

Approved April 3, 2014
Amherst Finance Committee Minutes
Thursday, March 27, 2014
First Floor Meeting Room, Town Hall

Meeting was called to order at 7:00 pm.

ATTENDANCE: Kay Moran (Vice Chair), Janice Ratner, Anurag Sharma, Douglas Slaughter, Sarah Swartz, Marylou Theilman.

OTHERS IN ATTENDANCE: Sandy Pooler, Amherst Finance Director; David Ziomek, Assistant Town Manager/Director of Conservation and Development; Jonathan Tucker, Planning Director; Vincent O'Connor, Article Petitioner; Amherst Media

AGENDA: (End of Document)

1a. Community Preservation Act Committee

Presented by Peter Jessup: HANDOUT CPAC FY2015 Recommendations to Town Meeting

CPA Committee focus areas are Open Space, Community Housing, Historic Preservation; they make recommendations to the town meeting; Presentation to the Finance Committee is for information only and not for approval of the projects. The Finance Committee Report will state the Committee's view as to whether the proposed spending is an appropriate use of CPA funds. Over the years, the CPAC has been a catalyst for many projects in the town.

In the HANDOUT, the highlighted yellow areas are previous debt service items...previously bonded issues moving through the system. All routine. The new projects are as follows:

1. HCVP Funding Voucher Program: Section 8 vouchers are funded at the level of funding this year. HUD regulations don't allow CPA funding for that program...but still trying to work it out. \$154,000
2. Pioneer Valley Habitat for Humanity (PVHH) selected as developer for two units at the Hawthorne Farm which will add to the inventory for subsidized housing in town. \$80,000
3. 331 West Street Barn Restoration: \$75,000
4. Groff Park Wading Pool \$4,000
5. Open Space surveys, appraisals, and related studies \$25,000
6. Conservation restrictions: Bring us in line with state requirements that conservation restrictions be monitored by a third party. (Kestrel Trust in our case). \$40,000
7. Conservation land (Previously Saul Property): total purchase price 150,950; \$41,785 from CPA and the rest from a grant.
8. Administrative Expenses 2,000
9. Not recommending consultancy for Sweester Park...

CPAC also proposes facilitating acquisition of Rolling Green apartments, to ensure restriction of 41 of 240 units to affordable housing. Vote at the CPA to recommend was unanimous. The \$750,000 allocated for this purpose are to be borrowed and spread out over 20 years, coming out of future CPA monies. The project in total could be 15-20 million. So, this is an incentive to the order of about 3.75-5 percent.

1b. Petition Articles

(Presented by Vincent O'Connor)

Increase CPA surcharge to 3 percent. As done in the past—2006 increase from 1 to 1.5 percent (passed) and 2008 increase 1.5 to 3 percent (failed)—place an article in general election ballot. Tax revenue increase of \$400k to \$800k. Rationale: 1) State funding is more reliable for 3 percent surcharge, 2) Doing so will quadruple the funds the town receives from the state, 3) need the money because affordable housing is a big ticket item. Down the line, we may be facing the same issue (of affordable housing going off line) with Village Park, which is now a privately owned property, 4) We need housing in town for people who work here—the town has lost significant percent in the 25-45 year demographic (question from floor: did they leave because of housing prices?) This affects school enrollments, among other thing.

CPA unanimously supported with the caveat that the monies may be used for purposes other than affordable housing. The petitioner (O'Connor) responded that he will remove the affordable housing restriction as the rationale for the petition to increase the CPA surcharge.

Section 8 Vouchers. For Town Meeting to support House No. 1167 to include Section 8 Housing Vouchers to already cited applicable housing types considered affordable under Chapter 40B. About 200 Section 8 Vouchers in Amherst—another 200 administered by Amherst Housing Authority are held by families who do not live in town.

Tax Credit. Low income property tax credit...petition prepared with the assistance of an attorney in town. Would allow property tax credits of up to \$1,000 to landlords reducing rents to levels qualifying for entry level Section 8 voucher holders. Trying to have some way to keep track of contracts with the Amherst Housing Authority...Petitioner's Math: if you have 4 identical 1-bedroom units, renting for \$1,000 a unit, Housing Authority is allowed to subsidize that in Section 8 vouchers. If the landlord reduced the rent by \$200, totaling over twelve months to \$2,400, 75 percent or \$1,000 per unit, whichever is less, will be the tax credit for the landlord. The petitioner indicated that he knows of one landlord running \$300-\$400 monthly loss to maintain a large family who would otherwise be forced out of town.

