

## **Newfields Bond Hearing Minutes**

### **January 16, 2024**

**Attendance:** Chairman Michael Sununu, Select Board members, Hobby Harmon and Mike Kessler.

Chairman Sununu called the meeting to order at 7pm. He explained that if you are speaking, please stand up, state your name and where you live. He requests that if you are from out of town to hold off until the end. All the comments and questions will come through the Board to keep it orderly. A bond hearing is required for any bond over \$100,000 and must be held within a certain timeframe. If we postponed this hearing due to the weather, we would not be able to have the warrant article due to the deadline.

Chairman Sununu read Article 1:

Article 1. By Citizens Petition: Shall the Town of Newfields vote to authorize the Board of Selectmen to acquire +/-101 acres of property located off Piscassic Road near Bassett Lane in the Town of Newfields (a portion of Newfields Tax Map 205 Lot 2) for the purposes of expanding the town-owned Inland Acres Town Forest, and preserving open space, trails, public outdoor recreation, drinking water supplies, and wildlife habitat; to raise and appropriate the sum of up to \$3,700,000 for the acquisition (not to exceed fair market value); to be funded by up to \$2.5 million from a Clean Water State Revolving Fund (CWSRF) loan to the Town (with up to 20% or \$500,000 in principal forgiveness and up to 80% or \$2,000,000 to be repaid by the Town) and \$1.2 million or more in other grants or gifts; to authorize the Selectmen to apply for, obtain, accept, and pass through a CWSRF loan and any federal or state grants or private gifts which may be available for said project; and all in collaboration with and facilitated by conservation organizations. This approval will not lapse until the property is acquired or by the end of 2025, whichever is sooner. Not recommended by Select Board 0-3. (Requires 3/5 ballot vote)

Michael explained the warrant article. This warrant means the Town is authorized to take out a loan in the amount of \$2.5 million with the assumption that \$1.2 million will come from other sources mainly grants that have been applied for or will be applied for or other funding that is raised for this purpose. The way this language reads, if we do not obtain the \$1.2 million grant money, we will not move forward with the bond. The Board would not be authorized to apply for the bond loan. Chairman Sununu asked those who signed the Citizen's Petition to confirm this statement. Someone in the audience confirmed that if the \$1.2 is not raised from other sources, then the Select Board is not authorized to apply for the bond loan from the Clean Water State Revolving fund.

Susan Shanellaris asked for clarification on the wording of the warrant article written with \$3.7 million. Chairman Sununu replied that \$2.5 million is the loan amount and \$1.2 million is the additional funds that will need to be raised by grants. If the grants are less than expected, the remaining balance could be made up in another manner, such as a donation.

Mike Mackey asked what the cost would be for the town if the initial grants were not awarded. Chairman Sununu replied that if the grants do not come through, we will not apply for the loan. We will not move forward unless we have the \$1.2 million secured and grants take time.

Jamie Bell Couture clarified that the loan and bond are a package. If the grants do not come through, we are not under obligation for the bond.

Fred Rosa questioned the timing. Would the board be authorized to seek the loan and not accept the loan. He does not see anything in the warrant article that requires the Select Board to wait until the grant funding is in hand.

Chairman Sununu said it would depend upon if there are any costs associated with moving forward before knowing if we have the funding. If there are legal fees, then the Board would need to decide.

Fred Rosa added that it could be critically important with the moving parts here and it would be helpful if we address it.

Chairman Sununu said that is his understanding that another critical aspect is the town of Exeter, it is a package deal and it's all or nothing. If Exeter does not move forward, the property will not be sold to the town.

Jamie Bell Couture confirmed that both pieces have to happen together. Exeter's timeline is a bit different. There is a boundary conversation going on between the Ruggs and the town of Exeter. At Exeter's Select Board meeting, this was presented as an opportunity for the Town to vote in March 2024 to determine Exeter's support. In 2025 a fiscal measure will go on the ballot. At that time, Exeter's citizens will need to approve it with a 60% majority. Both parcels will close in the fall of 2025. It is not a one or another project. Based on meetings with Exeter, the Select Board was very interested in moving forward with a vote in 2024 and money in March 2025.

Julie Johnston asked Fred Rosa if his point was why not apply for the loan even if the moving parts do not fall into place. It would at least show commitment from the Town to move forward with the grants. Fred Rosa said the purpose is to do everything we can to make this happen. If there are costs, the Select Board must look into it. He would hate to see this fall by the wayside because the town would incur \$5k. We should do the utmost that we can so that when both towns are ready, we can pull the trigger.

