

Meeting Minutes for the third meeting of the Land Bank Study Committee - 1.23.19 5:30 PM Select Board's Conference Room, 6<sup>th</sup> Floor of Town Hall

Present: Marilyn Newman, David Lescohier (by phone), Linda Pehlke, Harold Petersen, Bob Lepson, Blair Hines, David Pearlman, Joanne Sullivan, Heather Hamilton, Chair

Members of the Public: None

Special Guest: Melissa Goff, Deputy Town Administrator for Brookline

The chair opened the meeting at 5:37 PM.

Each member of the committee introduced themselves since there was a special guest.

The meeting minutes draft was discussed. Harold and Linda had changes they proposed that were relatively minor. The Chair indicated she would go back and incorporate the comments.

Blair Hines moved that we approve the meeting minutes as amended from the last meeting. Marilyn seconded. Roll Call vote since David Lescohier was participating remotely due to geographic distance:

Linda Pehlke – Yes

Joanne Sullivan – Yes

Harold Petersen – Yes

Bob Lepson – Yes

Marilyn Newman – Yes

David Lescohier – Yes

David Pearlman – No vote since he is a liaison

Blair Hines – Yes

There were no votes and no abstention votes.

The Chair did not give a very long recap of the last meeting as it was pointed out that we just talked about it as a group during the meeting minutes discussion.

News:

This committee now has a website on the Town webpage. It has a list of our meetings, agenda, and meeting minutes along with some of the reports that have been generated by members of the committee. Harold's report had some revisions, so the one on the website needs to be replaced with the latest version. We will discuss this report at the next meeting once it is shared with all members.

Updates on assignments:

Joanne Sullivan is working on a report about Community Land Trusts assisted by some coworkers at the bank. This will be discussed at the next meeting in more depth since not everyone had seen it ahead of the meeting.

David Lescohier had been working with Blair on a comparison of Land Banks to the CPA. When it is finalized, it will be on the agenda at a future meeting.

Linda continues to review studies and articles, primarily from the Trust for Public Land. One article in particular is about the costs/benefits regarding preserved land versus residentially developed land. Residential developments require a high degree of public services relative to their tax generation. Preserved land does not require the same amount of public services, however generate no tax income.

Bob Lepson asked a question about whether there was anything in Linda's research that discussed if additional open space land preservation might increase property tax rates thus making a community more exclusive (or what it does/might do to home values). Linda answered that she had not seen any quantitative evidence of that in the literature review.

David Lescohier will be in touch with the Cambridge Mayor's office on the topic land acquisition for affordable housing. He has requested a meeting to learn more.

Marilyn Newman is continuing to investigate how the Town's Capital Improvement Plan and related budget processes and overarching fiscal policies potentially apply to land acquisition with and without a Land Bank allocation mechanism.

Guest Speaker: Melissa Goff, Deputy Town Administrator

Melissa asked if we wanted a presentation first or just Question/Answer. The group decided Q&A would be better since it is a smaller group and many already know about the budget process.

Q: What is/are the mechanism(s) to allocate revenue? And how is it currently different than it would/might be under this scheme?

A: Operational or Capital?

Q: Oak Street or Newbury College for example (special purpose)?

A: Capital. So what we do currently when we start the budget is to build on the previous year's CIP 6% + free cash which is any year end surplus. The Administrator draws up a budget document, it is sent to the Advisory and Select Board. Advisory Committee is the one that recommends the budget to Town Meeting to approve. That is why you see it sponsored by the AC at Town Meeting. Select Board oversees the revenues and can set tax rates (money coming in, i.e. revenue).

Q: What are fees and can we change them?

A: Fees by law can only cover the cost to manage their program. You have to be very careful with fees and increasing them.

Q: What did the Municipal Modernization Act do then? Wasn't there some change to this?

A: There is more flexibility in parking permit fees and what those funds can be used for. However, this is all under the purview of the Transportation Board. They are the ones that can set those fees and change them.

Another example is trash collection. Right now for instance, we do not recapture 100% of the cost to administer the trash collection program. We are probably around 72-74%. The Select Board may look at revising the fees this year or next, especially in light of the recycling costs rising.

Q: A request to transfer funds from the reserve fund recently came to study Newbury College.

