservation restriction. He then responded at length. "When we talk about acquiring land," he

said, "the first question is do we have a willing seller. I'm not aware of taking a conservation restriction without a willing seller. Secondly, unknowns about the property...the town has received a notice to remove the land from Chapter 61A. The acquisition price is more than \$6 mm. Questions remain about the value of the property. If the \$6 mm is correct, then \$1.2 mm is far below it. The development value of this land in this scenario is \$4.5 mm. Water and sewer makes this an attractive property. Landmark has shown schematics and drawing but no formal proposal on the table."

Ziomek also explained that once people sell conservation or development rights, those are usually into perpetuity. He could recall only one instance of petitioning the state to remove portion of untillable land from restriction. As for the property under discussion, he noted, the town does have the right of first refusal but at market price or offer on the table.

Vince O'Connor (public) suggested that the committee review the tape of the Cherry Hill property purchase.

Moran noted that the Finance Committee almost always recommends CPAC recommendations. It would be unusual to allocate monies to appraise the land that the landowner does not want to sell to the town.

To a question from Saul, Hirsh indicated that they had approached the landowner, who reiterated the purchase price of \$6 mm plus. He also noted that if there was conservation restriction on the said property, then the town could still use 30% for development.

The proposal was for funding the restriction using 70/30 Grants/Town. The \$1.2 mm number is the base amount for that ratio.

More discussions ensued. Moran noted that the article is asking the TM to spend \$360K (30% of \$1.2 mm) for a property that the town assess as \$296,200. It is hard to advise Town Meeting to go ahead with this is above-appraisal amount, and with so many other unknowns.

Much discussion including about the specifics of the article. Saul recommended that the petitioners get a letter of intent from the landowner to make this a supportable action.

Ziomek indicated that the landowner or the land development company may build the subdivision by right, with roughly 180-190 units, or they could appeal PB and take it up in numbers. Quite a bit of development potential on the parcel of land under discussion.

On a question by Thielman about the position of the SB, Pooler indicated that they have proposed not to recommend.

Motion to Not Recommend Saul, Second Thielman.

Vote 6-0-1 abstention (Janice)

Article 42.

Petitioner (TracyLee Boutilier) is a member of Echo Village Tenant Association (EVTA). Asking for the town to acquire the property through purchase or eminent domain. The buildings were affordable by virtue of previous owner (rents were low); the building has majority families and

Section 8 voucher holders. The transfer of ownership changes the affordability. She argued that the building has more value for the town. Good condition, no need for rehab. The apartments are in good shape, sprinklers in every room and in the hallways. Furthermore, preserving affordable housing is important for the town. It will keep an integrated diverse neighborhood.

The petitioners have found potential funding sources that could cover \$2.55 mm toward the cost. They are asking for 15 percent from the town. \$300k from CPA.

Discussion ensued. Because the apartments are rented in section 8 now, the building is not counted toward affordable housing, but it could become affordable housing under certain conditions.

Ziomek asked if there was a willing seller. He noted that the Town Manager, Musante, had reported publicly that the owner is willing to listen and have an open conversation and there will be continuing discussions.

Steinberg noted that there were a lot of things in play here. The Select Board has deferred. More information expected.

Moran moved to defer. Steinberg noted that the FC did not need to have a motion. The FC will defer until further notice.

Other Items

No unpaid bills. The Select Board will make the motion to dismiss.

Moran motion to dismiss Article 2 if it was not part of the consent calendar. Saul Second. Motion supported unanimously.

Adjourned 6:55 pm

Acting Clerk: Anurag Sharma

DOCUMENTS USED AT THE MEETING

Warrant for May 6, 2013, Annual Town Meeting