

## CAMD0EN PLANNING BOARD

### Minutes of Meeting

December 1, 2010

**PRESENT:** Chair Chris MacLean; Members Richard Householder, Kerry Sabanty and Lowrie Sargent; Alternate Member Sid Lindsley; and CEO Steve Wilson

**ABSENT:** Member Jan MacKinnon and Alternate Member Nancy McConnel

#### 1. PUBLIC COMMENT:

No one came forward.

#### 2. MINUTES:

November 17, 2010:

Page 1:

Line 13: "There were ~~four~~ three regular members and one alternate (Mr. Lindsley) voting, all of whom had been present at both meetings."

Line 48: "Members of the group put ~~then~~ their names forward..."

Page 3: Line 2: The word "thins" was replaced with the word "thinks".

**MOTION by Mr. Sabanty seconded by Mr. Householder to approve the Minutes of November 17, 2010 as corrected.**

**VOTE:4-0-1 with Mr. MacLean abstaining due to his absence**

#### 3. SUBDIVISION – ROADS and UTILITIES: Discussion with CAHO Representative

Dana Strout, Treasurer of the non-profit Camden Affordable Housing Organization (CAHO) had come, at the invitation of the Board, to address the organization's concerns with an amendment to the Subdivision Ordinance that would have created a new requirement for developers of subdivisions by making them responsible for roads and utilities within the subdivision until 75 per cent of all the lots had been developed. At the present time a developer can request that the Town take over ownership of the roads and utilities one winter after the work to the infrastructure is completed. Mr. Strout related that when the Select Board considered this amendment for inclusion on the November 2010 Warrant, he happened to be present for another reason, and had been asked if he had any comments to offer the Select Board on the proposal. He spoke in opposition to the proposal, telling the Select Board that the amendment would put an end to all affordable housing development in Camden. The Select Board voted to return the amendment to the Planning Board for "further consideration".

Mr. Strout told the Planning Board that this amendment would essentially kill the ability to develop affordable housing because the margins are already so slim that there is not extra money to continue with road maintenance. CAHO is currently developing a subdivision with 14 affordable lots and 10 market rate lots. It costs CAHO about \$175,000 to \$210,000 for each house they build, and that doesn't include the cost of the land. The land was acquired with a grant and the lots are held in a first silent mortgage. If the house is resold outside of the affordable housing guidelines that mortgage on the land becomes due to the seller, if the house stays affordable the silent mortgage continues. The amount that can be charged to qualified buyers of affordable homes is controlled by the government agencies administering the program funds, and there is no provision for including extra costs for road maintenance and upkeep.

Mr. Strout's argument to the Board was this: Camden has a mandate from the State and through their Comprehensive Plan to provide a certain number of affordable homes within certain time frames, and the town is already behind the adopted goal. Camden's administration of the program to develop affordable housing was shifted from a Town Committee (Camden Affordable Housing Committee (CAHC)), which still exists, to CAHO, which was created as a new non-profit expressly for that purpose. Prior to CAHO's involvement, the sale of lot(s) had to be approved by Town Meeting which was a cumbersome and lengthy process, and there was also a problem with obtaining grants for housing development in the name of the Town; these issues don't exist with CAHO doing the business. Many CAHO members are former CAHC and have been serving in one capacity or another for ten to fifteen years and longer. Mr. Strout is of the opinion that in order to address this responsibility of the Town to create affordable homes, whoever is doing the development needs to be "cut some slack" in order to do any development. Mr. Strout urged the Board to consider cutting out affordable housing altogether.

Mr. MacLean: Asked how much cost would have to be borne to comply with this requirement? Use Lupine Terrace as an example – how much money did you spend at Lupine Terrace last winter to plow? Mr. Strout replied that there were no costs for plowing – he believes that Sonny Goodwin, who is developing lots there, plowed when needed. There were no other costs for maintenance as far as he is aware. He explained that they had no money in any case – their treasury is depleted, with all income at this point in the project dependent on sales. This particular development had unusually high approval costs, they had to install underground power at a cost of over \$100,000 that they hadn't counted on, and \$200,000 was spent on the lawsuits that abutters brought. This was not money that had budgeted for when they started the project and it was necessary, after these expenses had to be paid, to change the concept of the project from all affordable houses to a mix of affordable and market rate lots – that was not their original plan and they fell 10 houses behind in their goal.