A: Reserve fund is set up for unexpected circumstances. Usually this fund is for snow and ice-related costs since the line item for snow and ice does not allow you to adjust the amount once it is allocated. Only the Advisory Committee can approve reserve fund transfers. The amount allocated into the reserve fund varies depending on expenses from the prior year. Unspent money from the reserve fund goes into free cash at the end of the year.

Q: Would a dedicated funding account (such as a reserved or trust fund) help facilitate an acquisition of a parcel like Newbury?

A: Yes. Right now, I have to piece together funds from other sources. This would be a dedicated source of funds for this specific type of purchase. At present, I have to assume if we move ahead, it will be debt service through an override of some sort.

Q: Is Brookline Land Trust a non-profit? Is it part of Brookline Town Government?

A: It is not part of our government. It is a non-profit. Erin Gallentine might know more, especially related to how it is they can hold easements.

Q: There are a few competing needs for land acquisition. What do other communities do?

A: Right now, the state legislature just passed the AirBnB Bill that allows a local option to assess a community impact fee (not for all rentals, but some). Our Planning Department is exploring what this means for Brookline and whether the administrative cost and time would make it worthwhile for Brookline to adopt this local option program.

Q: Special Permits might be another way to assess additional fees that recapture the value, such as developer funding contributions to affordable housing based on creating small increases in number of units below current inclusionary zoning thresholds. This is something the Planning Board is considering.

Q: What is the Stabilization fund used for?

A: Emergencies when revenue goes down unexpectedly. The undesignated fund balance rolls over each year (target of 10% total revenue).

Q: Under current budget processes, how would we acquire land now like Newbury?

A: Depends on if you want to use CIP or debt service. Even an annual allocation through a trust account would potentially help support use of debt service by getting a better interest rate.

Q: Let me see if I understand. The Select Board sets the financial policy for the Town, the Town Administrator proposes the budget, and the Advisory Committee is part of this process?

A: Yes.

Q: How might you compare a Land Bank versus using overrides to accomplish the same thing?

A: I would point out that it is hard for voters to rally around generic purposes (we've used them for very specific projects) and it takes a number of months which might be too long for a real estate transaction.

Q: You know someone who works for the Town of Nantucket. What has their experience been like with their Land Bank?

A: I have a friend who works for the Town Government, however, the Land Bank is a separate entity.

Q: If we could get legislative authorization (either home rule or local option) for a real estate transfer tax (RETT), or pursue CPA as an additional revenue source, could expenditure of the new revenue be handled without a Land Bank mechanism through the current CIP or other Town budget processes?

A: We handle funds that don't have to go through the typical Town Meeting process, such as Uber/Lyft, Chapter 90 state funds, gifts. The Select Board is able to appropriate spending these funds (without a Town Meeting vote and outside the CIP) subject to restrictions to use the funds for the specific purposes for which they have been received. So potentially yes depending on how it was structured.

Group talked about the recent news coming from Governor Baker's Administration on the proposal to use an RETT (double the Deeds fees from 0.456% to nearly 1%) in order to fund climate change resilience projects. Also, the Boston City Council is interested in proposing an RETT to provide additional funds for affordable housing. We will discuss these initiatives at a future meeting when there is more information available.

The next task was to discuss next steps and assignments. Due to the issues raised and the interest expressed by some members, the following assignments were given:

- 1) Marilyn Newman will continue to look at Town budget allocation processes as they currently apply to funding land acquisition and acquisition planning, how they would work with legislation authorizing a RETT/Land Bank, and whether any improvements to support strategic land acquisitions could be implemented in the absence of (or in advance of approval of) state legislation
- 2) Harold Petersen will present his report on Nantucket and Martha's Vineyard

- 3) The Chair asked Harold Petersen to find out if Representative Connolly has refiled his proposed bills to allow Somerville by home rule, or any municipality by local option, to enact an RETT with proceeds dedicated to affordable housing.
- 4) David Lescohier and Blair will work on what it would take to modify the CPA as opposed to each municipality trying to get a local option tax
- 5) Linda will continue to research studies from Trust for Public Land
- 6) A literature review of transfer taxes on economic development - TBD
- 7) More research on the Municipal Reform Act – TBD

Meeting adjourned at 7:14 PM.

Potential guest speaker for an upcoming meeting: Erin Gallentine, Director of Parks and Open Space. She may know more about the Land Trust that already exists.

Our next meeting will be determined through a Doodle poll sometime in February in the same location, 6<sup>th</sup> floor Select Board Conference Room.