Tracey Birmingham asked why we have to move forward before Exeter.

Jamie Bell Couture answered. It is because of the timing. If we don't apply for this loan by June, we lose it. This does not mean we have to take the money prior to when we need it. The

application means the money is there if we need it. It is a no harm, no foul. Trust for Public Land is paying for all the project cost so at this point, there has been no cost to the Town. In 2025, if Exeter chooses to secure their portion of the land, Newfields will then secure the loan. If we do not move forward with this vote in March, we will lose the loan.

Mike Price asked if there is a time period when a bond needs to be signed or goes stale. Chairman Sununu replied that he did not know.

Chairman Sununu reviewed his PowerPoint which he compiled from Town Reports, Department of Revenue, Department of Education, and census data. He put this together in response to information that has been passed around that is inaccurate and not based on actual data. This shows the fiscal impact if the town does not move forward, and the property gets developed and at the end a simple bond calculation (see attached).

As discussed in other meetings, this project has not been submitted for approval to the Planning Board so identifying exactly how many lots can be developed has not been established. The maximum number of lots was listed as 67. Not including the Exeter land, the Newfields portion is approximately 100 acres. A maximum number of lots, excluding the Exeter parcel, would be less than 55 given roads and infrastructure requirements. There have been no formal evaluations of ledge & wetland impacts. Regardless of that, he ran calculations both ways, using 55 lots and 67 lots scenarios. The US Census demographics indicated there are 2.46 persons per household in this State. We are not a declining population; we are slowly climbing but with more retirees coming into the State. In Newfields, the average based for property tax for homes is around \$678k with a median assessment of \$778k. Deertrees, Partridge & Runaway Roads are running in the millions, and these are 25 yr. old homes. The recent development of Old Lee Road sold for an average of \$1.4 million. He noted that the tax rate is \$15.79 and is listed incorrectly in the presentation.

**Municipal Impacts** - There would be no major impacts on Town departments. Trash collection is approximately \$300 per household and road maintenance would be about \$20,000 for one mile of roadway. Assuming 55 new households would be an estimated \$36,500 per year more in expenses.

**School Impact** - With 55 households demographic data estimates a projected 25.3 children. They will vary in age, but assuming ages between 1-18, this projects to a little under 1.5 children per age. So, if we assume two children per age. There will be twelve students added at Newfields Elementary not the sixty that has been presented throughout the Town. Another six students at CMS and eight at EHS. Currently, Newfields has 121 students. This is out of the 600 households in Town. This comes out to .2 students per household. This is aligned with the estimated twelve students to be added. With 67 houses built, it would only be thirteen new students.

Twenty years ago, when we were considering the purchase of the Piscassic Greenway, the demographics were very different from what we have today with .3 students per household. At

the time we had 170-182 students in the school. Today the cost per student is \$23k at CMS and \$20k at EHS. Assuming a fully based number for each of those new students, the cost would be \$581,294. The incremental cost would be a lot lower. The cost per student is based on transportation costs and staff. When you add an incremental student, it is closer to \$5k per student at Newfields Elementary. At a certain point you reach the point it is no longer incremental, which is what we faced in 2004 and 2005 with the potential to bring in 130 more homes with a jam-packed school. That is not the situation we face currently. He added that he is not accounting for homeschooling or private schooling that some households may choose. With 12 new students it would bring the population to 133 students. Well below the 160-182 students from 2004-2010.

**Tax Calculation** - The average home value will be around \$1 million with a projected property tax collection of \$15,890. There are other revenues collected per household such as car registrations & dog license fees. The average is a little over \$900 per year, per household. 55 new homes would see a collection of over \$925k. Looking at the municipal cost of \$36,500 & educational costs of \$481k against the revenue collected across the 55 houses, the net fiscal benefit to the Town would be over \$300k a year. Newfields school is under-utilized. Newfields is an attractive place to live. The homes that are being built are worth a lot of money as people have seen with the 50% increase in town property this year. Assuming 67 homes are built the number of students at NES may increase from twelve to fourteen. The net fiscal impact on the town would be \$400k a year with a net benefit to the town of \$600k.

