

# TOWN OF WELLESLEY



## REPORTS TO THE SPECIAL TOWN MEETING

7:30 P.M.  
TUESDAY, JANUARY 20, 2015

at the

MIDDLE SCHOOL AUDITORIUM,  
WELLESLEY MIDDLE SCHOOL

by the

ADVISORY COMMITTEE

Please read this book and bring it with you to the Special Town Meeting.

For more information and updates, please visit [www.WellesleyMA.gov](http://www.WellesleyMA.gov)

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**TOWN OF WELLESLEY**



**ADVISORY COMMITTEE LETTER  
SPECIAL TOWN MEETING  
January 20, 2015 at 7:30 P.M.  
Wellesley Middle School Auditorium**

**TERM ENDS 2015**

Thomas Engels  
John Hussey  
Lucy Kapples  
Andy Patten, Chair  
Ann Rappaport, Vice-Chair

**TERM ENDS 2016**

Mary Crown  
Tom Frisardi  
John Hartnett, Vice-Chair  
Mason Smith, Secretary  
Scott Tarbox

**TERM ENDS 2017**

Chad Harris  
Michael Mastrianni  
Frank Pinto  
Sara Raveret  
Kathleen Woodward

January 9, 2015

To the Citizens of the Town of Wellesley:

A Special Town Meeting will convene on Tuesday, January 20, 2015, at 7:30 P.M. at the Wellesley Middle School Auditorium, 40 Kingsbury Street. All residents are welcome to attend the meeting in person, or to follow the proceedings on Wellesley Media Corporation's Government Channel (Comcast Channel 8, Verizon Channel 40). The meeting will also be streamed live at [www.wellesleymedia.org](http://www.wellesleymedia.org). This letter presents the Advisory Committee's summary of the key features of the item on the Warrant for the Special Town Meeting which seeks Town Meeting approval to purchase the 46.8 acre parcel of land commonly referred to as the "North 40." The parcel is delineated by Weston Road to the northeast, Turner Road to the northwest, the MBTA railroad tracks to the south, and Morses Pond/Town land to the west. Favorable Town Meeting action on this request would be contingent on voter approval of a debt exclusion question to be considered as part of the Annual Town Election on March 3, 2015.

**Article 2** seeks Town Meeting approval of the Purchase and Sale Agreement (P&S) signed by the Board of Selectmen and Wellesley College on December 18, 2014 for the purchase of the North 40. Additionally, Town Meeting is asked to approve the financing plan for the \$35,636,930 acquisition cost of the property and related due diligence matters. A total of \$35,290,399 will be appropriated at this STM: \$35,140,399 by issuing a mix of 30-year level-payment taxable and non-taxable bonds of which \$10,000,000 is expected to be repaid using Community Preservation Act (CPA) funds; and \$150,000 to be re-appropriated from the fall STM Article 8 appropriation to study the landfill. Pending final approval by the Community Preservation Committee (CPC), CPA funds will finance approximately 28% (or more) of the North 40 acquisition and the CPA-financed land will be placed under a conservation restriction in perpetuity. The P&S stipulates that the North 40 must remain at least 50% open space and that the southern six acres must remain undeveloped. Other provisions in the P&S include the Town reimbursing the College for FY15 property taxes on the North 40; sustainability requirements for any future development; no connection to Route 135 within 1000 feet of the College's Motor Entrance; the inclusion of two representatives from the College on any future North 40 planning committees; and the Town's taking full responsibility for the existing landfill on the property (approximately 5 acres of Town-generated municipal waste from the 1950s). Closing on the property is scheduled for the end of

May and will be contingent on a 2/3 approval from this Town Meeting and a majority approval by Town voters of a debt exclusion question scheduled for March 3, 2015, the date of the Annual Town Election. The Town also has the right to inspect the property and perform environmental due diligence from the date of the P&S through the end of April and has the right to terminate the deal by April 30 for any reason. Final figures are pending, but median tax impact is expected to be in the range of \$141 per household per annum. This amount may be offset depending on what the Town chooses to do with the land in the future.

Although extensive community input has already been received over the last several months from the local neighborhoods, Schools, Planning, Recreation, the Natural Resource Commission, and other interested groups, no decision regarding the land's future use will be considered at this Special Town Meeting.

The purchase of this property is the culmination of an eight-month process of community input and successful negotiation led by the Board of Selectmen and staff. The Advisory Committee, on behalf of the Town's residents, thanks the many Town employees, elected and appointed officials, and concerned citizens, who have helped to bring this land acquisition opportunity forward for consideration. Advisory is also most appreciative of the work of our Co-Vice Chair, Ann Rappaport, who has followed this project since its inception and has provided the essence of the write-up of this Article.

I also personally extend my thanks to my dedicated Advisory colleagues for their responsiveness on short notice and also for their diligence in engaging in their analysis of the merits of this potential acquisition while in the midst of our review of Town department budgets in the lead up to the Town's Annual Town Meeting in late March. Advisory is also appreciative of the help from Town Hall in printing and mailing this report. In order to condense the number of printed pages, we have chosen to omit the usual "Town Meeting Acronyms" and "Guidelines for Conduct of Wellesley Representative Town Meeting" appendices, which may be found in the *October 2014 Special Town Meeting Advisory Report* on pages 164-166 and 181-185, respectively. That report also contains a great deal of relevant information for this Special Town Meeting in the write-up of Article 7 (pages 17-37) and the Report of the North 40 Steering Committee (pages 49-163).

We look forward to seeing you at this Special Town Meeting and welcome your input.

Sincerely,  
Andy Patten, Chair  
Advisory Committee

**ARTICLE 1.** To choose a Moderator to preside over said meeting and to receive reports of town officers, boards and committees, and discharge presently authorized special committees; or take any other action relative thereto.

**(Board of Selectmen)**

**Advisory expects no motion under this Article.**

**ARTICLE 2.** To see if the Town will vote to acquire by purchase, gift, eminent domain, or otherwise, for municipal purposes, the real property located at 156 Weston Road, being further identified as Parcel No. 5 on Assessor's Map No. 149 and commonly known and referred to as the "North 40"; to raise and appropriate, borrow, transfer from available funds, including Community Preservation Funds, and/or otherwise provide a sum of money for such acquisition and for such planning and managerial undertakings as the Board of Selectmen determine to be necessary in relation to the Town's ownership of the Property, including due diligence, further planning studies, site work, and any other costs associated with said purposes; or take any other action in relation thereto.