Estimate: 50 units may be available for this. Previous article mentions 200 Section 8 vouchers. So, the town may be on the hook for \$50k to \$200k in tax credit to landlords. Clarification: This won't apply to people who are already in low rent situation. This applies to new tenants who cannot afford the market rates and are locked out of the rental market. Question from the floor: What is the funding source for this? Tax money or CPA money? Pooler indicated that the town supports abatements with overlay funds. Allocating monies to tax credit were this petition to become real would squeeze those funds or require funds to be moved from other sources.

A brief discussion ensued about how to evaluate the math built into this petition.

Rental Registration. Calling for an ad hoc committee of whom four (4) shall be tenants and four (4) property owners—to revise the self-certification checklist. First round of inspections have already taken place, so this is intended to be going forward. Rationale: people affected by the regulation to have more say in how they are regulated.

Dickinson Street Property. To purchase by eminent domain the property that used to be a car dealership. According to the petitioner, such actions by the town have precedence. The petition is

instigated by the recent purchase of this property by Amherst College, which removes it from the tax rolls because of the non-profit status of the college. The petition is for the Town Meeting to authorize the Select Board to take property and find a buyer to bring it back to taxable status.

1c. Zoning Articles

Presented by Jonathan Tucker

Inclusionary Zoning Provision in the bylaw is that residential development need to have ten (10) or more percent units designated affordable. Given that the town is in a tight situation with regards to affordable housing, this article is to change the definition of affordable housing and the rules as to the threshold requirements for proportion of affordable units in new developments—in order to encourage more affordable units in town. The Planning Board report on this is still in the works, and the FC decided to revisit this issue when the report does become available.

Atkins Corner Rezoning Rezone from limited business to village center zoning. More downtown like, more viable business use and greater commercial activity. Area affected is a much smaller footprint than what was brought to the TM the last time.

Accessory Home Business Uses These are secondary uses subordinate to primary use. Four categories: 1) Home business no visitation, 2) Customary home office or occupation with visitation, 3) Contractor with parts of operations small with some activity and storage etc., and 4) Contractor with parts of operations large with significant activity and storage etc. Both contracting categories will require special permits. Home business allowable through administrative permit by commissioner – by right. These are clearer and tighter regulation...less confusion. More permit categories and possibly more permit fees.

284 North Pleasant Street Revised and Restricted Covenant Range of uses is increasing and the economic viability / value of property would increase because of expanded uses.

1. Writing assignments

The drop-dead date for the FC Report write-ups is April 6

Writing Assignments

Public Works - Ratner

Conservation Development Community Services - Swartz

General Government & Debt Service - Sharma

Public Safety- Moran

Library Services - Ratner

Elementary and Regional Schools – Theilman

Capital Program Equipment and Facilities - Slaughter

Bond Authorization -Slaughter

Wildwood Facility -Theilman

Debt Rescission -Theilman

Community Preservation Act - Swartz

Watershed Land Purchase - Ratner

Revolving Fund for After-School Program Reauthorization, Theilman

Library feasibility study funding - Ratner

Budget Amendments – Moran and Pooler
Unpaid Bills and Compensating Balance Agreements – Moran and Pooler
Social Services Funding - Moran
Free Cash and Stabilization-deferred to town meeting
OPEB fund - Sharma
Acquisitions Easements - Ratner
Atkins Corner -Ratner
Meeting House Road Pelham - Ratner
Cell Tower agreements -Slaughter

2. New information affecting budget, review financial projections

Traditionally, we have had schools reimburse for charter and choice; transport reimburse us for PVTa and RMV –both counted as revenue. Now the state wants us to do it differently: Need to count the reimbursements as transfers of indirect cost. No economic impact to the town.

3. Order of budget sections for Town Meeting consideration

1. Town
2. Schools
Elementary
Secondary
3. Library

4.Member reports – liaisons and committees

5.Minutes of Previous Meetings

March 6: Approved 6-0 – Theilman and Slaughter
March 20: Approved 6-0 – Sharma and Theilman

Adjourned 10:05

HANDOUTS:

1. CPAC FY2015 Recommendations to Town Meeting
2. Atkins Corner Rezoning

Submitted by:
Anarug Sharma, Acting Clerk