**Bond fiscal impact** - The current rate for a 10-year bond is 2% and a 20-year one is 2.8%. Application for the grants and loan are still pending but assuming \$1.2 million is raised, it will require the Town apply for a \$2.5 million bond to complete the transaction. A 10-year bond at 2% will require the Town to pay an average of \$278,316 a year. A 20-year bond would require \$164,947 a year payment. The Town is in the final years of payments for the Piscassic Greenway bond payment which is about \$65k a year with final payment in 2026. Those current bond payments represent 3.2% of our municipal operating budget. Under these two scenarios, the projected bond payments represent an increase of 8%-15.3% over the current operating budget. Chairman Sununu opened the floor to discussion. He wanted to be clear, everyone in this Town must weigh in on what they want to do. There is no right or wrong answer. You must weigh probable fiscal impacts one way or the other and how you value that land as part of the Town or how you value the land if it were to be developed.

### **Questions -**

George Drinkwater, Water Commissioner - I have been studying and we are in the most complex geological features of the world. The impact of 55 houses means 55 wells. The water comes from glacial water under our land. We have wells on Baker St., near Deertrees and one they have not used is on Bald Hill Rd. The ground water that goes into replenishing some of the glacier water is in this spot. The Water department's engineers can see proof of this by the lines in the trees and fissures in the rock formation. We need to leave it as forest so it can absorb ground water which can then go into the fissures and down into the glacier water under the property. A new development will suck the water up and the bigger the house, the bigger

water consumption. This will be a long-term impact on the Town. The problem with the well on Bald Hill is that it would require a huge infrastructure to pump it. He does not think people are thinking about the impact on the water supply when they build a development. He thinks it's a mistake to put drainage into the river instead of capturing the water and putting it back into the land where it can be reabsorbed. He is concerned about the future. We need to start thinking about water conservation. We cannot just put wells anywhere because of an arsenic issue. Think about the water in your house and the wells. Everyone in town will be affected.

Jeff Buxton - Were you speaking for the water department? He did not think the Water department had an opinion. George replied that he was speaking for himself.

Chris Shanelaris - If the land were to be developed, and according to the map it looked like the parcel may be difficult to develop, would environmental management be part of the process?

Mike Price, Planning Board - There would be a long process with multiple agencies looking at the location of wells. Group wells is a possible option.

Chris Shanelaris – I am assuming the 67 or 55 homes would be determined by what could actually be developed.

Bill Meserve, Planning Board – I do not think it can even be 50 houses. This Town has a two-acre minimum requirement, then you have to discount for roads, wetlands and steep slopes. What the Planning Board has seen in Newfields would be a conservation subdivision. We must get away from the fear that we are flying into Tampa airport with houses, houses, houses. We have several conservation subdivisions in Town. They require 50% of the land to remain in conservation, so it would leave only 47 acres left for development and a much smaller footprint for homes. Stormwater regulations capture storm water. I helped write the ordinance. I think we need to think about the most recent development which was on Old Lee Road with 29 acres. The developer came in with a plan for eleven house lots and they ended up with six due to DES and Town regulations. Whether it is this scenario or not, people need to get away from the fear that the whole lot will be developed. The back of Overlook Drive, Partridge Hill and Scanlon are all in conservation.

Chris Shanelaris – Asked for clarification as to whether the document on Facebook from SELT, TPL and Fort Rock was not done with the collaboration of the Town? Chairman Sununu confirmed that it was not a Town document. Chris continued. One of the things important to note is the cost per student in the Fact Sheet/Q&A is not correct. He has children at NES and last year they had to lay off teachers since there were not enough students. With the State's allowance per grade, we have room for 45-64 more students. Another consideration the Town needs to think about is a parking lot and any maintenance costs in the long term. Has there been an assessment of the future costs of the property?

Jamie Bell Couture - The proposed parking would be covered by the project costs. She knows people are concerned about the location and size. Should this go forward with Exeter, we would be looking at a community forest. Part of this would be to build a parking lot. Nothing has been developed or set in stone. It is a community project. 147 acres would be governed by the community with a Board to determine how the land is to be used. Parking would be a decision of the Town. They have received information from SELT and how it needs to be posted. There was concern with people parking there and their trash, but most are very respectful users.

Susan Shanellaris - Assume 67 homes would have to be approved by the Planning Board. A conservation subdivision would be a win.

Bill Meserve, Planning Board - When we put in a conservation subdivision the incentive is to conserve land. He was instrumental in getting Piscassic Greenway approved. In a conservation subdivision, you cluster zone. You get away from the 2-acre requirement and then you give the developer a bonus, usually 10% and then they leave about 50% of the land in conservation. The Planning Board looked at the plan and did bring up some issues at the one meeting we had with Derek Rugg. He doesn't want anyone to think the Planning Board thinks this is a good idea. The Planning Board must go through it step by step.