**(Board of Selectmen)**

This Article requests Town Meeting authorization to accept the December 18, 2014 Purchase and Sale Agreement (P&S) between Wellesley College (the "College") and the Board of Selectmen (BOS) to acquire the 46.8 acre real property located at 156 Weston Road (the "Property" or the "North 40") for municipal purposes. Additionally, this Special Town Meeting (STM) is asked to approve the financing structure of the \$35,636,930 total acquisition cost of the Property and related due diligence using a combination of Free Cash (\$346,532 collected for the FY15 property taxes on the North 40); re-purposing of existing funds (re-appropriating the \$150,000 appropriated in Article 8 at the October 2014 STM); and borrowing (\$35,140,399 in total).<sup>1</sup> The borrowing is expected to come from three sources, where the first two have tax impact: \$13,140,399 from general obligation borrowing with fixed payments spanning 30 years; and \$12,000,000 from taxable municipal bonds with fixed payments over 15-30 years.<sup>2</sup> The third source of borrowing, covering about 28% of the total cost, is expected to come from tax-exempt level-payment 30-year municipal bonds to be repaid with Community Preservation Act (CPA) revenues. The total appropriation asked for by the BOS is thus \$35,290,399.

In the fall, the CPC had committed to borrow the lesser of \$9,300,000 or 30% of the total purchase price for the North 40. The CPC's goal was to keep the annual debt service on its 30 year bond below \$600,000, which is approximately 60% of the CPC's current annual revenue. At the time this report went to print, the CPC was in discussion with the BOS to increase their borrowing to \$10 million (28% of the total cost of \$35,636,930). The projected tax-exempt municipal bond interest rate recommended by the Town's bond advisors has dropped from 5% to 4% since the October 2014 STM, thereby increasing the CPC's potential borrowing capacity for the same level

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<sup>1</sup> The full cost of the North 40 acquisition is not yet known, as this Town Meeting is not being asked for funds to perform any remediation of the landfill. However, the Town would very likely be responsible for most of the landfill remediation whether or not Wellesley purchases the North 40, as the municipal waste contained within it was generated by the Town.

<sup>2</sup> Although having a slightly greater tax impact on residents, taxable bonds (which generally offer a higher yield than tax-exempt municipal bonds) offer the Town a way to take advantage of public/private partnerships, which would otherwise be restricted if using tax-exempt bonds.

of debt service.<sup>3</sup> Therefore, Advisory considers all numbers in this report to be preliminary, with the final funding structure to be presented at Town Meeting. Advisory also notes that the final mix of non-CPA funding will be determined at the discretion of the Town Treasurer with input from the Board of Selectmen and Town staff. Financial considerations are discussed further on page 19 of this report.

It was stated in the *October 2014 Special Town Meeting Advisory Report ("Fall STM Report")* that the North 40 would be zoned or designated in direct proportion to the source of funds. This assumption has been modified with the recognition that every acre in the parcel does not have the same intrinsic value.<sup>4</sup> Because the CPC is funding a portion of the North 40 for open space uses, the CPA-purchased land will be placed under a permanent conservation restriction which would allow active and/or passive recreational use.<sup>5</sup> The determination of exactly how many acres are to be purchased with CPA funds and where these acres will be located is expected to be negotiated between the CPC and BOS within two years of the closing. The Town does not plan to initially delineate which of the municipally-funded acres will be purchased with tax-exempt bonds and which are the taxable bond acres. If the Town were to enter into a private-public partnership with a developer at some later date, this would need to be clarified. Please see pages 31-33 in the *Fall STM Report* for a detailed discussion of the implications of using CPA funding for the North 40 acquisition.

Article 7 on pages 17-37 in the *Fall STM Report* contains extensive background information about the North 40 acquisition, including a physical description and history of the Property; potential municipal uses and "visioning"; zoning, neighborhood impact and traffic issues; environmental and natural resource findings; CPA funding; and an economic analysis. Preliminary Advisory considerations are found on pages 33-35 of that report. The Report of the North 40 Steering Committee (N40SC) is also found in the *Fall STM Report* on pages 49-73 along with seven appendices written by the various Town boards, committees, and neighborhood groups represented on the N40SC (pages 74-130) as well as the four major public reports from Wellesley College and Town consultants (pages 131-163). To limit repetition, the following discussion covers only the specific terms and conditions of the P&S, financial impact of the purchase, and Advisory recommendations. As a reminder, this Town Meeting is being asked to decide only whether Wellesley should acquire the North 40. The decision of how the Town should ultimately utilize the land if acquired will be the subject of discussion and voting by future Town Meetings.

### **Summary of the Property**

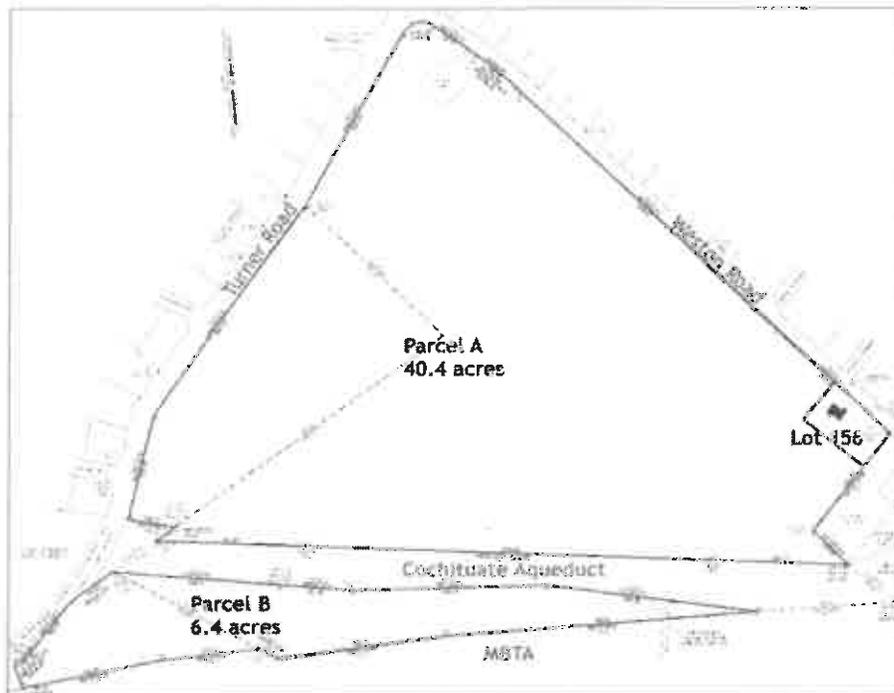
The North 40 is a triangular-shaped parcel consisting of 46.8 acres located at the western side of town just north of Wellesley College and east of Morses Pond. The Property is bordered by the Massachusetts Bay Transportation Authority (MBTA) railroad tracks which run parallel to Route 135 on the south, Weston Road on the northeast and Turner Road/Morses Pond Access Road on the northwest. The single family Woodlands and Weston Road neighborhoods are immediately

