

**Town of Hamilton
Community Preservation Committee
July 9, 2015 Minutes**

Attendees

The meeting was held at Hamilton Town Hall with the following Committee members in attendance: Chair Tom Catalano, Jay Butler, Ray Whipple, Ed Howard, Bob Gray, and Peter Britton (arrived at 7:35 p.m.). Community Projects Coordinator Rachel Meketon, Finance Director Brian Connolly, Director of Planning and Inspections Patrick Reffett, DPW Director Bill Redford, ECGA Chris Lapointe also present. With a quorum of CPC members present, Tom Catalano called the meeting to order at 7:30pm.

Accept June 11th Meeting Minutes

Jay Butler moved to accept the June 11 hearing minutes. Ray Whipple seconded the motion. VOTE: Unanimous.

Vote to elect Chair and Vice Chair

Whipple nominated Jay Butler as Vice Chair. Ed Howard seconded the motion. VOTE: Unanimous.

Butler nominated Tom Catalano to be re-elected as Chair. Bob Gray seconded the motion. VOTE: 5-0-1 with Catalano abstaining.

Vote to approve 2015 Community Preservation Plan

Input to the plan was from CPC's public hearing as well as from Town boards and committees. Information in the plan reflects the Committee's action to identify potential capital projects, and chapter lands relative to looking forward toward potential acquisition. Three small changes in the latest version of the plan are: incorporation of evaluation system, annual revenue totals, and updated timeline for application submission.

Gray moved to accept the Town of Hamilton 2015 Community Preservation Plan dated June 17, 2015. Howard seconded the motion. VOTE: Unanimous.

Update on Open Project Accounts

Discussion had occurred with Fire Chief Phil Stevens regarding \$35,000 in CPA funds that was approved for a Model T building in FY'08. The Fire Chief agreed that the project could be taken off the CPC's books until a more defined plan is in place for the project at which time the Fire Department can resubmit a CPA project application. The Finance Director was notified to close the account, and a confirmation letter was sent to Fire Chief Stevens.

Also mentioned was that \$5,500 appropriated last year for Town Clerk historic preservation of Town books is going to be spent this summer. The final bill was received

for the Senior Center kitchen project which will be closed after the warrant is finalized in the next two weeks. DPW Director Bill Redford provided an update on other CPA funded projects stating that work is moving forward on bathroom project at the COA site and is expected to cost less than anticipated, the wheels on the cannon at Patton Park will be repaired, and placards moved after paving of Weaver Pond parking lot is completed.

The garage at Patton Park is likely to be demolished since the Town no longer has a park foreman, and recreation staff will be using new pool building. Discussion ensued about whether or not the garage building could be used for winter recreation purposes (i.e., ice skating rink warming hut) but the Town's liability might be an issue. In addition, the balustrades project at Senior Center will be put out to bid this summer. The COA is working with a vendor to move forward with adding letters to the Senior Center sign.

CPA Financial Projections at different CPA surcharge levels

Hamilton adopted CPA at the 2% level which has not allowed the Town to take advantage of the full state match as towns with 3% CPA surcharge have been able to do. Finance Director Brian Connolly presented a CPA surcharge baseline view on 2%, 2.5% and 3% surcharge and baseline revenue relative to 10% commitment to reserves for open space, historic preservation, and affordable housing. The appropriation capacity under 2% is \$339,000 a year. The Town has a \$415,000 debt commitment until 2020. Baseline revenue of \$485,000 does not yield enough financial capacity for all of the CPA projects.

Analysis was done with and without growth relative to potential Town Hall renovation, Sagamore Hill acquisition, and Donovan field debt leaving \$192,000 to spend for other projects. He reiterated that the grant requests exceed the Town's appropriation ability with 2% surcharge. With this surcharge the Town would not have the ability to pay for any other projects. The fund balance at 2% would be growing exponentially over the next five years with \$1.5 million in 2021 as unreserved and available for expenditure.

