MINUTES

Cumberland Special Town Council Meeting Town Council Chambers

MONDAY, October 6, 2014

7:00 P.M. Call to Order

Present: Councilors Gruber, Stiles, Copp, Turner, Storey-King, Edes and Bingham

I. APPROVAL OF MINUTES

Motion by Councilor Bingham, seconded by Councilor Turner, to approve the September 22, 2014 minutes as presented.

VOTE: 6-0-1 (Edes abstained) MOTION PASSES

II. MANAGER'S REPORT

Natural gas is now being energized in the gas lines from the fair grounds to Main Street. Many of the neighborhoods north of Main Street (the Food Stop end) will be receiving gas in the next few weeks. Many of the neighborhoods off of Tuttle Road will also begin hooking up, then the Foreside.

The Towns of Cumberland, Falmouth and Yarmouth received the Greater Portland Chamber of Commerce Neal Allen Award recently. The award is given each year for public service, and the three Towns were recognized this year for their collaborative efforts and success in bringing natural gas to the communities.

Chairman Gruber added that when the award was presented, the Town Manager's from Falmouth and Yarmouth recognized Town Manager Shane as the driving force behind bringing natural gas to the areas.

We were very fortunate to receive all the generous donations from the community to the 4-H auction. We were able to purchase 3 pigs and a steer this year. We raised nearly \$11,000 and a special thank you goes to Councilor Stiles who was instrumental in the fundraising.

III. PUBLIC DISCUSSION

None

IV. <u>LEGISLATION AND POLICY</u>

14 – 161 To hold a Public Hearing to consider and act on a on junkyard/recycler permit renewal for Cumberland Salvage.

Town Manager Shane explained that staff has inspected the sight and is recommending approval.

Councilor Bingham asked the Manager if water testing on the site is required.

Town Manager Shane explained that Cumberland Salvage is not required to do well testing on site and they have been compliant with our aquifer inspections and we feel that they are using best management practices.

Councilor Copp added that the State has test wells located on the property and those are tested either annually or bi-annually.

Chairman Gruber opened the Public Hearing.

Public discussion: None

Chairman Gruber closed the Public Hearing.

Councilor Stiles asked if the new berm that was put in was something that the Town required.

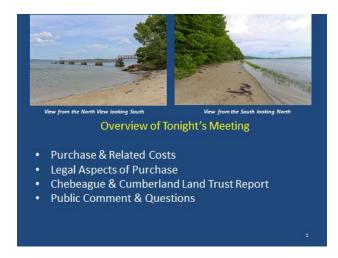
Town Manager Shane said that they did that on their own to in consideration of the new neighborhood going in behind them.

Motion by Councilor Edes, seconded by Councilor Storey-King, to approve the junkyard/recycler permit renewal for Cumberland Salvage.

VOTE: 6-0-1 (Copp abstained) MOTION PASSES

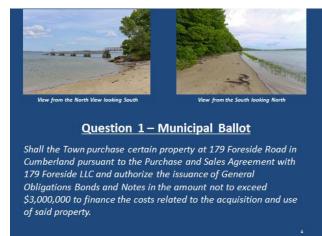
14 – 162 To hear a report from the Town Manager and Town Attorney and to accept public comment Re: Payson Property Referendum.

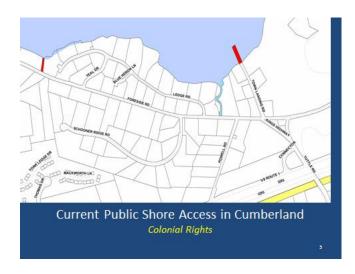
Town Manager Shane presented the following:





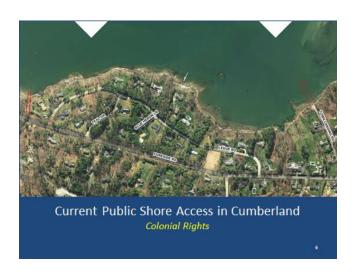






















Ocean Access Committee

- Understanding of the Conservation Easement
- Develop understanding for protection of different sea grasses and shore line erosion protection, horseshoe crabs, shore bird nesting, and shellfish beds
- Explore opportunities for passive recreation, kayaking, hiking, cross-country skiing
- Establish a plan for parking and access to the property
- Build a Facility Use Plan for public input and Town Council & Land Trust review and approval

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Start -up		Annual Operations	
Park Rangers - 26 weeks	\$19,633	Park Rangers - 26 weeks	\$19,633
Maintenance & Utilities	\$3,860	Maintenance & Utilities	\$3,860
Start-up Costs	\$66,000	Start-up Costs	\$0
Cap Reserves	\$10,000	Cap Reserves	\$10,000
	\$99,493		\$33,493
		umberland = \$350,000 to Operations & Capital	
Increase in Year 1 = \$99,49 Year 2 = \$33,49 Total T	Taxes due 9 93 = .0800 9 93 = .0269 x ax Impacts		



Annual Bond Costs \$240,000
Annual Net Post Development Tax Rev. \$138,309

Impact to all Taxpayers from Purchase

\$101,691 or .082 on Mil Rate



Avg House Value in Cumberland = \$350,000

Increase in Taxes due to \$3M Purchase \$350 k x .082 = \$29

\$100k of Value x .082 = \$8.20 \$ 500k Home x .082 = \$41.00

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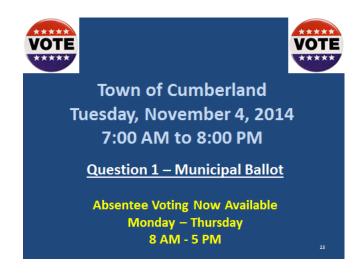




Town of Cumberland

- Nationally Recognized Schools
- Recognized as one of the most desirable Communities in 2014
- Recognized as one of the Safest Communities in Maine in 2014
- Recognized as the Most Educated Community in Maine in 2014
- Shore Access has been identified in our Comprehensive plans for decades. This is a unique opportunity to fulfill that goal.