Jamie Bell – The Planning Board did not do due diligence because that is not the intention of the landowners. Their intention is to sell it as conservation. All wetlands and slopes were taken into consideration with the conceptual design.

Fred Rosa - \$306k of benefit to the Town assumes 55 houses being developed? Chairman Sununu replied that he ran the numbers on both 55 and 67.

Chairman Sununu - The lower the number of homes, the lower the revenue and the lower the impact.

Tom Bassett – Your whole theory is flawed. There is no benefit to building a house in Town. I built my house 35 years ago and my taxes were \$1,800 now they are over \$10k.

Scott Saltman - There is a per house benefit. You assume a \$1 million dollar home evaluation. The average lot size is over 2 acres. The other neighborhoods are 20 years old.

Chairman Sununu - I do not think that is an outrageous assessment of the homes.

Kate Blouin - Lila Drive and Lily Lane have about 12 children so there are many more than 12 children at CMS.

Joe Hickey - A resident of Lila Drive has one child. There are 6 kids that he knows of on Lila Drive. And he can attest to the \$1.4 million home. In his experience, it is not retirees and

people without children buying these million-dollar homes, they are 30- and 40-year-olds with kids. Lila Drive has six kids.

Chairman Sununu responded and pointed out the ongoing demographics here in Town. Our population has increased in the past 20 years from 1,700 to 1,800 people. Our NES population has decreased from 180 to 120 students. These are the demographic numbers. It is not just here in Newfields it is all over the Seacoast. Look at Winnicunnet, EHS & CMS. I am going by actual data.

Marc Brown – The past 20 years the annual demographics are trending away from school population.

Derek Rugg – He does have two road accesses. My land is high and dry, not a lot of swamp. Mapped on a plan. State law requires the Newfields and Exeter property to be treated as a whole lot. The plan could all be in Newfields and the conservation could be in Exeter. My land is 148 acres of dry land.

Julie Johnston – If we look at 11 houses, it is \$60-\$80k for town but there is no guarantee there will be fewer or more houses. It will be as many houses as they can fill. Once the property is sold, we have no control over the land. If we buy the property, we have a say in what happens to the land. The question is what do you want this town to be?

Susan Shanelaris – My first thought is what has been the back-and-forth between the sellers, attorneys, and the Town because there is a lot of information going around from these organizations, which is great but there is no liability if they are wrong. Investment in conservation for \$0.22 per thousand, that is assuming our Town has no other priorities. This is assuming that Newfields does not need to look at a \$1.9 million safety plan for the elementary school next year. I think we must look at everything in combination. It is very important to be accurate. I stumbled upon this because it said save Fort Rock. This is not saving Fort Rock; this is expanding Fort Rock. And this is important because the 400+ acres are still there. This is an opportunity to add to it. And while I appreciate the outside interest of the people who are not responsible for paying the taxes on it, it is important for the Town to prioritize. When we have to choose between a resident who can no longer afford to live here because their taxes are too high or people from other towns to recreation on this land, I'm going to choose my neighbor. And if I have to choose next year for a \$1.9 million to keep our children safe, I don't know about that project, but I know my School Board Chair and she thinks it's important, so it probably is, so that's another expense that we have to consider. We do not have an expanding tax base. So, the money has to come from somewhere and that's deeper into your pockets. I think it's important to preserve land, but Fort Rock isn't going anywhere. I do not know a lot about trail riding, but I do know the very reason they love those trails is that they aren't buildable. There is a lot of ledge.

Kevin Ray – If the fiscal impact of the 30-year bond is a valid option what can we expect on the new tax rate impact. Chairman Sununu replied that he presumes the 30-year is an option he has not looked at that option. The tax impact will be between 8%-13%. Chairman Sununu added

that percents make tax rate impacts look small but it's what is the real dollars and cents the Town is putting out each year.

Jeff Couture - It might be beneficial to hear from the other side.

Lynnette Batt from Trust for Public Land (TPL) addressed the audience. She is the project manager for this project. TPL a national non-profit who is working with the Ruggs. It is hard for communities to complete these projects on their own. These projects can be extremely complicated and expensive, so TPL helps fundraise and finds non-town funding to reduce the financial impact on the Town. They have helped to conserve millions of acres of land all over the country. TPL will hold the option agreement with the landowners and negotiate the list price with the landowners to help facilitate the transaction.