Money for the land comes from grants and money for the houses comes through prospective buyers who qualify for any of the different affordable housing programs – usually through Maine State Housing. The lots sell for \$70,000 with 100 per cent of the sale price going to the lender who funded the development costs. At this point, none comes back to CAHO. They anticipated a ten-year payoff at which point all lots would be sold. There just isn't the money to care for roads during those interim years. Hopefully, any profits resulting from this project down the road will go directly toward the next project.

Mr. Strout understands applying these rules to commercial developers but they are not that, they are just fulfilling the mandate of the Town to provide affordable homes.

Mr. MacLean: Who should bear the costs of road maintenance in the case of an exemption for affordable housing development if it isn't the tax payers? Mr. Strout believes it should be the taxpayers – it is Camden's development and Camden should pay the costs associated with the development.

Mr. Sargent explained his concern, shared by the Board that Camden was taking on roads without knowing what they were getting. What happens if the sewer or water lines fail when they are finally put to use, what happens if the storm drains are damaged during construction on the lots - after the Town has accepted the roads? The taxpayers have to pay. What kind of burden should the Town take on?

Mr. Householder: Mr. Strout keeps referring to the Comprehensive Plan and the mandate to provide affordable housing. Mr. Strout replied that he believes the Plan calls for a commitment to build between 30 and 40 houses. Mr. Householder has been reviewing the Plan and sees that affordable housing is a goal – a guideline, but nowhere does he see that there is a mandate to build a certain number of houses within a given time frame as Mr. Strout contends. He asks Mr. Strout where that mandate comes from. Is there a penalty for not meeting the housing goals in the Plan?

Mr. Strout does not know exactly what the ramifications are but he has tried to find out from different folks in Augusta. What he has learned is that Camden may no longer be eligible for certain grants – like Community Development block Grants – if they aren't in compliance.

Mr. Sabanty: Asked how long the group has been working on Lupine Terrace. Mr. Strout thought that they started in 2001 or so – just about ten years ago.

Mr. Householder: Believes that Mr. Strout is wrong when he says that Camden isn't doing anything about affordable housing, because Lupine terrace shows that they are. Mr. Strout replied that it is CAHO that is doing all the work. It should be the Town's own Housing Office or something similar- employee's directly responsible for overseeing the entire project, but it is not. It has been CAHO for years and they are doing for the Town what the Town should be doing themselves.

Mr. Sargent asked Mr. Strout how they should treat a mixed subdivision if they did exclude affordable housing developments from the road maintenance requirement. Mr. Strout believes if the entire project is done by CAHO, then the entire project should be exempted. The profit from those market rate lots is necessary to make the project work – those profits are included in the formula to make as many of the lots affordable as possible – it is not extra profit.

Mr. MacLean believes that, as Treasurer, Mr. Strout should know the costs. Believes it is disingenuous for him to reply that he has no idea of what these maintenance costs would be. Mr. MacLean also wants to know who Mr. Strout thinks should bear the costs of making repairs to roads or utilities in a subdivision that become damaged or fail during actual construction. Should it be the taxpayers as a whole or should it be the property owners within the subdivision who pay.

Mr. Strout explained that he did not have the specific numbers because he isn't involved in the process of working the numbers to figure the margins, the costs, etc., that is done by Joanne Campbell who handles all the grant applications, etc. He does know that there is an upper limit that can be paid for an affordable home. They use that figure and back out the costs. Then they determine what they need to do to make the plan work.

Mr. MacLean asked if they couldn't include the costs for maintenance in the cost of the market rate lots – just tack those expenses on there?

Mr. Strout replied that those costs would have to be included in the costs of the entire project. When they figure out how to meet the projected costs that is when they start pulling lots out of the affordable category and making them market rate. But, they have to go for grants to start – and in order to get those grants a certain percentage of the lots have to be affordable. From the

taxpayers point of view, having more market rate lots should end up paying all the costs: the flexibility to do that just doesn't exist.

Mr. Sargent disagrees: At some point, in determining the costs of the project, the costs of maintaining the roads until 75 per cent of the lots are sold can be added in. It is not a large amount and it should not add much to the costs of the lots.

Mr. MacLean asked why that figure cannot be budgeted in to the costs.

Mr. Sargent agrees: taking care of roads, holding contractors liable for damage or poor construction should not be the responsibility of the taxpayer. These costs should be the responsibility of the developer.