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Town Attorney, Ken Cole made the following remarks in order to answer some questions: One significant question is the terms of the Purchase and Sale Agreement that was negotiated with Bateman Partners. Pursuant to that P&S Agreement, it required that the Town seek an appraisal in order to have that appraisal before us this evening and it required, by its terms, that there would be the vote on November 4th. Technically, the Council could have acted on this on their own, but saw this as an issue that everybody might want some input on. That is why it is on the ballot.

In terms of the site itself, Attorney Cole said that the conservation easement on over 100 acres was initially granted in 1997, and nothing has happened since then. Therefore, there has been a general perception among the public that the conservation easement means that nothing can be done on the property. The grantors of that particular conservation easement reserved 18 different rights that they could continue to do on the site, before they reserved the fact that they could further subdivide the site and put 7 additional residences there. A conservation easement can be however it is defined. This is defined to allow significant additional development on the site, which is why the site is for sale for \$6,000,000.00. If it were just grass and trees with one house and a guest house, it would not be for sale for that price necessarily.

Attorney Cole said that he was asked at the meeting in July what opinion he may have rendered to the Town in regard to the Town's use of this site. He never rendered a written opinion, and to reiterate what he said at the July 28th meeting, his reading of the conservation easement allows the Town limited recreational use on that site subject to the approval of the land trust. Rather than write a letter to the Town explaining what the attorneys thought the Town could do, they drafted a letter to the land trust on August 5th and requested their opinion by this meeting. His input to the Town is that they can do this legally. The question becomes in terms of the conservation easement, what limitations will be imposed in terms of the uses going forward?

Penny Asherman, President of the Board of the Chebeague and Cumberland Land Trust read the following:

Thank you for the opportunity to address the Council and the citizens of Cumberland tonight regarding the Town's proposed purchase and use of 25 acres of the Payson Property. The Trust received a proposal from the Town of Cumberland on August 5th and we submitted to the Council a letter of response on September 30th. A copy of which is on the town's website and I have copies with me tonight as well.

I want to reassure everyone that the Trust has been working diligently on this issue over the past two and a half months and that the CCLT's Board of Directors is fully engaged and supportive in the process.

Tonight, I would like to 1) provide a little bit of background on our organization and its involvement with the Payson property, 2) share the due diligence efforts we have been conducting since we received the Town's letter, and 3) provide comments and recommendations on the proposal.

Background

CCLT was founded 27 years ago as part of a nationwide movement to protect land for its natural resource value and for the enjoyment by the general public. CCLT has conserved nearly 700 acres and 20 properties – 10 in Cumberland and 10 in the Town of Chebeague. In 2012, we received national accreditation certifying that our organization meets rigorous national standards and practices. We were one of the first small, all volunteer land trust in the nation to receive this recognition.

Mission and Role

Our purpose is to preserve and protect the intrinsic values and public benefits of the natural resources in the towns of Chebeague Island and Cumberland – mainland, islands and contiguous Casco Bay – and be responsible stewards in perpetuity for those resources in our trust.

We translate that mission into several principal tasks: 1) thinking and acting strategically about properties that need protection, 2) responding when opportunities arise, 3) being diligent in our acquisition processes, 4) inventorying and monitoring properties for compliance with easements, 5) working cooperatively with landowners to help them realize their conservation goals and manage their properties, 6) educating the public about, and providing access to, natural resources, and 7) raising funds to sustain these efforts.

Conservation Easements in General

Conservation easements are a legal agreement between a landowner and a land trust or government agency that limits certain rights on a property to protect conservation values. Landowners give up some rights, but still maintain ownership and use of the property and they can sell it or pass it on to heirs. Each easement is different and tailored to each property. One might preserve a property as forever wild and untouchable, another allow working farms and forestry, or in the case of the Payson Property, limit the number of house that can be built.

The Payson easement was granted to the Trust in 1997. It protects a very large and scenic waterfront property with shoreline, fields and forest from full build out potential. For their donation, the property owners received a charitable deduction from the IRS and property tax benefits. Up until now, it has been a private estate for the family with the exception of a small public trail along Route 88. The easement, however, allows for the development of 7 additional houses beyond the existing 3 residences and reserves an extensive number of very broad rights for the owner. Since easements run with the land, any new owner of the property can exercise all of these reserved rights. The land trust has a role in overseeing the transfer of land to new owners and the exercise of those reserved rights in this case by the developers and the Town of Cumberland, should they buy a portion of the property.

As stewards for the Payson Property over the past 17 years, we have annually monitored the land and maintained the Stone Wall Trail along Route 88. We value the relationship we have had with the Payson and Robbins family. They have been good stewards for many decades and we appreciate their recent willingness the past few years to cooperate with the Trust's popular horseshoe crab event on the beach. We can appreciate that their emotions are torn with the sale and change in their family's property.

Due Diligence Process

From the announcement in July of the proposed sale and transfer of the land to developers and potentially the Town, the CCLT Board has been discussing and examining how the addition of 7 new houses, 10 new homeowners and increased public access to the property will require our vigilance in understanding and measuring the impact of these changes on the scenic and natural values of the property.

The Trust came to the immediate consensus that:

- 1) we need to reach out to natural resource experts to gather a clearer understanding of the current conditions on the property prior to change in ownership,
- 2) we need to increase our monitoring efforts and increase our number of stewards for the property to meet the proposed changes in use,
- 3) a stakeholder committee needs to be established to prepare use guidelines and management plans should the town purchase part of the property. The committee has been already been selected we believe will provide stakeholders a meaningful opportunity to participate in decision-making regarding the property.