**Project overview** – Lynnette referenced the map and indicated that the purple section is Newfields land, and the orange is land in Exeter. The property is 148 acres with 12 miles of trails. It is open to the public by the landowners for biking and hiking.

**Environmental impacts** – What isn't quantified is what is the value of the land? This project is a conservation land project. It will protect water quality and supply, preserve wildlife habitat, preserve open space, rural scenic character, and quality of life. Improve public access and establish a community forest.

**Key Points** – Coordination of both towns to put this together. The maximum cost to the town is \$2.5 million. The loan will be for \$2 million only due to a 20% loan forgiveness. All the fiscal numbers should be run on \$2 million. If the State decides to not give the \$500k, then the Town will need to take out a loan for the additional \$500k because the Warrant Article states \$2.5 million.

TPL has put approximately \$75k-\$80k into this project. They are committed to continuing fund raising to cover all the project costs through other grants & donations. The parking costs, easements, appraisals, and title work are all covered by TPL and the fundraising that they bring to the table.

Article 1 supports the project and aligns with the financing and closing deadlines. TPL will need to see funding in Newfields by March or the Ruggs will not proceed with the project. There are two warrant articles proposed. Warrant article 1 is for the funding of this project. Warrant article 4 was not coordinated with the landowners and if it is passed the project is dead.

A lot of work has been done on this project. TPL has applied for four different grants and loans; a \$2.5 million loan, \$500k L-Chip was not awarded because the Town had not supported it yet. A \$500k federal grant was applied for in December. There are various issues with this grant so they may not go after it. There is however a strong potential for another grant of \$600k. The Town's maximum cost is \$2.5 million. But because of the loan forgiveness, it will actually be a \$2 million maximum.



**Looking ahead to 2024.** The Town votes on funding in March to see if the Town wants to move forward to pay \$2 million for this property or not. Then throughout 2024 loan applications there will be loan and grant applications which must be done together to meet the timelines. Grants are competitive but none of the loans would need to be taken out until the closing of the property. If the Town does not get all the funding, it would not cost the town any money.

**Cost Summary** - 80% of the loan up to \$2 million. Our goal is to make it 50/50 to bring in enough fundraising to make the costs to the Town under \$2million. If the town decides they do not want to do this there will not be this opportunity again. There has been a huge investment from TPL over the past fifteen months to get to this point.

The budget number for the loan will move depending on which grants are successful. The Piscassic Greenway bond was for \$1.5 million in 2006. The Town also contributed another \$500k to that project. So, the Town's total cost was \$2 million over 20 years. If the Town would like to lower the yearly cost for this project, there is a 30-year loan option. Lynnette verified with the Clean Water State Revolving Fund that the Town should be eligible for the 30-year loan at the same rate as the 20 yr. The Town will be paying off Piscassic Greenways loan in 2026 which is the same year the first loan payment for this project will be due. In 2026 there will be the overlap year when Piscassic Greenway's final payment of \$66k is due and \$100k for this project will be due if the Town chooses the 30-year loan.

The Town is investing in a conservation project. The Town is already paying \$65k a year and that money will be freed up to go towards the new bond payment of \$100k. The difference between these two loans, \$35k is roughly \$.08 per \$1000 in home value.

Lynnette continued to say she does not have an agenda. She is here to support the project but is also here to allow residents the option to decide for themselves. She has looked at the numbers every which way she can to minimize the cost to the town.

Mike Price – How will the final appraisal affect the bond? Lynnette replied that the appraisal would affect the final purchase price within these brackets. This is why they had to have a floor and the ceiling for the price. It does not change the maximum \$2 million cost to town. If the appraisal comes in higher, the Town will get a bargain, if it is lower the landowners will not get to sell.

Mike Price - If the appraisal goes up 10% the bond is still for \$2.5 million. Lynnette responded that they are legally obligated to put in the total amount requested for the property on the warrant article which is why the \$3.7 million is listed. The June appraisal was for \$3.5 million. The landowners agreed to a maximum of a 5% increase. Mike asked what if the appraisal came in 15% under. Lynnette said it would be under the floor and the landowner would not be obligated to sell. If the landowners still chose to sell, and the fundraising remained the same, the loan amount could go down.

Marc Brown asked for clarification on whether the loan is for \$2.5 million or \$2 million. Lynnette reiterated that the loan is for \$2.5 million but 20% will most likely be forgiven which will bring it down to \$2 million.

Greg Corson thanked Lynnette for the additional info and then asked the Select Board if they have any doubts on what was presented by Lynnette. Sununu replied that he has not seen the conditions of the loan. We are still looking at \$100k in annual payments. We have a lot of future fiscal matters coming before the Town.