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<sup>3</sup> At a rate of 4%, the level payment debt service on \$10 million would be \$580,000 (less than \$600,000) per year for 30 years, an amount that the CPC felt would allow them to support the North 40 acquisition and continue to meet other CPC objectives. Even at a more conservative 4.5% interest rate, the annual debt service would be around \$610,000. The CPC board was discussing raising their debt service cap to \$610,000 as this report went to print, but had not yet voted on this change. As a reminder, CPC funding is a combination of funds from a 1% surcharge on real estate (exempting the first \$100,000 of real property value) and a State "match" which is anywhere from 25-100% of the local CPA appropriation and varies by year.

<sup>4</sup> For example, the acres which have level topography, are located close to Turner or Weston Roads, and are not part of the landfill would probably be the most desirable to develop.

<sup>5</sup> Once the terms of the conservation restriction are established and approved by the MA Executive Office of Energy and Environmental Affairs, a third party will be funded to hold and enforce it in perpetuity.



adjacent to the North 40 and the Property is accessible to the Wellesley Square and other Town buildings. The Property is bisected by the Cochituate Aqueduct near its southern border, creating a 6.4 acre land-locked parcel (Parcel B) between the rail line and the Aqueduct; the remaining larger parcel (the 40.4 acres comprising Parcel A) lies north of the Aqueduct. "Lot 156," consisting of a house and approximately 1.3 acres, is contained within Parcel A.

#### **Valuation of the North 40**

The North 40 was assessed by the Town of Wellesley Assessors' Office at \$25,277,000 as of January 1, 2013 for FY14. As part of their annual reassessment of each property in the Town, the Assessors increased the land value of properties in the Weston Road area by an average of 20% for FY15 (as of January 1, 2014), based on the real estate transactions recorded during the previous year.<sup>6</sup> The assessed value of the North 40 property increased by 17.4% to \$29,681,000 in FY15, or slightly less than the average assessment increase for the neighborhood.

After the Durant Indenture was lifted so that the College would be able to sell the North 40, the Board of Assessors removed the tax-exempt status of the North 40 and the College was asked to pay taxes for FY15 totaling \$346,532 (July 1, 2014 through June 30, 2015) based on the FY15 tax rate of \$11.56 per \$1000 of property value.<sup>7</sup> The Assessors' Office indicated to Advisory that

<sup>6</sup> The BOA bases its assessment of the North 40 on sixty 15,000 square foot buildable lots covering about 45% of the Property. The base assessed land value of a 15,000 square foot lot in the Weston Road area is about \$602,000 for FY15, about 20% more than the previous year's value. The residual land (55% of the parcel) is currently valued at about \$3.50 per square foot. Although the assessment has an effective date of valuation of January 1, 2014, estimated property tax bills are sent for the first two quarters of the fiscal year and it was not until November 2014 that all the property assessments in town were finalized and the FY15 tax rate was established.

<sup>7</sup> This figure also includes the 1% CPA surcharge. Prior to July 1, 2014, the College had not paid any property taxes on the North 40. However, the College makes direct and indirect contributions to the Town every year; in 2012, the College paid \$856,400 in property taxes, making it the fifth largest taxpayer in Wellesley (FY14 property taxes were \$927,031).

the reassessment of the North 40 was part of its usual yearly re-valuation process and not related to the SJC decision, which only affected the tax-exempt status of the property. The presence of the landfill was also not a factor in the Assessors' FY15 assessment. The purchase price of \$35,000,000 is a 17.9% "premium" above the FY15 assessed value.

In the fall, the Town's real estate consultant, Colliers International, appraised the North 40 for \$24.5 million for single family use on a by-right basis, estimating 21 residences as Approval Not Required (ANR) lots along Weston and Turner Roads and 52 Natural Resource Protection (NRP) zoned lots within the remaining interior subdivision of the parcel.<sup>8</sup> The appraised value for other development scenarios, which could include 300 units of Chapter 40B housing or a Continuing Care Retirement Community (CCRC) was higher, though details have not been made available to Advisory. Although the bidding process was confidential and details of specific offers are unavailable, the Town has been advised by various sources that the College received one or more offers to purchase the Property for more than \$35 million.

### **Purchase and Sale Agreement**

The College (represented by the Vice-President of Finance and Administration and Treasurer and the Secretary of the Board of Trustees and Assistant Vice President) and the Town (represented by members of the BOS, Town Counsel, Environmental Counsel, and Executive Director) entered into a Purchase and Sale Agreement on December 18, 2014, which was the culmination of much discussion between the two parties.<sup>9</sup> In a highly competitive process, the Town, along with twelve private developers, made an initial offer on October 5, 2014, and a revised offer on November 7, 2014. Five finalists were selected in November, each of whom was asked to present a "best and final" offer to the College. On December 17, 2014, after a period of negotiation with the College, the Town was chosen as the preferred buyer and the College Board of Trustees unanimously approved the choice. The College publicly stated that the Town was selected "because of its responsiveness to the issues of open space, sustainability, and impact on neighbors and Town services." Under the P&S, reviewed below, at least half of the North 40 will be preserved in perpetuity as open space. The major terms in the P&S are detailed below.

### Financial Terms

- The purchase price of \$35 million includes the land, buildings, improvements, rights of way, easements, development rights, and any plans and specifications, surveys, licenses, permits which currently exist;<sup>10</sup>
- The Town will reimburse the College for property taxes paid after July 1, 2014, totaling \$346,532 for FY15.