Over the past 8 weeks CCLT has consulted with a broad range of experts on the natural resources, easement terms and management issues:

- Contracted with FB Environmental Associates, an environmental consulting firm based in Portland, to conduct a natural resource inventory and make recommendations for management.
- Engaged legal services of Karin Marchetti Ponte, a nationally-recognized and well respected land conservation attorney, to research and inform the trust on easement terms and the legal issues associated with the Town's proposal.
- Made multiple site visits to the property
- Consulted with several Maine state agencies, including Department of Marine Resources, Department of Inland Fisheries & Wildlife, Department of Environment Protection, the Cumberland County Soil and Water Conservation Service and the Office of the Maine State Historian.
- As well as the federal U.S. Fish and Wildlife Service.
- We've had discussions with Cumberland Shellfish Commission members and the Brunswick Shellfish Warden.
- As well as Discussions with several environmental organizations, including Casco Bay Estuary Partnership, Maine Audubon and other land trusts.
- Held Meetings and other outreach with current owners, abutters (including Wildwood Association) and other community members.

All of this research and outreach has guided our discussion and form the basis for our comments and recommendations.

Significant Features of the Payson Property Easement

There are a few significant elements of the conservation easement that set the parameters for the recommendations.

<u>Broad Purpose Statement</u>. The property must be retained forever predominantly in its scenic, natural and open space condition for conservation purposes. Use of the property should not significantly impair or interfere with the conservation values of the property and its natural resources and associated ecosystems.

<u>Restrictions and Owner Reserved Rights</u>. The easement includes many pages of restrictions and reserved rights, which control the interpretation of the easement and its intent. The owner's reserved rights are very extensive and broad. The land trust is prevented from abbreviating these landowner rights as defined in the easement, no matter who owns the property.

<u>Approvals</u>. Under the easement, some actions regarding the property require CCLT's approval; others do not. When a proposed use, activity or site requires land trust approval, there are general criteria that apply to the review: impact on scenic value, water quality, habitat, wildlife movement, historic and

archeological values and general conservation values. Under the terms of the easement, the land trust cannot unreasonably withhold approval.

Introduction

Broadly speaking, recreational use and public access to natural resources in the care of land trusts is one of the cornerstone values of land conservation. CCLT's mission statement, Maine and federal laws and regulations all encourage that conservation of land create public benefits, including public access in natural areas. 17 of CCLT's 20 properties allow access by the public. On each of these, the land trust manages to balance public use with the goal of protecting natural resources and scenic values.

Cumberland Proposal

The Town of Cumberland's proposal will change the use of the Payson Property from its current status as a private estate with very limited access to greater use by the public and 10 new homeowners. There is no question that there will be impacts on the land, shore and water. CCLT's fundamental responsibility, as it is with each of our properties with public access, will be to manage, monitor and attempt to minimize the impacts. In other words, to achieve a balance between the benefits of public access and use of the property with protecting the property's habitat, wildlife, water and scenic values.

Board Vision

- Despite the challenges inherent in managing increased public access while maintaining other conservation values on the property, the CCLT board strongly believes that expanded access to the property, which is permitted under the easement, if managed properly, can occur while still protecting the natural and scenic features of this remarkable property.
- The Board sees great potential for the project to elevate the public's awareness of the value of open space that is responsibly managed and maintained.
- The Board has confidence in the great success to date in the Rines Forest property that multiple goals of resource conservation and public access can be harmonized successfully by careful and thoughtful management policies.
- Increased access also offers significant educational opportunities for school children and adults and provides recreational opportunities long desired by community.

Recommendations

The recommendations and comments that follow are made with the goal of achieving a balance, not just in coming months, but in perpetuity, and therefore may change in time to respond to actual experience and use. All of the comments are based upon professional advice from our attorney, environmental consultants and the resource agencies we contacted. The Board believes that these are practical and reasonable recommendations consistent with broad parameters established in the easement.

- 1) <u>Division of Ownership</u>. The original grantors of the Payson Property specifically envisioned and purposely created in the easement two additional grants of land beyond the development of 10 residential lots. The Town of Cumberland qualifies as an organization that can purchase one of these two additional lots.
- 2) Public Access. The town, as owner, would be allowed to expand public access to its portion of the property. CCLT recommends the town consider ways to manage the access, such as hours of operation, limiting the number of parking spaces and perhaps creating a resident sticker system. A clear advantage of this would be to be able to better manage the impact the increased access will have on the property.

- 3) Recreational Use. Recreational use of the property is broadly allowed under the easement except that it cannot be commercial or materially impair conservation values. If the land trust expects that recreational use may materially impair conservation values, then it would apply the criteria mentioned in the easement. Under the easement terms, the land trust could suggest reasonable limitations on use, such as time and location, to protect the natural resources. CCLT anticipates that restrictions on recreational use would need to be flexible in response to actual experience and impact on the property. And we intend to pass the suggestions onto the Ocean Access Committee.
- 4) <u>Special Habitat Efforts</u>. CCLT's outreach to various wildlife and natural resources experts produced several practical suggestions for protecting the ecological health of the property. The recommendations include:
 - <u>Shoreland Zone</u>. Leave the forest in the shoreland zone intact to ensure habitat for birds and other wildlife, maintain scenic values from the waters of Casco Bay and prevent erosion of the steep bank
 - <u>Horseshoe Crabs</u>. Designate sensitive areas of the beach during the horseshoe crab breeding season (mid-May to mid-June) and continue to educate the public about the horseshoe crabs with signage and hands-on educational events.
 - Marsh and Beach Grass. Use signage to direct foot traffic or fence off sensitive beach grass areas and create designated swimming areas. Prohibit the storing of kayaks and other watercraft on the shore. Prohibit dogs on the beach all year to protect the beach grasses, birds and water quality.
 - <u>Eelgrass</u>. Develop measures to protect the eelgrass beds, which, though off-shore, are at risk with increased usage. Management of the number of boats and location of moorings, use of environmentally-sensitive moorings, signage and management of wharf activity are among measures that should be considered.
 - <u>Water Quality</u>. Employ best management practices and low impact development practices for erosion control and storm-water runoff on the property, especially for the road, parking and path to the beach. Direct foot traffic on site to designated areas to minimize erosion. Work with the Shellfish Commission on the identification of point and nonpoint sources pollution. Encourage limited use of fertilizers and pesticides on the property.
 - <u>Clamming</u>. Encourage the Cumberland Shellfish Commission to expand trapping of the invasive and destructive green crabs. The Shellfish Commission regulates clamming and marine worming in the mudflat with guidance from the State.
 - <u>Birds</u>. Maintain trees in the shoreland zone as much as possible for roosting habitat. Tree cutting in forested areas should occur in the winter to protect breeding birds and bats. Grassland habitat should be maintained in existing field areas for birds. Field mowing should be conducted no sooner than August 15 to ensure that the grassland birds have fledged from their nests. Develop interpretive signage educating the pubic about the Tidal Wading Bird and Waterfowl habitat. Encourage a group of bird watchers or students to inventory the birds over time and offer bird watching educational events. Prohibit dogs on the beach.

