

FINANCE COMMITTEE

Minutes

April 14, 2008

Regular meeting of the Finance Committee was held on Monday, April 14, 2008 at 7:30 p.m. in the Finance Committee Room, Town Hall with the following members present: J. Muti, C. Lane, S. Kelliher, R. Knobel, L. Donovan, M. Kent, S. Connell, T. Jalkut, M. Gallivan, J. Stadler, T. Bowen. Also in attendance was Assistant Town Administrator J. Johnson, Finance Director M. Good and Selectmen Chairman A. DeNapoli.

7:30 p.m. – Quorum being present, the meeting was called to order by the Chairman T. Jalkut.

May 5, 2008 Spring Annual Town Meeting

Article 30 – 34 Economic Development Speaking to these articles was L. Pittman, Chairman of EDC, Member P. Mellett and Economic Development Director D. Walsh.

L. Pittman spoke to the plans for two sites, Superfund site on South Street and approximately 74 acres on 1801 Main Street. They feel that the Town needs to be proactive rather than reactive on these sites and get them back on tax roll or use for municipal site. Town receives over \$900,000 in taxes from Siemens site, sites on Main Street only receive \$45,000. If we don't do something there, someone else will do it.

A comparison was provided on the differences of a Redevelopment Authority, EDIC and the present Economic Development Office.

P. Millett spoke to being concerned with the environmental issues, he has been on the Superfund Committee and owners were not interested in clean up or working with Town or State. Tyco will do a limited amount of clean up. Property owner continues to collect rent at site, but doesn't pay the taxes, it is a huge environmental issue. Goldie's site has to be contaminated on Main Street.

South Street Site – D. Walsh spoke to needing the support of the Finance Committee. They will be meeting next Tuesday with Selectmen on the articles. They would like support of the concept on the sites. They have to be approved by Town Meeting and then go for the Special Legislation. Selectmen would appoint seven individuals, once the board is created and they would be responsible for the management of the project. A Redevelopment Authority is open ended, EDIC can only work on projects that are specifically approved by Town Meeting. They would have to find the money for staff. EDIC has special powers in Eminent Domain and property tax foreclosures providing special state law is passed. Ten to twelve towns have EDIC including Falmouth and

Mashpee. This offers a mechanism to the Town to get a use out of the property, provide protection for any potential liability. .

If the EDIC forecloses on the South Street property, Tyco will be the responsible party for the clean up. EPA is working with them. They will only do the minimum that is required to clean up the property. EPA would rather work with Town on the clean-up.

T. Jalkut had concerns with proposed legislation. Specific language would have to be drafted by Town Counsel. Town needs to protect itself.

C. Lane spoke to being concerned with cleaning up site. Tyco doesn't seem to want to do anything, just say they do. Would we be able to take just some of the parcels as some of the site has been cleaned up, main clean-up is asbestos. If the Town does take one of the parcels, it would be responsible for the other parcels. M. Good spoke to the property being more attractive as a whole, rather than breaking it up, it is best to keep it together. It would difficult to do housing there.

P. Millett spoke to discussing this in 2002 and report issued on reuse of the site. Any housing would have to be in an environment that is controlled. He doesn't feel that there is enough room for housing, site probably better as industrial. Superfund clean-up is federally mandated, the clean-up supersedes the state. Tyco is not ready to go, but know they have to do it. EDIC can take over and then dictate the end use. It costs more for residential clean up than commercial. Feels they can get it cleaned up beyond a manufacturing site.

Selectmen appoint seven individual townspeople to be on the board, expertise in real estate, industrial development, fiancé and municipal government plus a low income representative. They have to be residents of Walpole and successors have to be appointed by the Selectmen. Only projects that are approved by a 2/3 vote of Town Meeting can be worked on

Issue of back taxes can be built into the Special Legislation and noted that the EDIC will turn the money back to the Town. Payment can be done in lieu of taxes.

