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**TOWN OF BELMONT
COMMUNITY PRESERVATION COMMITTEE (CPC)**

Minutes: Wednesday, August 9, 2017, Town Hall Room #1, 5:00PM
Present: Floyd Carman, Adam Dash, Anthony Ferrante, Lisa Harrington, Margaret Velie
Absent: Karl Haglund, Gloria Leipzig, Anne Marie Mahoney, Andrés Rojas
Other: Michael Trainor

Margaret Velie called the meeting to order at 5:01pm.

Approve Minutes

Motion to approve minutes of July 12, 2017 passed with three votes.

- Floyd Carman and Adam Dash abstained from voting as they did not attend the July 12, 2017 meeting.

Budget Reserve/Stabilization Fund

Stuart Saginor of the Community Preservation Coalition provided a few possible strategies for reserving CPA funds for future acquisitions (see Attachment A). After reviewing the options that were presented, Floyd Carman created a draft Reserve Policy for the CPC's consideration (see Attachment B).

This draft policy would ensure that the CPC would remain in control of how reserved funds are spent while honoring the CPC's current "no borrowing" policy. Floyd Carman stated it was crucial that a reserve policy be put into place in order to address any significant CPA acquisition opportunities that could arise in the future.

Adam Dash and Lisa Harrington requested that Stuart Saginor review the proposed reserve policy in order to provide further comments.

Anthony Ferrante noted that, while the policy would act as a rulebook for handling reserved CPA funds, there would be nothing preventing the CPC from voting to change the policy at any point. Further language must be included to describe the process for approving any future changes to the final reserve policy.

Adam Dash noted that a number of residents wish the CPC would be even more selective when approving CPA project proposals. Therefore, a policy that withholds a certain amount of funding for only significant undertakings could receive public support. It was also noted that the term "purchase of property" was not well-defined, and that the CPC should consider whether to include the purchases of deed restrictions as an acceptable usage of funds in the final reserve policy.

Margaret Velie suggested that the language of the policy could include the acquisition of historic properties and artifacts.

CPC members will continue to review the reserve policy and provide additional feedback to Floyd Carman prior to the September 14, 2017 regular meeting.

Other Business*

- Motion to approve payment of \$889.02 (22 hours @ \$40.41) to Michael Trainor for July/August passed unanimously.
- Motion to approve for payment of \$4,350.00 to the Community Preservation Coalition for annual dues passed unanimously.

*This item was moved ahead on the agenda because otherwise the CPC would not have a quorum to vote on these two motions.

Lisa Harrington left the meeting at 5:30pm

Meet Belmont: Tuesday, August 29 – 6-8pm, Chenery Middle School

Floyd Carman and Michael Trainor will be present as representatives of the CPC.

Public Meeting: Thursday, September 14, 2017 6:30pm

As in prior years, the public meeting will provide an introduction to the CPA and Belmont's grant application process before opening discussion to the public.

Adam Dash suggested expanding the marketing for this event by reaching out to Town Meeting members, as well as by welcoming homeowners who are interested in having the Town "purchase" affordable housing deed restrictions for their property.

Chair Succession

The discussion will be tabled until after the Board of Selectmen has finished their committee appointments for FY18.

CPA Coordinator/Administrator

Michael Trainor will resign as the CPA Coordinator effective October 2, 2017, but will be available during the transition process to train whoever is hired as his replacement.

Adam Dash inquired whether the CPC must publicly advertise this open position, or if the annual salary does not meet the dollar threshold for this requirement. Floyd Carman will consult with Jessica Porter, director of Human Resources for the Town of Belmont, for clarification.

Project Updates and Project Monitor Reports

FY16 Project Monitor Reports

Electrical Upgrade – The CPC will vote to close the project at the September 14, 2017 regular meeting.

Digitization of Belmont Newspapers (1890-1923) – Floyd Carman will contact the sponsors to request that a public presentation be made upon completion of the project.

Wellington Station Exterior Rehabilitation and Restoration – The contractor has obtained the necessary building permits for this project.

FY17 Project Monitor Reports

Construction of Intergenerational Walking Path at Clay Pit Pond – The survey has been completed. The next step is to put the project out to bid.

PQ Playground Revitalization (Phase I) – The CPC will vote to close the project at the September 14, 2017 regular meeting.