<u>Educational Opportunities</u>. CCLT considers the expansion of various educational efforts to be an important advantage of increasing public access. The area is a ready-made, natural laboratory for area science classes. CCLT, which has conducted the very popular horseshoe crab events, would welcome the chance to expand educational events for children and adults. CCLT believes a critical element in successful management of the property will also be informative and appropriate directional and interpretive signs.

<u>Beach Road</u>. It is our current understanding that the developers, not the Town, will be improving the Beach Road as part of the subdivision process. Any road improvements by the Town need to be designed with permeable materials and constructed to minimize erosion and disturbance of wetlands. As recommended by the environmental consultant, any road improvement should also address stormwater runoff and employ best management and low impact development practices. CCLT will comment separately when specific plans for the road improvements are presented.

<u>Parking</u>. Parking areas are allowed under the easement, if reasonably necessary in connection with allowed uses of the property, provided they are designed and constructed to minimize erosion and disturbance of wetlands. The land trust must approve the site or sites for parking and will use the approval criteria in our review. The land trust does not have authority to impose size limitations, but in the interests of other conservation values, we have some recommendations about the location and sizing of parking as set out below.

Currently, the town's proposal regarding location and size of parking is still in flux, so it is not possible for CCLT to comment specifically on the parking proposal at the time of this writing. However, the CCLT board has a strong preference for:

- (1) a conservative, phased-in approach to create parking that would allow for reflection on usage and impact, and
- (2) a parking plan that would place most of the parking close to Route 88, with a smaller parking area to be located closer to the shore for handicapped access and access for shore focused recreational activities, such as kayaking, canoeing and clamming.
- (3) CCLT strongly recommends that the number of spaces developed be commensurate with the number of spaces at comparable facilities, such as at Mackworth Island in Falmouth and Sandy Point on Cousins Island in Yarmouth. CCLT will work closely with the town to determine the site or sites.
- (4) Clear signage and enforcement of parking standards by the Town are also essential management components for the parking areas.

<u>"Boat Shed" Bathroom.</u> The Town's proposal to convert the current bathhouse into a unisex bathroom raises several issues. Not having a bathroom is unrealistic, presents public health issues and risks environmental degradation throughout the Town's portion of the Payson Property, including both the land and water. Without CCLT's approval, the easement allows for maintenance, repair and replacement of the structure with a substantially similar structure not designed for human habitation in substantially the same location.

However, CCLT believes there are significant arguments in favor of siting the proposed bathroom in a substantially similar location further upland, on flatter terrain and out of the immediate shore area.

- 1) The bathhouse is currently located extremely close to shorefront and is perched on a bank which is an environmentally-sensitive part of the property. CCLT would require that if relocated to protect conservation and scenic values, that all federal, state and local permitting be met and specific design plans be submitted to the trust prior to relocation.
- 2) As we understand, the current siting of the bathhouse does not meet the requirements of the Americans with Disabilities Act because it is located on a 13 percent grade, too steep to be accessed according to ADA standards. Since the easement predates the ADA, the trust understands that this is another valid reason to consider relocation of the structure consistent with the restrictions of the easement.
- 3) The easement allows for disposal of waste in properly functioning waste disposal systems. Even so, CCLT strongly recommends that the Town consider the use of a modern composting toilet. Our research indicates that composting toilets are now an accepted, workable and cost-effective option

for providing sanitary services in natural areas. They require no water or electricity and have far less disturbance of the soil than installing a septic system. However, they must be properly maintained.

<u>Minor Structures</u>. Under the easement, minor structures, such as benches, walkways, signs, and picnic tables do not require CCLT's approval. We understand that the Town wants to work with the land trust, though, on the location of these minor structures. CCLT welcomes the opportunity to work with the Town on these questions.

Our participation would be guided by the caution that the minor structures may not materially alter the traditional and scenic appearance of the property, or have an adverse impact on conservation values.

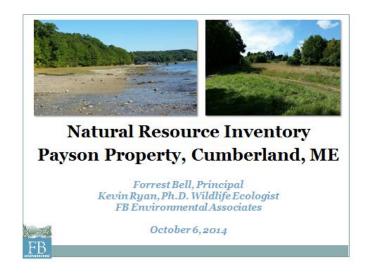
Other Management Suggestions

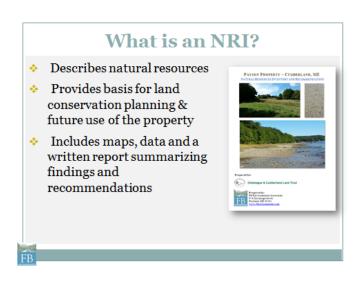
The new Ocean Access Committee will be charged with drafting Facility Use Guidelines and a Property Management Plan. CCLT suggests that the committee consider including the following additional suggestions in one or both of these documents.