Select Board member, Harmon asked Lynnette about the warrant article which reads “up to 20%” may be forgiven. So, is she telling them it is a solid number? If the forgiveness ends up being only 10% who eats the remaining 10% because the Board has not seen anything in black or white.

Lynnette replied that TPL believes it to be a solid number. The loan has not been approved but the State recommended an award of \$2.5 million and in that acceptance, there was a lot of paperwork provided, it showed a 20% forgiveness. There are other municipalities all over the State that have these Clean Water State Revolving Fund loans with the 20% forgiveness stated. She does not believe these numbers will change. The warrant article just mirrored language from other warrant articles. If it is not the case the ceiling is set for the town at \$2 million.

Select Board member, Harmon said to Lynnette that with the Piscassic Greenway, the Town knew what the assets were when they purchased the Greenway. We do not have, despite representations in the appraisal, that this process has been approved by the Town, which it has not. It is listed three times in the appraisal. The biggest question he has is what is on that piece of land. If you break this down, it is a real estate transaction. One sees terms and conditions and you go over it beforehand. One of the things he has seen transpire is the goal posts move. For example, on July 18<sup>th</sup> when we had a public meeting, there was no definitive statement at that time that it was one piece of land. Exeter and Newfields were separate pieces of land. On November 21<sup>st</sup>, Chairman Sununu asked what would happen if the Exeter piece were not involved. Your response was it would be to Yellow Book standards looking at the larger parcel. But if Exeter is not actually going forward, that is a question for the appraiser. This is a critical factor. It is either one piece or nothing happens. Select Board member, Harmon, has an issue with the fact the Town has not seen the terms and conditions with the documents for selling the property.

Lynnette – TPL did not have terms with the sellers until August. In July, they were still in discussion the Ruggs. She hopes that her representation was that she was not sure because those questions were asked a lot, and they did not have a good answer to it at the time, but they have firmly arrived at that. With regards to the appraisal question, it is extremely unusual for a land purchase to go with a fully approved and permanent subdivision plan. The land is being sold as is. The appraisal processes account for that. She asked rhetorically, if anyone owns 100 acres of land, do you think you would spend \$100k for a fully approved plan? No. you are selling it as is. In this case it is the raw land with the conception subdivision plan. It does

put it in the gray zone. It is the appraiser's job to determine how to weigh the conceptional plan. On the second appraisal, these conversations will continue, and the Town will be named as an intended user on the appraisal and will be able to provide data, information, concerns, and questions to the appraiser for the final appraisal. Fair and actual value of the land is not necessary. She has never seen projects that had fully approved plans go into conservation. Once one starts talking with developers and getting plans drawn, development is usually what happens because it increases the value.

Select Board Chair, Sununu asked if the Town would be able to see the terms and conditions of the purchase and sale agreement before the March vote? Lynnette said yes, they have agreed on terms with the Ruggs. They will provide a summary of terms. TPL holds the option so they can manage the transaction, but they will be directing the land to the Town.

Select Board member, Harmon said the appraisal may increase the value of the land. Adversely, it may not increase the value of the land. It will give the Town a greater opportunity. When you buy as a developer, you know what the risk is. His fiduciary responsibility is to the Town. Folks who are retired and have trouble paying their taxes. People who are working multiple jobs to pay their taxes. These are responsibilities we have to address. If I look at the conceptual design, one thing that stood out is the four or five cisterns in numerous areas on the plan which will take out lots so there are numerous errors in plan that impact our decision for the Town.

Lynnette – Yes, the Town will have the part of the appraisal process and address any concerns. The Federal review process gets even more complicated reviewing an appraisal that is based on developmental buildup in our area. The cost to the town is \$2 million and it may be lower. We are trying to bring 50% of the cost to the table. Bring all the funding to the Town.

Chair, Chairman Sununu has an issue with how the appraisal was completed. They used fully permitted and developed comps to value the land. And what you are saying is that it does not matter. If the landowners never go through the process, Chairman Sununu does not see how one can use a comp of land that has actually gone through the permitting process, addressed all the issues, the amount of conservation land, amounts of lots, etc. to land that has not been through the process. They utilized this to get to a higher multiple so they could get to the \$3.5 million value. They used a fully permitted basis of comps to set a value to this land. It does not make sense to him. This is conservation land, and it gets sold at much lower comps than permitted lands which is being utilized to set this value.