South Street was picked due to concerns with aquifer and a Superfund site. Town needs to be proactive. Main Street property also sits on aquifer. Clean up is the main thing. Last year a lot of opposition to eminent domain. Any redevelopment of center of town would require eminent domain taking. D. Walsh has talked to the three owners on Main Street sites, they are willing to talk to town, they aren't interested in cleaning up site. We need to get involved and take charge.

R. Knobel, questioned what is the downside to letting them try to do South Street site. . EPA would be working with EDIC not town. Town doesn't own the property.

Once we acquire the site EDIC is responsible and would have the ability to obtain grants, can't get loans till site is cleaned up. What happens if there is money left, where does it go, chances are that town meeting would find another project.

Main Street site is a similar project, underutilized, somewhat dirty site, sits on aquifer, and Town needs to be proactive before it gets worse. Golf course had previously been proposed, don't know what would be allowed, need to have a site assessment on the potential problems and what the economics would be to put on the market. They need the EDIC as a tool to work on something for site, and would be up to the Board, Town and neighbors and would need to have money to buy the property owners out.

Committee questioned if they started looking at this site, it could become a superfund site. It was felt it could be, Federal Government would have to come in. There has been uncontrollable dumping there.

Permits would have to be obtained from the various boards. No one would be able to purchase Goldie's site due to not being able to get financing. If the Town was to take it, what would be the potential liability, there are too many unknowns.

Committee also questioned we were proposing one or two EDIC for the two projects. It would only be one EDIC of a seven member board. Staff and overhead costs would be comingled.

MOTION MADE by R. Knobel, Seconded by J. Stadtler for Favorable Action on Article 30, Motion Approved (10-1-0) (C. Lane opposed) (11 voting)

MOTION MADE by J. Stadtler, Seconded by S. Connell for Favorable Action on Article 32, Motion Approved (10-1-0) (C. Lane opposed) (11 voting)

MOTION MADE by J. Stadtler, Seconded S. Connell, for Recommendation at Town Meeting, Motion Approved, Unanimous (11-0-0) (11 voting) EDIC will hold sending any proposed language for review by Town Counsel till they see if they have receive approval from the Board of Selectmen on this.

D. Walsh spoke to the merits of doing both sites, feel it is more efficient and more productive of the committee to work on both. He would like to get the message out that the Town is serious on working on this and getting sites cleaned up. No action prolongs the responsibility.

FinCom members spoke to focusing on something that we can do, if project is too big, it won't receive any support at all, best to focus on one and see if there is any success.

MOTION MADE by J. Stadler, Seconded by L. Donovan for Favorable Action on Article 31, Motion Defeated (4-7-0) (J.Stadtler, S.Connell, M.Gallivan and L. Donovan in favor)

MOTION MADE J. Stadler, Seconded by L. Donovan for Favorable Action on Article 33, Motion Defeated (4-7-0) (J. Stadler, S. Connell, M. Gallivan and L. Donovan in favor)

MOTION MADE by T. Bowen, Seconded by S. Kelliher for Reconsideration of Articles 31 and 33, Motion Approved, Unanimous (11-0-0)

MOTION MADE by T. Bowen, Seconded by S. Kelliher for No Action on Articles 31 and 33, Motion Approved, (7-4-0) (J. Stadler, S. Connell, M. Gallivan and L. Donovan in opposition) (11 voting)

Reserve Fund Transfer

J. Johnson, Assistant Town Administrator, spoke to J. Spillane, Veterans Agent, will need an additional Reserve Fund Transfer for two new eligible veterans for the months of April, May and June. This will be before the Selectmen at their meeting of April 22, 2008 and Finance Committee to address it on May 1, 2008. Copies of the request to be mailed out to Committee members.

Minutes

MOTION MADE by R. Knobel, Seconded by S. Connell for Favorable Action on April 10, 2008 meeting, Motion Approved, Unanimous (11-0-0) (11 voting)

MOTION MADE by R. Knobel, Seconded S. Kelliher to adjourn the meeting at 9:15 p.m. Motion Approved, Unanimous (11-0-0)

Respectfully submitted,

Clare P. Abril,
Secretary