- Creating a loop trail on the property.
- Identifying and inventorying of prehistoric and historic sites.
- Improving safety on the path leading down to the beach, and minimize erosion, by installing natural rock or rustic wooden steps.
- Mandating a "carry in, carry out" trash policy.
- Using limited lighting.
- Developing ways and procedures to protect shoreland vegetation and manage invasive species.
- Prohibiting pets, smoking and fireworks.
- Excluding the property from being available for use under mass gathering permits or for commercially related events.
- Insuring that the Town enforces these requirements.

Thank you for this opportunity to comment on the Town's proposal. We look forward to an inclusive, productive and collaborative effort.

Ms. Asherman introduced Forrest Bell, principal of FB Environmental Consulting and Kevin Ryan, lead wildlife biologist, who presented the following on the natural resources at the Payson property:





Current Uses

- Residential Development (3 homes)
- CCLT Hiking Trail (a.k.a. Stone Wall Trail)
- Wharf



Purpose of the Payson NRI

Evaluate the Scenic & Natural Resources

- Review of Relevant Reports
- Landscape Analysis (Desktop)
- Field Inventory
- Development of Management Recon





FB

Soils

Payson NRI

- Parent material = glacial sediments
- 14 different soil types
 - ♦ Coverage <1 to ~15%</p>
- Moderate to severe limitations
 - Shallow bedrock & high water table



Proposed Uses

- 7 Additional lots
- Roadfront and shorefront property possibly purchased by Town
- Parking



FB

Topography, Bedrock & Landforms

Payson NRI (Desktop Analysis)

- ❖ Elev. ~ 90 ft. above sea level
- Slopes toward Broad Cove
- Very steep slope at the shore





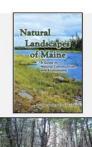


Natural Communities & Vegetation

Payson NRI

- Much of the land has reverted back to forest
- Assessed natural communities
- Oak-Pine Forest & Oak-Pine Woodland (State Ranked: S4)
- Maine Natural Areas Program
- Grassland (mowed)

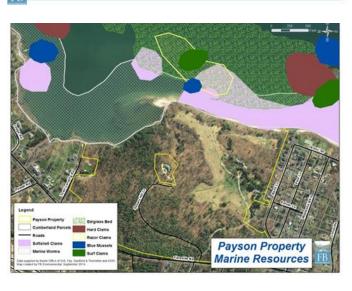


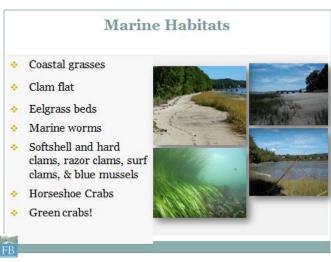


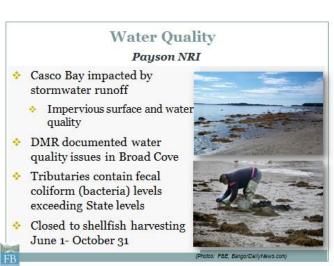












Significant Wildlife Species & Habitats Payson NRI Birds: Birds of Conservation Concern Mapped Tidal Wading Bird and Waterfowl Habitat Sand beach not suitable for nesting

FB

No Bald Eagle nests

Historical Resources Payson NRI Rich Cultural History Historic Sites Prehistoric Sites - Shell Midden?





Management Recommendations

Benefits to:

- 1. Water Quality
- 2. Benefits to Fish and Wildlife Habitat
- 3. Plant and Forest Resources
- 4. Soil & Sediment Quality
- 5. Scenic Quality



Invasive Species

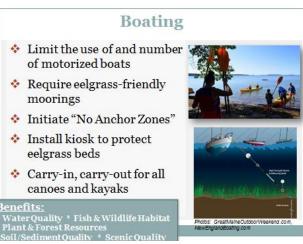
- Conduct a formal invasive species survey
- Develop and invasive species removal and management plan (prior to development)





Benefits: Fish & Wildlife Habitat Plant & Forest Resources













Town Manager Shane introduced Phil DiBiase of DiBiase Appraisal Service, who gave an overview of his appraisal.

Mr. DiBiase explained that he looked at this site as though it were going to be taken by eminent domain (option 1 in the appraisal). For option 2, he looked at what the Bateman's were proposing and looked at the land as though it were a private beach for the homes to be build there. It was basically a before and after appraisal. He looked at the 7 lots that are proposed with and without public access, and came up with a value. He did a test of reasonableness by looking for a property similar to this beach. There are not many out there,

but he found one in Phippsburg. He did a compared sales analysis on the Phippsburg property and checked it with the 3 million dollar value that he came up with. He feels very comfortable with his process and feels that \$3,000,000.00 is what the property is worth.

Chairman Gruber opened the public comment portion of the meeting asking people to please identify themselves, please do not be redundant with their comments, and please limit their comments to 5 minutes to allow everyone a chance to speak. All questions should be asked through him and he asked everyone to please be respectful.

Councilor Edes recused himself from this item because his wife works for a member of the Robbins family and he does not want any appearance of a conflict of interest. He left the dais to sit in the audience.

George Marcus, a resident of the Wildwood neighborhood referenced the slide below:



Mr. Marcus said that at the July Council meeting, the proposal was for a purchase that had a 60 car parking lot, beach access and a public bath house for \$3,000,000.00. Today, the price is still \$3,000,000.00 but the use is limited to a number of handicapped parking spaces and delineated walking trails. Mr. Shane made the comment this evening that \$3,000,000.00 will not break the budget. If we spend \$3,000,000.00 on this property, what other projects will the Town not be able to do? It is too early to determine if the price is too high or too low because we do not know what the project is and the uses have not been defined. Attorney Cole was correct when he said that the conservation easement permits limited recreational use. What Mr. Cole was unable to say is what those limited uses are. Is this plan permitted or not permitted? To his credit, it would be premature for Mr. Cole to announce anything because we don't know what the plan is. As a tax payer, before he votes to authorize this community to spend \$3,000,000.00 on a project, he would like to know if the proposed use is legally permitted, what the use is, and if there are any legal issues.