### Land Use Provisions

- At least fifty percent of the Property (23 acres) will be kept as open space, which includes playing fields; paths and trails; and active and/or passive recreational areas and facilities. The open space will be owned by the Town but the conservation restriction placed on that portion purchased with CPA funds may be held by a conservation organization or agency.

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See [http://www.mansac.org/community/pdfs/Wellesley\\_Town\\_Publication.pdf](http://www.mansac.org/community/pdfs/Wellesley_Town_Publication.pdf) for a detailed listing of the College's financial and other contributions to the Town.

<sup>8</sup> See the *Fall STM Report* on page 22 for an expanded description of the types of zoning permitted on the North 40.

<sup>9</sup> The full P&S Agreement may be found on the Town website at:

[http://www.wellesleyma.gov/Pages/WellesleyMA\\_North40/P&S\\_Signed-12.18.14.pdf](http://www.wellesleyma.gov/Pages/WellesleyMA_North40/P&S_Signed-12.18.14.pdf)

<sup>10</sup> The agreement does not include the tool shed and contents in the Community Gardens, any gardening property belonging to individuals using the Gardens or the personal property of the resident of 156 Weston Road ("Lot 156").

- The southern 6.4 acres in Parcel B will not be developed and will remain wooded and natural;<sup>11</sup> these acres will be counted as part of the open space requirement.
- No connection to Route 135 or widening of the road will be allowed within 1000 feet of the College motor entrance;<sup>12</sup>
- The College will have two representatives on the North 40 Steering Committee or any successor committees appointed by the BOS; these representatives will have full voting rights and other privileges.

#### Existing Uses

- The Community Gardens will be maintained for at least three years somewhere on the Property substantially similar to what currently exists (2 ½ acres excluding access road with 50 gardening plots used by Town residents plus an adjacent acre with 20 plots used by the College). As long as the Town maintains the Community Gardens anywhere on the North 40, College students and staff shall have exclusive use of at least two plots which are approximately 25 feet by 40 feet each;
- The College will lease back the existing home on Lot 156 for an initial term of three years (with two one-year extensions allowed).<sup>13</sup>

#### Environmental Issues

- The Town will be solely responsible for the landfill;
- The Town will conduct environmental due diligence but may not perform any invasive or destructive testing except as approved by the College. The College must approve reasonably-scoped testing of soil, groundwater etc. in connection with a Recognized Environmental Condition (REC) identified through a new Phase 1 Environmental Assessment commissioned by the Town; any areas or conditions of "reasonable concern"; or any proposed investigation related to the landfill.<sup>14</sup> However, the Town is free to request to perform any testing it wishes, and should the Town not be satisfied with the scope of investigation allowed by the College or the results of any such testing, it is free to terminate the P&S Agreement. The College agrees to advance the Town up to \$6,000 for the preparation of the Buyer's Phase 1 Report which will be reimbursed to the College at closing only if the Town buys the Property. The Town must be satisfied with the results prior to the end of the Inspection Period;

<sup>11</sup> Invasive species may be removed and other sound forestry practices are permitted in this Parcel and existing trails are allowed to remain.

<sup>12</sup> This condition is intended to restrict vehicular access and would not preclude a pedestrian bridge over the railroad tracks. The current bridge over the railroad tracks at Weston Road and Central Street is greater than 1000 feet from the College Motor Entrance so the Town could also choose to widen it in the future.

<sup>13</sup> The Town will lease Lot 156 for \$1,300 per month the first year, increasing 3.5% each subsequent year. The three-year lease will be automatically extended for two one-year terms unless the Town gives notice to the College that the lot will be required for municipal use. The lease may terminate early at the discretion of the College or if the current tenant decides to vacate Lot 156. During the lease, the College will be responsible for the repair and maintenance of the house and improvements on Lot 156 as well as utilities and insurance. No real estate taxes will be assessed with respect to Lot 156, and the Town will have the right to make municipal improvements to the Lot which do not interfere with residential use during the lease period.

<sup>14</sup> The scope of work includes those activities listed in Exhibit G of the P&S, which include: (1) A single test pit at or near the former Pump House; (2) Sampling and analysis of near-surface soils for pesticides and insecticides at the Community Gardens; (3) Three geotechnical borings within the Landfill Area but with no environmental sampling or analysis; and (4) Installation of a reasonable number of groundwater monitoring wells in locations selected by the Town to evaluate groundwater elevations and flows on the Property but with no environmental sampling or analysis.

- The Landfill area had several 120-day reporting conditions (see the *Fall STM Report* on pages 27-28) which were reported to MassDEP on December 16, 2014 listing the College as the “Responsible Party.” No response actions will be performed prior to the closing unless required by MassDEP, in which case they will be the College’s responsibility but will be fully reimbursed by the Town at closing. The date for a Phase 1 Preliminary Site Assessment to be filed with the MassDEP is December 16, 2015, by which time the landfill will be the Town’s responsibility if the closing has occurred;
- The College is responsible for remediating a localized asphalt deposit and related soil contamination adjacent to the Cochituate Aqueduct before closing;<sup>15</sup>
- After closing, the Town will be responsible for environmental issues on the site with certain exceptions. The Town waives the right to claim any damages from the College with respect to hazardous materials on the Property or in connection with any remediation, though the Town may still pursue any other party who may be liable. Conversely, the College agrees not to hold the Town liable for any pre-closing hazardous substances (excluding those from the Landfill area) on the Property which migrate via groundwater onto the College’s main property across Route 135 from the North 40.

#### Sustainability

- Any future buildings or other improvements on the Property will be Leadership in Energy and Environmental Design (LEED) “Gold” certifiable according to the current 2014 standards.<sup>16</sup> The complete College sustainability report (referenced in Footnote 16) notes that actual LEED certification can add a premium from 2 to 30 percent of construction costs; that the LEED emphasis on points and certification can detract from the most sustainable design possible; and that the LEED credits may not be weighted most appropriately for College purposes. Therefore, the Town and College will negotiate mutually-agreeable restrictions prior to the last day of the Inspection Period but the Town will not be required to incur the significant costs of certification. The LEED “Gold” standards have been prioritized by the College but the prioritization scheme is not mandatory and is instead meant to provide guidance to future project teams.<sup>17</sup>
- Lighting will comply with the International Dark Skies guidelines<sup>18</sup> to limit light pollution, which could include low-impact lighting fixtures, restricted hours of lighting use, shielding, and/or restricted illumination levels on the Property. The intent of the Dark Skies guidelines is to ensure that light generated on a property remains on that property. Specific mutually-

<sup>15</sup> The College’s investigation and resolution of the “Asphalt Condition” is ongoing as this Report goes to press. The effort began as a Limited Removal Action but has expanded to a more substantial Release Abatement Measure.