A fully permitted property would be much more expensive than something that has never been permitted. This appraiser based the value of the land on the assumption that 67 homes could be developed. Without a permitted development plan, the Town does not know if this is accurate and if not, the land would be appraised much lower. If you want that premium for the land, it usually comes after a permitting process.

Lynnette said the appraiser used multiple comps and then made adjustments to it. TPL had a highly qualified appraisal interview process interviewing twelve of them. This appraiser was recommended by the Nature Conservancy. She has zero motivation to have an appraiser inflating the value of the property.

Derek Rugg - In 2005 Dorothy Haughton was attempting to sell her land for \$1.5 million from the Town to put it into conservation. The Town said she needed a fully developed plan. So, she sold it to Falzone and then the Town paid \$7.5 million to Falzone. The Town is missing the point here. They are selling the property as raw land. We have the potential for a much higher selling price if it is sold as fully developed land. If we go and have a fully developed plan, the Town will not be able to afford the property.

Chairman Sununu responded that he thinks the situation with Falzone is very different. We were in a different place. The cost to the Town if they did not go the conservation route was extremely different from the situation today. The decision maker for people in town is to weigh all these factors. He understands what Derek is saying.

Julie Johnston addressed the Select Board Chair. What you are saying is that you would rather wait, no we do not want your money, we do not want your fundraising, we do not want the 20% forgiveness, we want to wait to have this land appraised. After it has been assessed, it is likely to cause the price to increase.

Chairman Sununu wanted to be clear, he raised his concerns about the methodology of the appraisal last summer and the answer was we assessed it. What he is saying is that TPL is not going to reassess the property until after this bond measure is put before the Town.

Lynnette said the Town is not being asked to pay the appraised value only to raise \$2 million.

Chairman Sununu replied that the whole point of the appraisal was to set the number for this transaction. He raised his concerns that it was too high.

Chris Griffith asked if Chairman Sununu believes it to go down under \$2 million. Chairman Sununu replied that he has no idea.

Susan Shanellaris asked if the Town needs the loan to get the grant.

Lynnett said that it helps. It is an expensive project, and the anchor source is the Town. The first grant application was turned down due to high competition for the grants and without commitment from the Town. She believes they will have a better chance when they reapply for the grant once the Town votes in support.

Susan Shanellaris asked Lynnette if the Town says yes, but TPL does not get the grants, then the project cannot move forward. If Exeter does not settle the lawsuit over the land, the project is also done. Lynnette confirmed.

Lynette said the landowners have given them a mid-2025 closing deadline. Newfields is three times the cost of Exeter, which is a smaller piece of land and sells for \$1.5 million.

Rugg interjected and said that if the Town votes no, they are selling the land. They have been working on this but are not giving a fully developed plan. It is yes or no.

Johnston asked if there is any other opposition to this besides costs.

Chairman Sununu said that he was in favor of the 2005 conservation because of the impact that it would have on the school.

Select Board member, Harmon has no issue with conservation but going back to the 10% of the people who are unable to afford a tax increase, I cannot just say tough luck.

Chairman Sununu said everyone in Town needs to weigh all of this and take into consideration all the issues. Some may value the water conservation, some may value the trail system, some may be concerned with all the other fiscal matters coming down the pike. Everyone has different priorities.

Marc Brown said the State has a very limited supply of housing. He is concerned with young people being able to afford houses. If we continue to put land into conservation in this State, we will deter people from moving to this state and we already have an aging population. Employers are already having a problem finding employees. So, there is a little more to it than the \$80.00 per year. The bigger picture is that we are going to be an aging state with an eroding and declining work force.

Select Board member Harmon informed the audience that there is a total conservation acreage in Newfields of 7.1 square miles of land & .2 square miles of water surface. This comes out to 4,544 acres of land and 128 acres of water. The total conservation acreage, to include the fish and game land, which is called an easement is 1,038 acres in permanent conservation which is 23% of the Town in conservation. Another 220 acres in Town are Town/State exempt land. In addition, there is 1,940 acres in Town under current use. This is a very high amount of acreage in conservation already.

Chairman Sununu corrected him. According to the Land Conservation report to the State Legislature, Newfields has 1,262 acres in permanent conservation.

Johnston asked how many are world class mountain biking trails? Select Board member, Harmon asked how many residents are using those for biking? It is a balance question for those paying taxes. Is it going to be a destination point for the country? Johnston said he may run into 8-9 people on the Rugg trails when he goes riding.