Mr. Marcus asked 2 questions through the Chairman:

Prior to November 4th, will there be a public announcement of the Town attended use of the property? Prior to November 4th, will we have a legal opinion that those uses are allowed?

Attorney Cole said that the answer to the first question is no. The Town Council has delegated this to the Ocean Access Committee, just as they delegated the Twin Brook and Rines Forest properties to committee. It comes down to, do you trust your fellow citizens to derive a final plan?

In terms of an unqualified legal opinion, he is 100 percent certain that passive recreation use of this property it totally appropriate. We all heard that from the Land Trust. Where, how, and when, he cannot answer. That will be a recommendation of the committee.

Karl Turner of 16 Town Landing Road said he would like to make 3 points:

- 1. If anyone has the expectation of swimming on a sandy beach, they will be disappointed. If you think we are acquiring the equivalent to Scarborough beach, you will be very disappointed.
- 2. For those who have boats and want to moor near this property, they would have to rely on the Yarmouth or Falmouth town landings to get in and out of the water.
- 3. If one wishes to commune with nature with peaceful surroundings while having the opportunity to observe wildlife, this property is in your wheelhouse.

Mr. Turner said that despite the casual nature that some of the Town had taken regarding the existence of easements, it is his opinion that the easement will dictate what can and cannot be done with the property.

Tom Hynman of the Wildwood neighborhood presented the following:

- 1. The Appraisal Process
- 2. The Appraised Value
- 3. The On-Going Costs
- 4. Tax Neutrality
- 5. The Transaction

The Appraisal Process

- The Purchase and Sale Agreement required the Town to get an appraisal.
- In fact, the Developer (the Seller) ordered the appraisal and the Town (the Buyer) was added as a client.

From: Nathan Bateman < Nathan@batemanpartnerslic.com>

Send: Thursday, August 14, 2014 11:34 AM

To: 'Phil Dibiase'; Kenneth M. Cole, ID; Ronald N. Ward; William Shane

Subject: 179 Foreside Road

Phil,

As discussed this morning on the phone please add the Town of Cumberland as a client along with 179 Foreside Road. As discussed we are splitting the cost of this appraisal. Additionally we understand that you will be using your methodology allowed to you under your appraisal license to obtain a stated value of the beach, dock and upland land being acquired by the town.

Thanks!

Nathan Bateman Vice President Bateman Partners, LLC P.O. Box 3572 Portland, ME 04104 (P) 207-772-2992

The Appraisal Process

- The Appraiser was serving two masters, the Seller and the Buyer.
- · Based on this fact alone, the appraisal is flawed.
- Who would ever buy a piece of property based on Seller's appraisal alone?
- Mr. Chairman, why didn't the Town order its own appraisal?

The Appraised Value

- The process used to value the property the Town proposes to purchase is flawed as well.
- The valuation is based on the Developer's right to build and sell seven new residential properties along with the two pre-existing residences.
- · The Developer retains those rights under both scenarios.
- In that use, the property may well be worth \$3.2 million.
- However, the Seller is not selling and the Town is not buying those development rights.

The Appraised Value

- The Town is buying a property that has NO DEVELOPMENT RIGHTS and is encumbered by a conservation easement.
- The Town's permitted uses of this land are dramatically different and, consequently, dramatically less valuable, than the permitted uses of the developer.
- The instructions given to the appraiser were incorrect if the purpose was, as it should have been, to assign an accurate value to the land the way the Town intends to use it.
- · This appraisal is an apples to oranges comparison.

The Appraised Value

- Without an independent appraisal, it would be impossible to evaluate the Developer's / Town's appraisal.
- Therefore, we asked a respected appraiser that has worked for the Town in the past to appraise the property as it is intended to be used.
- That appraisal valued the Town's acquisition at \$405,000.
- So, the Taxpayers of Cumberland are now on the hook to pay the Developer \$3 million for a piece of property worth \$405,000.
- Seems to me that an independent appraisal by the Town might have been a good idea.

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- That appraisal valued the Town's acquisition at \$405,000.
- The Town of Cumberland endeavors to assess properties at, or close to, 100 % of Fair Market Value
- Wildwood Reserve and Beach 2.5 acres includes 700 feet of beach – Assessment = \$71.300
- Payson Waterfront 13.6 acres includes 1,200 feet of beach 5.4 times larger than Wildwood - \$71,300 x 5.44 = \$388,000
- So, the Taxpayers of Cumberland are now on the hook to pay the Developer \$3 million for a piece of property worth \$405,000.
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The On-Going Costs

- Unfortunately, tonight's earlier presentation was the first time the public has seen any figures on on-going costs, making it impossible to address them in a meaningful way.
- And, as the anticipated uses of the property are still up in the air, and may remain that way for sometime, discussing on-going costs would be speculative.
- Likewise, to make this purchase without knowing how the property can be used and what the costs of any improvements and the on-going maintenance will be, is speculative as well.

Tax Neutrality

- We have been told that the cost of this purchase (\$240,000 per year for 20 years, \$4.8 million) will be more than covered by the increased tax revenue the new development will generate.
- Let's consider the facts:
 - The development will happen whether or not the town buys the land, so the tax revenue will come no matter what the Town does.
 - By purchasing this land, the Town is actually removing \$3
 million of real estate from the tax roles and thereby reducing
 our annual real estate revenue by more than \$50,000.
 - By paying substantially more for this property than it is worth, we are being saddled with an unnecessarily large financial burden that will be sucking up our tax dollars for years to come.
- · There is nothing neutral about this deal.