<sup>16</sup> LEED gold standards are promulgated by the United States Green Building Council. A copy of the Wellesley College Green Building Standards, approved by the Board of Trustees on October 30, 2014, is included within Exhibit D in the P&S. A more legible copy of this document may be found at:

<https://drive.google.com/file/d/0B3qQ5qdnqC18UIRXdDizZHcwbk9pY1VOM3NUM2h6aXRLcGRF/view>.

The complete report upon which these standards are based may be found at:

<http://www.wellesley.edu/sites/default/files/assets/departments/environmentalscience/files/es300-2014-leedsustbuildingguidelines.pdf> (“Making Wellesley a LEEDer in Sustainable Design: The Synthesis of Wellesley’s Sustainable Building Guidelines”).

<sup>17</sup> High priority items relevant to the North 40 include sensitive land protection; surrounding density and diverse uses (encourages development where infrastructure already exists, promotes walkability, and encourages transportation efficiency); access to quality transit; bicycle facilities; reduced parking footprint; site assessment (encourage the evaluation of sustainable options for the site and the making of informed decisions about the site and project design before project decisions begin); open space protection; and rainwater management.

<sup>18</sup> See <http://www.darksky.org/idsp/Guidelines/IDSR%20Guidelines%20Final-May13-BP.pdf> for more details.

agreeable restrictions will be negotiated between the Town and College prior to the end of the Inspection Period.

**Updated North 40 Time Line**

A summary of the North 40 timeline is presented below. Dates that are part of the P&S are indicated in bold typeface:

<b>Updated 2014-2015 North 40 Timeline</b>	
April 16, 2014	ATM dissolves.
April 18	Wellesley College files a case with SJC to make the North 40 land available for sale.
April 23	College informs Weston Road and Woodland neighbors about the potential sale.
April 30	BOS issues a statement and FAQs about the Property
May 2	SJC rules to release the restriction (Durant Indenture) on the North 40.
May 27	First meeting of North 40 Steering Committee (N40SC)
May 27	CPC appropriates \$25,000 to study the North 40 site; BOS contributes \$30,000.
June 18	Public Forum at Wellesley Library
June 30	Meeting with College to understand their timeline with anticipated offering in September
July 14-16	BOS votes to seek \$75,000 from the Advisory Reserve Fund, unanimously supported by Advisory Committee
July-August	Town and College conduct initial financial and environmental due diligence, hiring Flinker & Dodson / Brovitz to conduct visioning studies for property; Beta to perform "high level" traffic analysis and EcoTec to act as a peer reviewer of College's environmental findings. Town also hires Collier International to help with property appraisal.
August 4 (revised September 18)	Natural Resource Assessment Report issued by Vanasse Hangen Brustlin (VHB), hired by Wellesley College (discusses wetlands and significant trees).
August 14	Haley & Aldrich Report "ASTM Phase I Environmental Site Assessment" prepared for the College
August-September	Four Visioning workshops (town officials, neighbors, two general interest) held to discuss potential future uses of the land
September 11	Haley & Aldrich summary of environmental conditions on site reported to College and shared with Town.
September 29	Flinker & Dodson / Brovitz visioning meeting with Town
October 3	Bids from Town and developers due at Wellesley College; start of first round of negotiation with the College.
October 27	First day of Special Town Meeting. No motion is put forward for Article 7 because a preferred buyer has not been selected by the College
November 7	Town submits a revised offer to the College.
December 16	College reports presence of environmental contaminants within the area of the former landfill* to the MassDEP.
December 17	Unanimous acceptance of Town's offer by the College Board of Trustees.
December 18	BOS and Wellesley College sign the P&S Agreement.
<b>December 18, 2014- March 4, 2015</b>	"Approval Period" – Either Town or College may terminate the P&S if STM has not approved North 40 acquisition or Wellesley voters have not approved the debt exclusion.
<b>December 18, 2014- April 30, 2015</b>	"Inspection Period" – The Town has the right to make a physical inspection of the North 40 and examine the College's due diligence documents <sup>19</sup>

<sup>19</sup> These documents include the Plan of Land dated August 23, 2013 prepared by Nitsch Engineering, Inc.; the H&A ASTM Phase 1 Environmental Site Assessment dated August 14, 2014 (the 453 page document may be found at [http://www.wellesleyma.gov/Pages/WellesleyMA\\_North40/Phase1\\_Final.pdf](http://www.wellesleyma.gov/Pages/WellesleyMA_North40/Phase1_Final.pdf)); the executive summary of the H&A report found on pages 131-134 of the *Fall STM Report*; the existing Title Report; the VHB Natural Resource Assessment for the North 40 dated August 4, 2014 (revised September

January 5, 2015	BOS Meeting to review the financing and tax impact of the N40 purchase
January 7	Advisory Public Hearing on the Warrant for this STM
January 20	First day of Special Town Meeting
<b>January 30</b>	Affirmative vote on Article 2 at STM by 2/3 majority required by this date
<b>March 3</b>	Town-wide debt exclusion vote to approve municipal funding of North 40 required.
<b>April 30</b>	Town has the right to terminate the P&S for any reason (or no reason) If it does not terminate the agreement, the Town must proceed to closing
<b>May 25</b>	Municipal borrowing or bond issuance must be completed. The Town may extend the closing date no later than July 31, 2015 with permission of the College if it cannot raise the funds.
<b>May 28</b>	Final date Borrowing Delay Notice may be submitted to College if the Town has not yet obtained financing
<b>May 29</b>	North 40 closing
<b>July 31</b>	North 40 closing (maximum delay) if extended by the Town
December 16	Phase 1 Preliminary Site Assessment must be filed with MassDEP for the two 120-day reportable conditions.

