

Finance Committee Meeting
Minutes of Meeting 7-30-18

Aquinnah Town Hall Selectmen's Meeting Room

Members present: Chairman Allen Rugg, Mark Foster and Tom Murphy

Also present: Jim Mahony, PBPRC member, Peter Temple, PBPRC Chairman, Sarah Thulin, PBPRC member, Suzanne Boyer, Derrill Bazy, Board of Assessors Assistant Angela Cywinski

The meeting began at 4:14pm

The Committee met with members of the Planning Board Plan Review Committee to discuss the role, if any, the Finance Committee has in process of changing the zoning bylaws to increase the tax base, specifically development. Allen noted that individual FinComm members have expressed interest in the relation between development in Aquinnah and taxes, but they certainly have not studied the matter or considered it as a FinComm issue. Peter stated the PBPRC does not have official position yet on the matter and that they are still in the process of figuring out how zoning may affect the tax base. Part of the process is to educate the Town about what impacts zoning does and doesn't have on the Town. The following concerns and ideas were discussed:

- General feeling that residents face challenges within the multi-layer zoning restrictions, including the archeological bylaw.
- Overall concern that the zoning is restrictive and challenging for residents and potential buyers, such as the archeological bylaw. The general perception seems to be that builders and architects are reluctant to do business in Aquinnah because of these challenges. However, there are other uncontrollable challenges as well, such as soil and water.
- There was discussion on the challenges of informing real estate agents and potential buyers of the possibilities to build and of the archeology bylaw.
- Concern with the 2,000sf home limitation and the uncertainty of getting a special permit to go beyond that limitation.
- Basic facts of the Town Finances were discussed: tax rate has increased, and there is the likely hood it will continue to increase; this year's override was around \$320,000 which was largely driven by the increase of students in the up-island school district (not exclusively), but as the town continues to grow and the demographic shifts a little it is not unrealistic to expect more school children and a tax increase associated with that.
- The principle source of revenue to the town is real estate tax (rate is extraordinarily low compared to other towns in the Commonwealth) and residents are blessed to live in a community where the real estate is extraordinarily valuable, but residents are impacted (particularly year-round).
- It was noted that it is easy to assume that the town needs more homes built to increase the revenue but that would take a considerable change in the development philosophy in Aquinnah.

- While there is the perception that conservation lands in Aquinnah take away revenue from the town, conservation doesn't have the associated costs of services (elements of the tax base) and in addition tends to drive the value of abutting properties up.
- There was discussion concerning the education side of the tax base.
- There was the suggestion that a way to raise revenue would be to sell town owned land and create a buildable envelope for those lands specifically to be developed and the revenue gained from it and a percentage of incoming tax from it go specifically to education costs.
- There was discussion on higher end empty properties with views and how zoning can be changed so that those properties can be developed.
- The concern that the PBPRC denies people was discussed. However, this perception is incorrect, but doesn't mean that the process is simple.
- There is a great need to find new outlets for revenue other than development. It was suggested that the town appropriate money to pay for a grant writer to bring in more money by using existing resources such as the Cliffs, Aquinnah Circle, beach lots and the Lighthouse and expand tourism appropriately.
- There was discussion on the extension of occupancy taxes to short term rental, but towns have to vote it in and currently Aquinnah does not charge the max tax rate on Bed and Breakfasts. There is an island wide effort to cutout revenue from tax to put into the housing bank as well as a water treatment cut out.
- There was general discussion regarding the percentage of revenue that comes from seasonal residents and the percentage of housing stock in Aquinnah that is seasonal housing.
- It was agreed that there is a need for island wide strategic planning for the financial future which may lead to painful decisions regarding services and budgeting. It was suggested that the up-island towns combine assessor offices.
- There was general consensus that commercial development is positive for most towns but there was concern on whether Aquinnah has enough traffic for businesses to thrive.
- Right now, zoning allows commercial use as long as it meets certain criteria, but Aquinnah doesn't see much because housing is an alternative use of a lot which will pay a lot more for the land. There was brief discussion on creating commercial zones specifically in the Marine Commercial District where there is space for marine oriented development per the Tribe-Town agreement.
- There was discussion regarding the creation of a Town Center and creating mixed use "commercial and residential" zone with an allowance for greater density.

dense housing zone and the potential for commercial areas within the designated center.

- General concern regarding the expense associated with the archeology bylaw was expressed. Peter noted that the archeological process is primarily State driven along with the Town's concurrence. In addition, there was general

concern expressed regarding the limitation of building color and materials in the bylaws as well as the tree cutting bylaw.

- With no other business to discuss, a motion was made and seconded to adjourn.

The Committee voted 3-0 in favor. The motion passed.

- The meeting ended at 5:45pm

Respectfully submitted, Sophia Welch, Board Administrative Assistant