The Transaction

- If we vote on November 4th to approve this purchase, here's what happens:
 - 1. The Developer pays approximately \$6 million for developable property valued at \$8.8 million.
 - We then pays the Developer \$3.0 million for a non-developable piece of property valued \$405,000.
 - 3. Now, the Developer has paid \$3 million for property worth \$5.6 million.
 - We now own property valued at \$405,000, have debt of \$4.8 million and \$50,000 a year less tax revenue.

The Bottom Line

Who does this once in a lifetime, last chance ever opportunity benefit?

Let's see, we buy a piece of property with no guarantees we can use it the way the Town Council has said we can, we take on \$240,000 a year for twenty years of debt service payments and we reduce our tax revenue by \$50,000 a year.

Thanks to our \$3 million payment, the Developer's out of pocket cost are immediately reduced from \$6 million to \$3 million. Bateman Partners and Peter Anastos, based on the Developer / Town's appraisal, will make an instant profit of \$2.6 million on a \$3 million investment.

Who is the winner?





What Do We Get?

I can't imagine that anyone would dispute that it would be wonderful to have access to this special property. I certainly do, but at what cost?

At \$3,000,000 this is a very bad deal for the Town and the taxpayers, but a great deal fro the Developers.

At \$405,000 this would be a fair deal for all.

The Town Council has put us in a no-win situation.

Many favor increased public access, but this is not only about Public Access, it is about Public Access gained through a reasonable and responsible process.

And the process to date has not been reasonable and it has not been responsible.

What Do We Get?

Please think this through when you vote next month.

As currently structured, this is a lousy deal for the residents of Cumberland and needs to be defeated at the polls.

We need to vote No.

Thank You

Town Manager Shane said, in regard to the Town's appraisal process, we hired an independent appraisal because we had a very short timeframe to get it done in order to have it back by this meeting. In order to get it done quickly, the Town worked with Bateman Partners and split the cost of the appraisal. There was no hidden agenda, we were simply trying to get an appraisal done quickly so it could be presented to the public at this meeting.

Bob Vail of Cumberland Center said that people have to have a vision for their community. He does not visit the library, Twin Brook or Rines Forest, but he supports them with his tax dollars. He spent 15 years on the School Board and thinks the next school budget will be about 35 million dollars. We have to trust in the investments for future generations. This type of initiative only comes from bold thinking leadership and he hopes that other community members will come forward to share their vision.

Sarah Steinberg of 12 Turnberry Drive said she also has a vision for our community, but there is an opportunity cost with this project. She feels that the cost of this land far exceeds its true value. The only way the community will have a choice is to vote no and not do the bond. With that, options can be discussed regarding public access that can be achieved through the Planning Board. Her fear is that if we commit this money for 20 years, we may never have the opportunity to see what the vision for other projects in the community could be for \$3,000,000.00. In regard to Mr. Shane's presentation regarding taxes, we will not have 7, \$2,000,000.00 houses built by the time our next tax bills are issued. That type of project by any developer is phased in over a period of years. We will not see any of the tax revenue for any of that construction for years to come.

David Ezzio said that he is very appreciative of this Town. He gets to ride his bike around Town, walk on the sidewalks, visit the Library and is able to work from home because he has a good internet connection. He feels it is unfortunate that as an ocean front community, we have no significant ocean access. In regard to the discrepancy between the two appraisals, he feels that Mr. DiBiase's approach of appraising the property without the Town taking rights to a portion and appraising it with the Town taking rights to a portion was a good approach. If the 2.5 acres of beach at Wildwood is fairly assessed at \$71,000 (as stated earlier), he is willing to buy if they are willing to sell. He feels that we need to move forward on the purchase as it has been a long time since the Town has had any opportunity to purchase ocean front property.

Harland Storey said that this Town has made a lot of progress and changes for the good over the years. He feels that this issue has nothing to do with money, but rather selfishness from those who already have beach access and don't want others to enjoy the same rights. The reason he feels that it is not about money is because the school budget has gone up 5-6 million dollars over the past 9 years, and nobody has a problem

with that. 25 acres of land on the ocean will always be there for future generations to enjoy and he feels that it is a good investment for the Town.

Ted Chadbourne noted that the Manager said there is no time to wait on this purchase, but other possibilities might include 3 towns purchasing it together or the possibility of funding from Lands for Maine's Future.

John Ferland said that he is the closest abutter to this property. Many of the thoughts of the Wildwood neighbors are included in the Land Trust's recommendation. He thanked Penny Asherman for engaging them in the process. There is an interesting phenomenon going on in this debate which is the establishment of 2 referendum campaigns (Vote Yes, Vote No), but they both say that this property is necessary for the community, but there are different ways to get it. He urged the Council to give careful consideration to the price tag, whether moving to a semi-divisive debate within the community is worth that, whether there is an opportunity to look at the property differently so we get the public access that really fits with the Trust document and the environmental values that have been expressed.

John Lambert said that he thinks there has been misuse of the term "waterfront access". We have waterfront access now. What uses are we getting with this property? Are we getting an anchorage or mooring? No. Are we getting a ramp? No. Are we getting a beach? A pretty lame one. We're getting a walking trail. There are a lot of walking trails in this town. This "ship was way down the path" by the time he heard about this. He does not believe that this is the last chance the town will have to obtain waterfront access. Recently, there was a property for sale on the water for less than 3 million dollars with a beautiful pier. The use was vastly superior. There will be other properties for sale and the town will be free to buy them, after we figure out what we want the use to be in a very transparent way. He feels that he has been vilified in regard to the appraisal. He took it to the appraiser that the town used when he was on the Council and only asked what the taxpayers are getting with this property assuming that the town can do what they are proposing on this property. They came back at a value of \$405,000.00. He ordered the appraisal because he thought it would be helpful. He hopes people will vote no so we can get this done right.