FY18 Project Monitor Reports

Belmont Headquarters Sons of Italy – Historical Artifacts Preservation – A vendor has been selected to begin work on the project.

The next meeting is scheduled for Thursday, September 14, 2017 at 5:30PM, Town Hall Conference Room 1.

The meeting was adjourned at 5:55pm.

Respectfully submitted,

Michael Trainor

From: Michael Trainor
To: Trainor, Michael
Subject: Fwd: Fw: CPA Question
Date: Thursday, August 10, 2017 2:56:16 PM

From: Stuart Saginor <[REDACTED]>
Sent: Friday, August 4, 2017 9:26 PM
To: Carman, Floyd; Margaret Velie
Cc: Alison Leary; Chase Mack
Subject: Re: CPA Question

Hi Peg and Carman:

I have some suggestions for you, but none are exactly what you are looking to do.

CPA Communities have four accounts that carry forward each year – the three category reserve accounts and the undesignated fund balance. The law has no provision to set up other reserve accounts of your choosing, which we confirmed in one of our sessions with the DOR legal team.

So here are some options:

1. You can put more than 10% in the category reserve accounts each year, although few communities do so because it decreases their flexibility. But you are looking for a combined account to save for open space or affordable housing land, and if you put extra money in the existing reserve accounts, they are limited to just one purpose. In addition, once money is put into a reserve it cannot be transferred out, even if the amount you put in was above the statutory requirement of 10%. Money in a reserve must be spent for that purpose.
- 2) There are two other places you can transfer money for future use for buying land, but again, these are limited to single purposes. If you have a Municipal Affordable Housing Trust, Section 5 of the CPA legislation allows you to transfer funds to that, but they are limited to only housing purposes in the future. Similarly, the Conservation Commission has the ability to set up a conservation fund, and CPA money can be transferred to that for future land purchases. The negative with this approach is the same as above – neither of these are a combined account for housing and open space. In addition, once the money is transferred, the decision on how to spend it is made by others, not the CPC or Town Meeting. See this article for details:
Appropriating CPA Funds to Housing Trusts and Conservation Funds (December 2008)
- 3). The last suggestion would allow you to build up a pile of money that could be spent in

the future for either open space or conservation. Let's say you are doing your annual CPA budget and project recommendations in the spring, and you want to put \$100,000 in savings for future land purchases. Your total CPA revenue for the year is expected to be \$1 million, to use a round number. Someone could make a motion at the CPC meeting that the CPC will only appropriate or reserve \$900,000. Like magic, at the end of the fiscal year you will have approximately \$100,000 left over (perhaps even a bit more depending on the actual state match and local collections). This money will automatically be swept into your undesignated fund balance at the end of the year where it is available for appropriation for any category project. You can do this each year and the money will keep building up in your undesignated fund balance.

There are a few things that aren't perfect about this idea. Because it is un-budgeted revenue, the \$100k would be unavailable to you until it drops into the fund balance at the end of the fiscal year. Do you use a budgeted reserve? If so, you could put the money in there and then you would have access to it for the entire year, with the town sweeping it into your fund balance at the end of the year. Another negative is that the money you have earmarked for the "land account" isn't a real account. It's just unspent money that would be combined in the fund balance with other leftover CPA funds each year. So you'd have to somehow track the amount of money you were dedicating for your "land account," and make sure you don't spend that money for something else. The CPC could probably just keep a spreadsheet.

That's the only way to accomplish what you want to do without bonding. None of the ideas are perfect, which is why almost 100 CPA communities have bonded when they want to buy land. There is more than \$300 million in approved bonds, making it a very popular and powerful way to leverage your future CPA revenue stream. Why the policy not to bond?

Best,
Stuart

Stuart Saginor

Executive Director

Community Preservation Coalition

6 Beacon Street, Suite 615

Boston, MA 02108

Carman, Floyd

Subject: Reserve Policy

DRAFT

This is to give each member opportunity to comment.

The community preservation committee agrees to set aside \$1.1million dollars in the Undesignated Reserve Account.

The purpose to have funds available if a significant one time opportunity occurs.

These opportunities would be for the purchase of open space and/or purchase of property for affordable housing.

FINAL APPROVAL OF THE FUNDS REQUIRES A YES VOTE OF SEVEN MEMBERS.

Town meeting has final appropriation authority.

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