\* One of the groundwater samples indicated a slightly elevated level of arsenic, a condition which must be reported to the Commonwealth within 120 days. Some of the landfill samples contained elevated levels of semi-volatile and volatile organic compounds and one sample contained a polychlorinated biphenyl (PCB) compound; these were also 120-day reportable conditions.

Note that the College may postpone the closing up to 30 days to satisfy objections raised by the Town during the Inspection Period and to make the Property conform to the requirements of the P&S. The College is not obligated to spend more than \$50,000 (inclusive of legal fees and costs) to make "reasonable efforts" to satisfy the Town's objections.

### Financial Considerations

The process of acquiring the North 40 has incurred some costs, including appraisal services, environmental and traffic analysis, legal services, and "visioning" for the Property. The N40SC received \$130,000 in total from the Advisory Reserve Fund, CPC, and the BOS which has funded the majority of this pre-acquisition work. These costs are shown in the chart below:

North 40 Spending as of 12/31/14 on Initial Diligence and Visioning		
<b>SOURCES</b>		
Advisory Reserve Fund		\$75,000
Selectmen contribution		30,000
CPC contribution		25,000
Total Sources		<u>\$130,000</u>
<b>USES</b>		
	<b>Consultant</b>	
Appraisal Services	Colliers International	\$16,500
Environmental Due Diligence	Environmental Partners	20,749
Environmental	Ecotec	2,200
Visioning Studies	Dodson & Flinker	25,000
Traffic Studies	Beta	16,752
Legal Costs		69,911
Total Uses		<u>\$151,111</u>
<b>Surplus/Deficit</b>		<u><b>(\$21,111)</b></u>

18, 2014) found on pages 135-140 of the *Fall STM Report*; the VHB Utility Infrastructure report dated September 11, 2014; and data and boring logs generated through the Phase II studies by H&A at the landfill site.

The BOS expects to incur additional costs as part of the further due diligence during the Inspection Period lasting through the end of April and legal costs through closing. These post-December 31, 2014 acquisition costs are listed below along with the purchase price and FY15 property tax reimbursement to the College:

North 40 Projected Spending 1/1/15-5/29/15	Cost	Available Funds	Borrowing Required
Purchase price	\$35,000,000		\$35,000,000
FY15 property taxes	346,532		346,532
Due Diligence			
Environmental Partners	\$98,510		\$98,510
DPW	10,000		10,000
Corrective Action Alternatives Analysis*	20,000		20,000
Contingency (25%)	32,128		32,128
Legal			
Town Counsel	35,150		35,150
Environmental Counsel	73,500		73,500
FY15 taxes paid by college		346,532	(346,532)
Carry forward from Initial Diligence	21,111		21,111
Appropriation from October 2014 STM, Article 8		150,000	(150,000)
<b>Total</b>	<b><u>\$35,636,930</u></b>	<b><u>\$496,532</u></b>	<b><u>\$35,140,399</u></b>

\* These funds will help the Town determine the potential range of costs for remediating the landfill

The total cost of the North 40 acquisition is \$35,636,930. The BOS is requesting Town Meeting to approve the financing structure of this purchase which includes: (1) appropriating \$35,140,399 through issuance of a mixture of taxable and tax-exempt municipal bonds to be repaid through property taxes and the CPA surcharge as described earlier; (2) transferring the \$346,532 that the College paid in property taxes for FY15 from Free Cash to reimburse the College;<sup>20</sup> and (3) re-appropriating the \$150,000 appropriated in Article 8 at the October 2014 STM for the Town to investigate its liability with respect to the landfill in the event that a third party had purchased the North 40. The total appropriation is therefore \$35,290,399. Town Meeting is being asked to allow these Article 8 funds to be used for environmental due diligence instead. The projected annual debt service and tax impact is given in the table below.

The Board of Selectmen and Executive Director have chosen to retire the tax-exempt loans over a longer-than-usual term (30 years) and using level payments rather than the level principal repayment plan usually used for shorter-term projects (e.g., structures, buildings) which decline in value with time. This debt service plan has been chosen because the acquisition of land is a long-term benefit to the Town and the cost is appropriately shared with future Town residents. Cumulatively, the median homeowner is projected to pay around \$2,500 in taxes over 30 years (in present value dollars<sup>21</sup>) to purchase the North 40 if the taxable bonds have a 30 year term. If the Town decides to shorten the loan period for the taxable bonds to 15 years, the initial year tax impact on the median homeowner increases by about \$30 but the cumulative repayment over 30

<sup>20</sup> The property taxes will be pro-rated over FY15 as the closing occurs before the end of the fiscal year, June 30, 2015. While contributing to the total acquisition price, the actual amount of property tax does not affect the total appropriation since the Town will rebate to the College whatever taxes they have actually paid (note the taxes appear as both costs and available funds in the previous chart).

<sup>21</sup> This value assumes an annual inflation rate of 2.6%, estimated from looking at the Bureau of Labor Statistics Consumer Purchasing Index (CPI) in the New England area since 1998; see <http://www.bls.gov/ro1/9150.htm>

years drops by about \$90. The annual tax impact declines with time even though the yearly payment is constant because the debt service is shared across a tax base which grows with time. As a final note, the Town may eventually decide to pursue a public-private partnership to develop a portion of the North 40, which could bring in revenue to offset some of the debt service.

North 40 Purchase Price Allocation						
Funding Source	Amount	Percent	Acres*	Interest Rate	Annual Projected Debt Service**	Annual Tax Impact***
CPA borrowing	\$10,000,000	28.1%	13.12	4%	\$580,000	
General Fund borrowing						
Tax-exempt	13,140,399	36.9%	17.24	4%	750,000	\$69
Taxable	12,000,000	33.7%	15.75	5%	780,000	\$72
Existing Funds	496,532	1.4%	0.65			
<b>Totals</b>	<b><u>\$35,636,930</u></b>	<b>100%</b>	<b>46.76</b>		<b><u>\$2,110,000</u></b>	<b><u>\$141</u></b>

\*The acreage reflecting a simple allocation proportionately based on financial contribution and subject to change.

\*\*Based on a 30 year amortization period; this term may be reduced for the taxable bonds. This amount is the debt service in the first year of the repayment.

\*\*\*The tax impact is given for the median homeowner, whose residence was assessed for \$960,000 in FY15 and property taxes were \$11,098.