Discussion was on 2.5% and 3% surcharge models adding in projects on CPC list for community housing, open space, etc. If the surcharge were raised to 2.5% all CPA projects could be funded but funds would not be returned to reserves. If it were raised to 3% exponential growth would allow projects to be done and growth in fund balance. The median surcharge (at 2%) for the past year was \$111 annually for a median valued house in Hamilton. The projected surcharge at 3% would be \$165 a year or a nearly 50% increase. The Town is going to theoretically spend \$190,000 annually in CPA funds but would get a net revenue increase of \$400,000 when the state match is included. Town officials reiterated that Hamilton could not afford to do all of its CPA projects with 2% surcharge as well as the impact on debt (i.e., chapter land purchase, affordable housing).

Discussion ensued about assessment needed for Sagamore Hill acquisition project. Chris Lapointe spoke to purchase price of property as \$5.1 million and probable \$2 million request to Town of Hamilton, impact of Donovan field debt being retired as well as

potential timing for Town Hall renovation. It was noted that the purpose of the CPA project list was for the updating of the Community Preservation Plan.

Discussion was on financing models for the potential Sagamore Hill acquisition. It was reiterated that if the Town increased the CPA surcharge to 2.5% it could afford all of the projects, and there would be an exponential increase by going to 3%. Bonding (i.e., 3.6% interest rate) would be used for Town Hall and Sagamore Hill projects. Also mentioned was to change the surcharge rate, an initiated (citizens') petition would have to be put forward, voted on at Town Meeting and a ballot vote (simple majority) at the Town election in April. This could present an opportunity for an initiative to get rid of CPA in Hamilton.

Discussion addressed how a change in surcharge would be presented to the public with pros and cons identified (i.e., including reducing surcharge to 1% and what the Town could afford). In addition, the Finance and Advisory Committee could review the financial models and weigh in on whether or not that committee would be in favor of changing the CPA surcharge. The Committee will determine if the petition would have to go through the Board of Selectmen.

Sagamore Hill update

Lapointe provided an update on Sagamore Hill land acquisition proposal and number of site walks being held including on July 26 at 4 p.m. Private fundraising campaign has raised \$300,000. State funding (Landscape Partnership Grant – largest funding source) might not be available until next fiscal year with application likely in September and hope that money would be granted in June or July. Conversations have occurred with DCR to consider a \$200,000 to \$300,000 investment.

Conversation is ongoing with abutting landowners about donating conservation easements in goal for 500 acres to qualify for landscape partnership program. Lapointe said he is confident the 500 acre requirement will be reached. Discussion with CPC is about Town investing in conservation easement by purchasing the development rights on the property that defines what can and cannot be done on the property. ECGA would own, manage and steward the land. The conservation easement has allowed uses (i.e., forestry under an approved forestry management plan, maintenance and creation of new trails, parking areas, cross country ski trails, agricultural uses) and prohibited uses (i.e., extinguishing residential/industrial development, gravel mining, oil drilling). Some of the allowed uses would be done by right others with consultation with ECGA and Town (i.e., expansion of hay field).

Discussion was on whether or not a multi-purpose athletic field would be one of the allowed uses at the site. Lapointe referred to wetland encroachment and opined that this is not the right spot for a playing field use since resources do not lend themselves to that use. There was also inquiry about if this is a location for a sliding hill. ECGA as a landowner relies on recreational use statute where there is no charge for people coming

onto the property and no modifications to the property would occur that could cause an injury so Greenbelt would not be liable. Lapointe suggested Town counsel could opine on more active recreational use.

The contract between the Trust for Public Land and Donovan LLC gives the Trust until the end of December 2015 to commit to buy the property or not. If sufficient funds have been amassed by the end of December then Trust can commit to buy the land. If not, the contract goes away with the landowner. Hypothetically there is the possibility for a deadline extension with demonstration of working towards amassing funds but momentum to move project forward could wane.

Discussion was on if Hamilton's CPA dollars are used to protect the land what would be the benefit for Hamilton residents relative to abutting communities. The property would be open from dawn to dusk free to anyone. Lapointe said there would be an ability for Hamilton to have control about what occurs at the property but it would not be involved in day-to-day management. In response to an inquiry, he opined that if a windmill were located on the top of the hill this would squelch any private fundraising effort.

Carin Kale, Rock Maple Avenue, questioned if the land that would come under conservation easement would have lower taxes paid to Ipswich and Essex. The reduced property taxes being paid to Hamilton now due to Chapter 61 agricultural use would not vary once the property is under conservation restriction. The Donovan family paid \$423 a year in taxes on the property and did not contribute to CPA.