Councilor Copp – the Council is looking for the greater good for this community. He has total confidence in the Bateman's. They took a worthless piece of property and made it into one of the most desired areas in Town (the Doane property). 4 years ago, that property brought in zero tax dollars. This issue is about the citizens of Cumberland having access to the ocean for our future generations.

Councilor Storey-King – this is an emotional issue for her. She has always wanted access to the water. She does not like how this issue has divided the Town. There are people who are opposed to this issue who like to cast doubt on the Council's motivation and methods. Neither has been dark. There are no secrets. We are looking ahead to the future. She thinks that people are fearful. She knows what we are buying for 3 million dollars. She is buying the opportunity to go sit in the morning on the shore and have a cup of coffee, just like Mr. Lambert does every, single morning.

Councilor Bingham – there was a similar, controversial and heated discussion when the Town Council deliberated on the purchase of the Fowler and Dillenback property (Twin Brook). He read his remarks from that meeting:

Tonight we are again presented with a controversial proposal that attempts to both look at present needs and tries to look into the future. The time has come for our generation to assume their responsibility as visionaries. Unfortunately, we live in the mid 1990's where the prevailing attitude in both society and the business world is the short-term profit, short-term result, short-term thrill. Our communities are littered with the bodies of victims of various local corporate downsizing projects. We have a chance tonight to look beyond the short-term and support a plan that will benefit both our current citizens and the thousands that will come along in the years ahead. I have a lot of vision for our town over the next several years. I hope that

someday our neighbors on Chebeague have a reliable transportation infrastructure, and their vision for better recreation facilities and elderly housing come true. I hope that in the next few years we have a vibrant commercial park on Route One that generates tax revenue for the town and jobs for the kids we see here. I have the impossible dream that someday we might have community access to our shoreland and that our future children might someday hike to a town park on Blueberry Hill. I guess in conclusion, in 30 or 40 years I might like the kids that are here to say "I remember that meeting that I attended as a child and the decision to go ahead with the Dillenback and Fowler property was debated and approved. Those people had vision. In 18 years, we have Twin Brook. We have the Rines Forest. Thanks to Penny Asherman and the Maine Land Island Trust and several citizens, it finally looks like our vision will come true for Knight's Pond and Blueberry Hill. It looks like we are going to be able to preserve the Wormell Farm, and we have a Main Street that looks the way it did 50 years ago, with a beautiful school campus and facilities where Cumberland folks can bank and have a meal. A lot of these dreams have come true and he hopes that maybe in 25 years he hopes his granddaughter Emma will know that her grandpa had something to do with getting shore access for the town.

Chairman Gruber – he shared a letter from the Cumberland Shellfish Conservation Commission stating that the acquisition of this property would be a great asset to the Town and the Commission supports the purchase.

He was on the fence about this issue in the beginning, but now realizes that the value of this property for our community far outweighs the cost. He thinks it is difficult to put a dollar value on it. The uses for the property will come from the Ocean Access Committee when they make a recommendation to the Council.

Councilor Stiles – in his long career on the Council, he can recollect another time when the Town wanted to purchase ocean front property. That was negated and shot down rather quickly, mostly by the Wildwood neighborhood. He has spent his life on the Maine coast, fishing, hunting, etc. People obviously do not understand that when a property is for sale, there is a time limit in which to act upon it. People have suggested waiting. We do not have the time to put this off, so we have to assess the data that we have and make a decision. He feels that this Council has done that. As far as the appraisal is concerned, we had to get the appraisal done very quickly in order to have it by Election Day. Sooner or later, we have to make a decision if \$50 per year is worth buying this property for the Town. Yes, this property will cost \$3 million dollars, but imagine what it will be worth in 25 years. He feels that it is worth \$3 million.

Councilor Turner – he feels that the Town's desire to obtain ocean front property goes back to 1978. The Payson's have always been very generous about allowing people who live in the vicinity to use the property as long as they took care of it. He feels that most everybody realizes which appraisal is closer to the truth. The Town will own this property forever for future generations. There is no question that there are other uses for that money, but the fact is 7,000 people will have the right to go down there to enjoy it. There would not be so much of an uproar if the residents of Wildwood realized how precious what they have is. He hopes that everyone votes on this so we have a clear vision of what the majority of the Town wants.

V. <u>NEW BUSINESS</u>

Councilor Copp – None

Councilor Storey-King – the youth group with the Mason Lodge in Yarmouth will be having a harvest supper this Saturday from 5:00 - 6:30 p.m.

Condolences to the DeCoster family. Daryl DeCoster passes away. He was a 40 year resident Cumberland and his daughter, Ruth was her best friend when they were growing up.

Councilor Edes – he has not and will not be participating in the Council discussion regarding the Payson Property (due to a perceived conflict of interest). The Council brought this item forward to the public and that shows the transparency that the Council has.

Condolences to the Anderson family. Clayton Anderson passed away recently. He was very involved with the community.

Councilor Bingham – he has started gathering up all the things around his house that can be disposed of during the Universal Waste Day. He has heard a lot of positive feedback from the public about the waste events.

Chairman Gruber – Meet the Candidates Night is tomorrow evening and another special Town Council Meeting will be held on Wednesday on the Harris Road Referendum.

Councilor Stiles – he encouraged people to vote in favor of the Payson property.

Councilor Turner – he encouraged everyone to get out and vote and let the chips fall where they may.

VI. <u>ADJOURNMENT</u>

Motion by Councilor Storey-King, seconded by Councilor Stiles, to adjourn.

VOTE: 7-0

TIME: 10:06 P.M.

Respectfully submitted,

Brenda L. Moore Council Secretary