Mr. Householder asked why the final cost of the market rate lots can't be raised to cover costs. Mr. Strout said they just reduced the rate of one of the market rate lots – from \$70,000 to \$50,000 hoping to generate some interest. They can't very well increase the price of those lots any higher if they aren't selling now. It makes it especially hard to judge how they will meet their costs when we are in such a poor economic situation.

Mr. Householder also asked about the grants and how the value of the lots is determined. Mr. Strout informed the Board that CAHO just received a \$300,000 grant (and hired an administrator). The money will go to the reduction of CAHO's debt to make the houses even more affordable by paying down the cost of the lots to buyers.

Mr. Strout asked the Board to submit question to him and he will respond at their next meeting.

Mr. Householder: Wants numbers of affordable homes the Town is obligated to provide and the source of that information. If it is a mandate he wants to know the source and authority of that mandate.

Mr. MacLean asked how the Board proposed amendment will "drive a stake through the heart of affordable housing projects in Camden, and there will never be any more affordable homes built" (quoting Mr. Strout).

Mr. Strout replied that it is just one more obstacle standing in the way. There is a chance, even if this amendment were not passed, that there will be no more affordable homes constructed in any case. It is becoming nearly impossible to make these projects work.

Mr. Sargent: Explained the concerns of the Board originated during the review of Lupine Terrace when it became obvious that the Town could be exposed to be liable for costs of repair if there was a failure to any of the utilities, including the storm water drainage system. CAHO representatives were present when the subject of who should be responsible for repairs that happen during construction was raised. They should not have been surprised when the issue came up in the form of an amendment. Mr. Strout replied that he had not been present for that discussion, but is now aware that it did take place. Mr. Sargent continued explaining the Board's position that they believe that most of the damage will happen during construction, and that problems with components of the infrastructure will come to light once they are being used. Until the systems are used no-one will know if they are in working order. It makes sense to wait.

Deb Dodge, Select Board Liaison: Noted that at the time 75 per cent of the lots are sold there would be that many more tax payers to share in the costs of any repairs that were required after the Town had accepted the road.

On 11/13 Mr. Sabanty added these questions:

I believe that there are two market rate lots sold. Any building plans for these lots?

Excluding the 2008 economy to date, how many lots have been sold in the affordable housing segment? If none, what is the problem? Do you feel this is a viable plan for Camden?

### **3. FRIENDS of RAGGED MOUNTAIN: Discussion of Wind Energy Ordinance**

Dorie Klein was present to continue the discussion about the possibility of creating a Wind Ordinance. She distributed a DVD of Tom Olds from Jackson talking about how that town wrote their ordinance. She also is going to provide something regarding Montville's Ordinance- evidently someone took the time to hand-record the entire drafting process. She will also have another DVD from Highlands, Maine, covering their ordinance. There are many good models out there and it isn't necessary to start from scratch. She urges the Board to consider writing the most protective ordinance possible, but not to include other forms of alternative energy in the same ordinance as wind power. This single issue is far too complex to try to fit in work on other technologies as well.

Mr. MacLean asked Ms Klein why she thought it was so important to adopt a wind ordinance and she replied that where there is no local wind ordinance the DEP steps in with the State's model for fast tracking, and it is almost impossible to stop the process for local review.

Ms. Klein went onto describe the variations in standards among the towns with ordinances in place: height standards vary, setback distances vary, etc. All of the ordinances deal with noise, but in varying fashion. Some provide information on how to calculate noise, how to deal with seasonal affects on noise, etc.

She noted that there are reasons to move on the creation of an ordinance at this time and one of those in the apparent on-going interest by the Ragged Mountain Redevelopment Group in installing wind generators to provide power to the Snow Bowl. The Friends of Ragged Mountain will be there to monitor their discussion. They want to know if wind turbines are part of the proposed redevelopment package. If this is so, under what circumstances would they be installed? The group is concerned that the impact on the current transmission tower be addressed with regard to the effect of the turbines. All-in-all, the group thinks that Ragged Mountain is still vulnerable to this kind of development. The first time the group was discussing turbines there the towers under consideration were 390' tall and turbines operate at 1.5 MHz. Now the towers under consideration are 490' tall and the turbines operate at 2.5 MHz. She drew the Board's attention to the fact that Ragged Mountain is only 900' in height. Those towers are over half the height of the mountain. Even if they were set on the slope of the mountain and not on the summit, they would be enormous and very visible.