**Advisory Considerations**

The Advisory Committee, along with the BOS, N40SC, and CPC and many other Town boards, enthusiastically supports the acquisition of the North 40, believing it to be in the long-term best interest of the Town to own and control the development of this important parcel.

Benefits of Acquiring the North 40

Wellesley College's decision to sell the North 40 presents an important opportunity to the Town and citizens of Wellesley. This is a "once in a lifetime" opportunity to acquire a large parcel of land which could be used for recreation, a variety of municipal purposes, or a combination of both. There is a scarcity of open space in Wellesley coupled with an increased demand for Town land driven by school, recreation, housing and other Town needs. There is a finite amount of open space in the Town that would be suitable for such municipal purposes.

Perhaps partly as a result of the missed opportunity in the 1970s to acquire the land which is now the site of Mass Bay Community College, the N40SC has recommended that the BOS acquire the North 40 for municipal purposes, noting that "for over 130 years, [the site] has been utilized as a Town asset and failure to acquire the site would be a loss for Wellesley residents." Not only does the Town have a great many municipal needs which have been presented in the N40SC Report, but the large size of the parcel and its location near Wellesley Square, Hardy School, the Crosstown Trail, Morses Pond, and 900 Worcester Street make it particularly suitable for many different municipal uses or combinations of uses. The Recreation Department, NRC, Trails Committee, and WHDC have all expressed interest in the North 40 site for open space, recreation and affordable housing. The School Committee has noted that a school built on the North 40 offers many advantages including the ability to develop an optimized site plan compliant with modern regulations and to avoid the need for alternative "swing space" as the trio of elementary schools – Hardy, Hunnewell and Upham – are renovated/consolidated/rebuilt. Although the N40SC did not specifically consider synergies which might arise from owning the North 40, allowing the Town to re-purpose other Town assets, it is clear to Advisory that the benefits of the Town owning additional land in a densely-built suburb are significant.

### Purchase Price

According to the most recent assessment of the North 40, the Town is being asked to pay an 18% premium to purchase the Property. Advisory agrees that the benefits to owning the Property include many intangibles as well as obvious benefits like controlling future use and reducing the landfill liability. Town Meeting has previously shown a willingness to purchase real estate at a higher premium than for this acquisition; namely, a 25 to 34% premium to purchase the three houses on Seaver Street that were razed/moved so the new high school could be built; and a 30% premium to purchase the land at 494 Washington Street to expand the adjacent Town-owned property at 496 Washington Street, the proposed future location of the Tolles-Parsons Center. Advisory is aware that the bidding process for the North 40 was highly competitive, with at least 13 bidders, and that the Town's offer of \$35 million was not the high bid. Given these factors, Advisory agrees that the \$35 million purchase price is fair and reasonable. Reimbursing the real estate taxes from Free Cash will enable the Town to offer this concession to the College without having to borrow these funds. Re-purposing the funds appropriated in Article 8 at the October 2014 STM seems appropriate, given that these funds were intended to help the Town plan for the landfill liability in the case of a third party purchase of the North 40. Under the due diligence process, the Town would be making similar plans in the context of its own purchase.

### Financial Terms and Use of CPA Funds

The current financial plan for the North 40 calls for the Town to finance the acquisition of the Property in a 38% - 34% - 28% split of the \$35,636,930 purchase price, with the funding divided between general obligation tax-exempt municipal bonds, taxable municipal bonds, and CPA borrowing, respectively. Municipal borrowing in Wellesley is typically on an equal principal annual basis, which means that the impact on the taxpayer is initially larger but the debt repayment schedule falls off more rapidly; the terms of borrowing usually range from 7-10 years, which means that the taxpayers currently residing in Town are the ones paying for the majority of the project being funded by debt.

A major land acquisition is a different proposition, as its value exists for both current and future generations of Town residents. Advisory supports the rationale to use longer term (30 year) equal payment borrowing for much of the North 40, even recognizing that the total amount of interest paid on equal payment basis exceeds that paid for equal principal repayment. Financing part of the acquisition with taxable bonds, which might also have shorter amortization periods (15-20 years) allows the Town to enter into a public-private partnership with a developer if it chooses to do so. Advisory agrees that the enhanced flexibility that the taxable municipal bond financing provides is worth the additional interest rate basis points, which are not projected to be significant in the current financial market. Because it is not immediately clear exactly how the land purchased with each type of financial instrument would be valued (*i.e.*, the land destined for a public-private partnership might be more valuable than other acreage in the parcel; 34% of the taxable financing might purchase less than 34% of the acreage), Advisory agrees that using a somewhat greater amount of taxable financing than originally proposed in October (originally estimated as 8 acres, or 17% of the property) will ensure that a sufficient amount of taxable bond-financed acreage is available for future uses.

Using CPA funds for a portion of the North 40 reduces the amount of tax-impact borrowing the Town must fund through a debt exclusion. The use of CPA funds ensures that a portion of the site will be used as open space and recreation – all providing significant value to the Town. The obligation to carry approximately \$600,000 in annual debt service, or about 60% of its annual funding, will allow the CPC to have adequate funds for other future worthy projects (including projects that may arise on the North 40). The CPC is obligated to place 10% of its yearly revenue in each of its three reserve funds (the debt service on the North 40 would cover the Open Space

Reserve Fund for the next 30 years), so 80% of the CPA revenue would be initially committed in FY16. However, as the revenues increase with time, the debt service level would ultimately be a smaller percentage of the annual CPA revenue.

Advisory believes it is prudent to ensure that the Town maintain flexibility and also not unduly limit options for any unforeseeable future uses for CPA funding. CPA funding places conservation restrictions (and/or deed restrictions) on property that by definition make that property unavailable for future development. Because of the requirement that 50% of the North 40 remain open space, using CPA funds to purchase 28% (or more) of the Property for open space is clearly not restrictive.

#### Land Use Provisions – Open Space

The requirement that at least 50% of the North 40 will remain as open space is an extremely desirable outcome for many Wellesley residents, as the North 40 has been a “de facto” public park and conservation area for the Town for many years. According to the NRC, only 38% of the Town’s open space is owned by the Town, with the remaining 62% either held privately or by State or Federal agencies, and only 637 acres are permanently protected by the Town under Article 97, as compared to Needham which has 1,800 acres of permanently-protected open space.<sup>22</sup> Protecting half of the North 40 – at least 23 acres – will increase the protected fraction of Town-owned open space by at least 3.6%. The 50% open space requirement is also consistent with existing Town subdivision Natural Resource Protection (NRP) zoning, approved by ATM in 2013.