Three different bonding scenarios were presented: funding the entire amount of \$2 million, \$1.5 million, and \$1 million. All bonds would have 20 year terms and annual payments of principal and interest would be: \$180,000, \$135,000 and \$90,000 respectively. Any acquisition requiring debt would require a two-thirds vote at Town Meeting.

Discussion was on if restrictions could be changed on allowed and not allowed uses (i.e., easement would restrict putting windmill on top of hill). Mutual agreement could be reached between grantor (Town) and Greenbelt (grantee) to amend restriction but it would have to be approved by Greenbelt, Town, Secretary of Energy and Environmental Affairs, DCR, and would implicate the Executive Office of Environmental Affairs in the event that the Landscape Partnership grant was used (a grant agreement would be recorded at the property closing) and apply to property forever. The Town would be extinguishing the development rights as part of conservation restriction. The Town would have the right to enforce against Greenbelt what the Town and state did not want to see at the property. The restriction would have flexibility but would not include building a new high school. Lapointe thought accessory structures such as a recreational warming hut or a viewing platform could be allowed with approval from Town.

Discussion addressed how it needs to be determined who would request CPA funds for the land acquisition (i.e., BOS or ECGA). There is a CPA application deadline of August 3 for projects to be considered at fall Town Meeting. Also mentioned was the CPC's guidelines for project submissions for open space where the applicant must establish a partnership with the Board of Selectmen and Town manager, meaning that the project is unlikely to move forward without the support of those two parties. Discussion addressed a specific dollar amount on the application with caveat that if ECGA raises more funds then the grant from Hamilton would be less relative to Town Meeting warrant article. There was mention of BOS developing a land acquisition policy and CPC not having time to avail itself of the policy due to the timeline of this particular application.

Discussion was also on how the Town would know that the price for the property is the lowest possible cost for the project. The assessed property value on the Assessors' books is \$25,000 (result of Chapter 61). Lapointe opined that the full assessed value (20 acres short) is over \$2.2 million and Chapter 61 value is applied (\$423 annual tax bill comes from \$25,000 assessed value). There is a purchase and sale agreement between Donovan LLC and Trust for Public Land for Hamilton land, and option agreement between Trust for Public Land and Essex Land Realty Trust for Essex land. Separately the property has been appraised by LandVest and before the Landscape Partnership Grant is submitted in September, the appraisal will be reviewed by another independent appraiser. He opined that the appraisal states that the market value of property is \$4.8 million. So what is on the tax rolls is completely irrelevant to the fair market value. CPA bonding is treated separately from Town's bonding capacity and is limited by unencumbered projected revenue stream. Also noted was if Town takes on 20 year CPA bonding then CPA surcharge has to continue at a level to pay off debt.

Discussion noted frustration with the way chapter land laws are written since the Town of Hamilton has been subsidizing a private playground and is now under the gun to acquire the property in 120 days with TPL and ECGA acting as an intermediary.

Special Town Meeting application process

On August 3, CPC will receive eligibility application for Sagamore Hill open space acquisition. Lapointe offered to speak to BOS to determine whose name should be on the application, it could be a joint application between BOS and ECGA or BOS and TPL. The Conservation Commission could take the role. The CPC would also need to decide how this potential acquisition of conservation restriction would be funded to move forward to Town Meeting. This will include use of bonding and some reserves and would require a two-thirds vote if bonding is involved. Discussion ensued about if the Committee could simultaneously make a decision on eligibility of the project and funding at its August 13 meeting. The CPC meets again on September 10 and could hold another meeting before STM if necessary. Also mentioned is that there would be a placeholder for warrant article related to this topic.

After a separate discussion, Butler moved to support the resurrection of the Open Space Committee. Discussion was on missive about open space function being conducted by Town staff. The purview of OSC is for recreation and open space for conservation not land acquisition for other purposes including chapter land. Butler amended his motion to ask a representative of the Board of Selectmen (perhaps Shawn Farrell) to come before the Committee to clarify the Board's position on OSC and open space acquisition planning. Peter Britton seconded the motion. VOTE: Unanimous.

Adjournment

Gray moved to adjourn at 9:15 p.m. Britton seconded the motion. VOTE: Unanimous.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____
Thomas Catalano Chairman