Colors are now being studied to help reduce the visual impact of these towers and researchers found that the color chosen for least sight impact (off-white) was the most attractive to insects, and therefore caused the most harm to birds and bats after the insects. Damage to birds is a big issue, and now researchers have found that purple is the color that minimized that impact.

She also believes that if the Board decides that the smaller turbines should be included they could easily incorporate standards for the residential units.

If the Planning Board isn't interested in working on wind at this time, the Friends have decided that they will draft an ordinance themselves and then bring it to the Board for their review.

Mr. Wilson agreed with Ms. Klein that the Board should concentrate only on wind power at this time. He noted that every day brings new information and updates on the technology. It is a very complicated issue and he believes it should be a stand-alone ordinance.

Mr. Householder is willing study the ordinances they've been given with the intent to create an ordinance, but it will take lots of time. He is willing to start but they may not finish in time for next November – he anticipates the work itself will take a year or so.

Mr. MacLean explained that in order to go to a vote in June, the work on the ordinance would have to be done by March 1.

Mr. Lindsley has read all of the ordinances he been given, and he believes that it is going to be easier than they think because a lot of the work has already been done – not by June but by November. He would like to start by looking all the different standards.

Mr. Householder thinks that the Board should look at the topography of the various model towns to see if they are commonalities with Camden that would be helpful.

Mr. Sargent believes the issue should be put on the agenda. His sense is that most of the ordinances he has read are written to provide for no wind. Yet there is a clear message from the State about why the State supports wind power. He would like to hear from pro-wind people as well to hear their arguments. In addition, the ordinances are all very long and he does not know how to judge these unfamiliar technologies. Someone needs to hire experts to analyze these issue to see if the standards are meaningful.

He would like to know if the State DEP can force their position – and regulations - on towns.

Mr. Wilson said that the most vulnerable towns are the ones within LURC's territory. LURC's power was diverted to the DEP in issues of Land Use.

Mr. Wilson's suggested that the influx of information is tremendous and is a moving target – the CDC is looking at health effects and is coming out with some new information on noise. He also thought that a project's proximity to public lands might involve the DEP regardless of a local ordinance.

The Board agreed that there was a clear consensus to move forward and discussed how they should move ahead. It was suggested that perhaps the Board could see images of turbines superimposed on areas around Town. They also agreed they will hold work-sessions and may think about forming a subcommittee. They will also hold a Public information Session with invitees holding varying opinions.

Mr. Householder thinks they should start by developing a set of basic requirements of an ordinance using the models.

Mr. Sargent would like to get input on portions of other ordinances (standards) and would rather start with gathering pure facts. He believes they need information first. Perhaps they should

start with a couple of the standards and find out from various towns where they got their technical information.

Ms. Klein suggested that most of the ordinances list sources and documents and the experts they used.

If they had a spread sheet that compared the various standards applied in different towns they would have an easy way to make comparison and gather input. Ms. Klein offered the services of the Friends in pulling together this data. She suggested including these standards: heights, decibels, setbacks, flicker, colors, noise, elevations of the various towns. Mr. Wilson suggested including the standards from the State model as well.

Mr. Sargent suggested looking at some of the easier sections – use one topic and have a process to evaluate the information.

#### **4. DISCUSSION:**

1. Minor Field Adjustments: There were none

2. Site Plan Review Pre-applications: There were none.

Mr. Wilson informed the Board that he had been contacted by someone who may be coming before them for a Design Review for a building in the Historic District.

3. Other:

The Fire Hydrant in Mountain View has not yet been activated. The deadline to comply is the 18<sup>th</sup> (tomorrow) – if not a Notice of Violation will be sent.

Mr. Wilson has come across some reports on a whole new way to look at parking using the concept of “shared parking” – business that close at five may share spaces with a restaurant that is only opening in the evening for example. He thinks it is a very interesting concept and has spoken to Matthew Eddy who thinks that the Town could gain some substantial “required” parking spaces applying this method.

There is also a possibility that the Town may be the recipient of another donated parking lot.

There is word that the the Knox Mill properties along Mechanic Street have been sold to the same developers who purchased the mill building.

There being no further business before the Board, they adjourned at 7:20 pm.

Respectfully submitted,

Jeanne Hollingsworth, Recording Secretary