Jen Bishop said once it is taken away you can't take it back. Development won't fix the housing crisis. The amount is very large. The cost of education is drastically increasing. Costs are not going to go down.

Derek Rugg to Select Board member, Harmon's point. What makes this different is that people are allowed to use this one. That is not typical conservation land. Hundreds of people use the Rugg property. They are planning to build a parking lot on property so there would not be parking issues like other trails in Town.

Corson commented that Conservation Commission has administrative control of how this money is used. It is not SELT's control.

Chris Couture confirmed that there will be a management plan. Hopefully, not just mountain bikers but others that are interested in the land for a number of reasons. This is the only way we as a community have any say as to what is done with the land.

Lynnette added that what is being conceived here is a community forest which is different from a Town forest. This is a more inclusive model with an established community committee that would work with the Conservation Commission who would report to the Select Board. This committee will be open to the public to determine how the land will be used.

Mike Price asked if the appraisal could be made public. Lynnette said it can be made possible. Sununu said the Board was told not to post it. He is more than happy to post it if given the green light. The Appraiser told the Board not to post it. Lynnette said she is hesitating because it was a preliminary appraisal. The full and final appraisal gives the Town authority at that time to release it to the public.

Chairman Sununu asked Lynnette to ask the appraiser if they are comfortable with that. Lynnette will let us know.

Chairman Sununu said if this passes in March, the Town is obligated to do the transaction. We cannot say no to a Town vote. If these terms are met, we are required to move forward with this loan and grant.

Lynnette there is a due diligence process. There will be final due diligence during the final appraisal review, by the State agencies that are funding it, by the Federal agencies that are funding it and an independent appraiser.

Chairman Sununu reiterated that if the Town votes yes, based on these terms and conditions, and they are met, the Board is required to move forward with the purchase.

Lynnette said the funding agencies are going to do due diligence. After the grants are awarded, and the loan is placed, then the agencies, and she assumes the Town too, will be able to do due diligences, title surveys and all of that and if there is a fatal flaw then it does not obligate the

Town to move forward with the purchase. It will be up to the Select Board to authorize the purchase.

Chairman Sununu disagrees. A lot of warrant articles and bonds will give the Board discretion of the terms and conditions with respect to the loan or the bond. This does not authorize the Select Board to negotiate terms and conditions. If there is a fatal flaw, the Select Board does not have the option to not move forward with the purchase due to the language of this warrant.

Lynnette said that TPL would not move forward with the option if there was an issue with the title.

Chairman Sununu said again, that is at your discretion, not the Town's. As a Town, we no longer have discretion about the terms and conditions due to the way the warrant is written.

Mike Mackey asked if there is wording that could be added to make it doable. Chairman Sununu did not know the answer.

John Hayden said the difficulty in modifying the petitioned warrant article in that way is that the subject of article as submitted does not include the Select Board to negotiate the loan. Adding such language at Deliberative would create a circumstance where the governing bodies are modifying the subject beyond what could be legally allowed. State law is very specific. John provided the Trustees of the Trust Fund as an example and does not feel it would be allowed. He added that adding language to this warrant article to give the Select Board authority to negotiate the loan is beyond the scope of what residents intended.

Hayden suggested those people who are interested in it gather the wording and we can attempt to get some answers from the State. He would hate to see the governing body make amendments to the petition warrant article that creates a certain circumstance and nullifies it.

Lynnette feels the language covers what is needed to authorize the funding. TPL would only exercise the option and close on the property providing all the funding is acquired, due diligence is passed, receive a clear title and boundary resolution. It does not oblige the town to close on the property but to move forward with the intention of purchasing the property if a clear title is received.

Fred Rosa stated the word authorize is not modified by shall which is mandatory. How do you read it? He reads it as you, the Selectmen, are authorized and you may proceed on these conditions to affect the transaction. What if there are some hazardous chemicals? Are the Selectmen obligated to proceed. He would very surprised if 'authorized' gives the Select Board no discretion.

Chairman Sununu said usually the warrants specify the Select Boards authority to negotiate since this is one does not, he is not sure know what the restrictions are, and this gives very little leeway for decision making once it is voted on.

Select Board member, Harmon asked Derek about the status of the boundary issue with Exeter. He heard that it is in process and is curious where Derek is in the resolution process with Exeter. Derek said he is not sure. He is waiting to hear back from Exeter. Exeter is still doing a review process. The attorneys are back and forth. He is hoping to hear back from them in a few days.

Motion to adjourn 9:25pm.

Respectfully submitted,

Kisha Therrien