



**Acton Town Finance Committee
Meeting Minutes
Date: January 12, 2016
Room 204 Town Hall 7:30pm.**

(DRAFT. Awaiting Approval by the Committee)

All Members Present.

- I. Chairman Majors called the meeting to order at 7:30pm
- II. There was no Public Participation
- III. Kelley's Corner Update – Andy Brockway

Mr. Brockway provided an update on the latest status of the Kelley's Corner initiative. His presentation ranged over a wide area of the KC concept and the evolution of the program, especially with respect to the likely shape of Town Meeting Articles which support zoning bylaw changes and funding for design of streetscape improvements.

Mr. Brockway described the percentage thresholds applied by the State in evaluating towns' contributions toward given levels of capital funding. He pointed out that the original estimates for cost of streetscape improvements were locally generated without expert input. At that time, improvements in the \$3MM range were assumed, whereas now the estimates are for a program costing \$9MM, and perhaps as much as \$12MM. The ratio of funds expended by the Town for consulting support, for design, and for engineering to the overall project costs is an important consideration in gaining approval for the first phases by the State.

The principal source of funds will be the TIP program (Transportation Improvement Program) funded by mixed state and federal sources. The process can take up to five years. We will be required to meet the percentage requirements of up front spending of our own funds in order to be considered for funding the rest of the project. It is assumed that the Town will have to acquire No Name Street from the owners of the Roche Bros plaza, as TIP funds cannot be used on private streets. The plan calls for a stop light to be installed at the Rte. 27 intersection.

Mr. Brockway described the need for new zoning applicable to the KC district. Current zoning would not allow for the creation of a mixed use pattern at sufficient density to support the cost of property acquisition, business relocation, demolition, correction of potential in-ground issues, construction of new buildings, and acquisition of new businesses.

Under the proposed bylaw changes, the zoning would allow for the creation of Master Planned sites which could be the result of aggregation of two or more small, inefficient parcels of land. The criteria involve ratios of linear footage of frontage to acreage whereby some parcels which are currently too small would be blended into the new parcels. Greater density could be achieved and more liberal uses could be considered in a mixed use setting. Three and four story buildings could be constructed to accommodate rental apartments above the ground floor. It was concluded that office and retail uses could not be brought to upper stories. The Town would gain additional design approval rights in the Master Planned areas. Mr. Brockway emphasized that the new zoning would probably influence development of the area over an extended period, potentially five to twenty-five years.

Committee members engaged in a lengthy dialogue with Mr. Brockway, asking numerous questions. The principal focus of much of the questioning related to Cost, Scope, and Timing. The following bullet points reflect some of the questions:

- Would our design fees be stranded if the State/TIP did not approve our project?
- What happens if we approve the design Article, but reject the zoning Article?
- Is the Master Plan piece aside from regular zoning, or a subset of it?
- When would infrastructure improvements likely begin?
- Why consider fully developed parcels such as Roche Bros, TD Bank, CVS in the overall plan? Won't they be undisturbed for decades into the future?
- It seems like the four stories of residential are there because this is fully performing real estate commanding market rents – no blight, no tax delinquencies. Are we reaching too far for density and getting undesirable consequences?
- Would it make sense to change the zoning without the design piece?
- What is the impact of the re-engineered traffic flow on the intersection of Charter Road and Rte. 111?
- The KC committee was urged to press for close contacts with the stakeholders such as Verizon, Baker Whitney, and other semi-institutional property owners.

IV. Acton Leadership Group

The Committee discussed the on-going dialogue at ALG over the role of reserve use, unused levy capacity, and deficit spending. The budgeting models, including the regular annual town budget, the ALG spreadsheet, and the long range forecast spreadsheet were touched on and concerns expressed as to their historical usefulness. Members

expressed concerns about the actual amount of dollars now in “reserves” status, especially after the Town’s acquisition of the Walker property using \$1.8M from the stabilization fund created at the last town meeting. It seems that the Town has not taken seriously the need to re-sell the property in order to recoup what had been 20% of our reserves.

Members agreed that there is a credibility issue, since reserves have not been declining in FY’s we had assumed would see deficits covered by reserve use. Instead reserves have now grown to among the highest in the State, in our case well in excess of the DOR’s recommended guideline of 5%.

Several members pointed out that, given the Town’s recently completed capital needs study, and a similar pending study by the Schools, it can be assumed that over the next few decades the Town will be confronted with a long list of capital needs, especially for buildings such as a new fire station or the replacement of aging school buildings. The committee expressed concern as to whether or not our current budgeting of expenses and use of reserves was in keeping with these anticipated new capital requirements.

Members noted that the Point of View document had not generated much response from either the Town or the Schools. The Chair summarized the document again, and pointed out that the last line of the POV requests input from the Boards.

- V. Schools Budgeting: A discussion was held as to whether or not the FC should participate on a more regular basis in some of the financial reporting opportunities at ABRS. The Schools have suggested that a joint meeting of the FC and the School Committee could occur on a regular basis to coincide with the reporting of the quarterly financial results. As for capital needs, it was agreed that the FC would appoint one or two members to monitor the Schools’ capital needs process.
- VI. Town Meeting Deadlines: The committee members agreed that information was reaching the FC in incomplete form and often too late for the committee to adequately discharge its responsibility for thoroughly reviewing proposed spending articles at TM.

The committee voted unanimously to establish a March 1 deadline for submission of warrant articles with financial implications. The Chair is to take up the matter with Town Staff and make the BoS aware of our concerns with timeliness.

The Committee adjourned at 11:40 pm.