Many of the potential uses for the North 40 identified by the N40SC involve open space. The NRC’s wish list for the North 40 included community gardens, trial and demonstration gardens, walking and hiking trails, bike paths, playing fields and an innovative playground, all possible given the 50% open space requirement agreed to by the College and Town. The Trails Committee particularly focused on protecting and maintaining the Crosstown Trail by retaining the narrow woodland buffer along the south side of the trail, which is specifically mandated by the P&S Agreement. The Weston Road and Woodlands neighbors, 80% of whom currently use the North 40 for passive recreation, strongly support retaining as much open space within the North 40 as possible and maintaining the Community Gardens, forested areas, current trails, bike paths, and dog walking areas. The Recreation and Playing Fields Task force has recommended the addition of three multipurpose, ADA-compliant, synthetic turf fields to the Town’s field inventory to support soccer, lacrosse, baseball, softball and field hockey, some or all of which could be accommodated within the North 40’s required open space.

Advisory agrees that the requirement to maintain at least 50% of the North 40 as open space is consistent with the wishes of many Town residents and also consistent with existing zoning. Importantly, the purchase and maintenance of open space is also part of the mission of the CPC, which enables the Town to use CPA funds to purchase 28% (or more) of the parcel’s acreage. Advisory is mindful that there are many possible future uses for the land and agrees that a minimum 50% open space will allow the Town to main reasonable flexibility with regards to any future development. Advisory is confident that the Town will proceed in a thoughtful and diligent manner, respecting all stakeholders, as it considers the ultimate disposition of the North 40.

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<sup>22</sup> Article 97 (the Public Lands Protection Act), is the State law which protects open space. See [http://www.wellesleyma.gov/Pages/WellesleyMA\\_NRC/NRC%20Updated%20Open%20Space%20Map%20and%20Charts\\_Final.pdf](http://www.wellesleyma.gov/Pages/WellesleyMA_NRC/NRC%20Updated%20Open%20Space%20Map%20and%20Charts_Final.pdf) for a more complete discussion of Wellesley’s open space which updates the NRC Report on the North 40 found in the *Fall STM Report* on pages 80-97.

In addition, Advisory also agrees that there are significant environmental benefits to the Town in keeping over half of the North 40 as open space, providing important wildlife habitat; flood protection and groundwater recharging; and carbon footprint reduction compared to similarly-sized developed areas.

#### Land Use Provisions – Connection to Route 135

Advisory agrees that the Town's agreement to prohibit an automobile connection to Route 135 nor widen the roadway within 1000 feet of the College Motor Entrance is reasonable. Extending the roadway (for example, connecting Turner Road to Route 135) would not only turn the road through the College into a "cut through" but the Woodlands residents would likely experience increased traffic through their neighborhood. This P&S term would not restrict the Town from widening the bridge at Weston and Route 135 (Alternative 1 in the preliminary Beta traffic study; see page 155-156 in the *Fall STM Report*) nor extending Linden Street (Alternative 3 on page 157-158). A pedestrian bridge over the railroad tracks would also not be excluded. Advisory does not feel that this P&S condition overly limits the Town's use of the North 40, which was something the Town was disinclined to pursue anyway given the costs of building a bridge over the railroad tracks and the likely opposition of many neighbors and other Town residents.

#### Land Use Provisions – College's role in future land use planning

Advisory agrees that it is reasonable that the College, as an abutter, should have representation on any future land use planning committee to be appointed by the BOS. The N40SC has two representatives and two alternates from the Weston Road and Woodlands neighborhoods and the two College representatives would have a similar role, making sure that future planning includes input from all abutters. The N40SC or its successor committee is appointed by the BOS to act in an advisory capacity and does not make decisions which are binding on the BOS.

#### Environmental Issues – Landfill

Advisory is persuaded that the Town, as the sole contributor to the 1950s landfill, would likely have the majority of the liability for the approximately five acre landfill whether or not it owns the Property. As the owner of the North 40, the Town would have the ability to control where development occurs, and could avoid disturbing areas which could incur significant remediation costs if they were to be developed. On the other hand, a third-party developer could force the Town to remove some or all of the landfill if they chose to develop those acres, which could impose a significant financial obligation on the Town. Some members of Advisory felt that the Town's ability to avoid this cost completely offset the 18% price premium and were willing to support the acquisition on this basis alone. The BOS also felt that taking sole responsibility for the landfill in the required negotiations with MassDEP would also be beneficial to the Town, avoiding the need to involve the College in any future remediation decisions.

Advisory feels that the length of the Town's Inspection Period; the ability of the Town to examine any areas or conditions of "reasonable concern"; and ability to walk away from the deal for any (or no) reason sufficiently protects the Town from any unpleasant surprises unearthed during the due diligence process. The term in the P&S protecting the Town from any liability for all pre-existing hazardous waste (except that originating in the landfill) which might migrate to the main College campus through the groundwater and the College's obligation to remediate the existing asphalt deposit and related soil contamination is also reassuring to Advisory.

#### Sustainability

The Town has expressed a strong commitment to sustainability over the past decade, exemplified by its decisions to reduce greenhouse gas emissions Town-wide; take a leadership role in purchasing green power; build a LEED "Silver" certifiable high school; adopt a stretch energy code; and hire an Energy Manager in the Facilities Maintenance Department. Although the Town's

standards (e.g., the stretch energy code) are currently closer to LEED “Silver” than LEED “Gold,” the Executive Director has noted that the LEED requirements and the Town’s own standards will continue to evolve, and as any new construction will likely be years away, the Selectmen are not troubled by the obligation to adhere to a 2014 LEED “Gold” standard. The Town’s obligations in this regard will be the subject of further discussion with the College but the College is not expect to exercise oversight in the Town’s design review process. Advisory is supportive of the Town’s commitment to sustainability and believes that the Town’s and College’s goals with regard to sustainability are substantially aligned. Advisory does not believe that this condition unduly burdens the Town.

The Dark Skies lighting guidelines are intended to reduce light pollution and reduce “spillover” so that light generated on a property stays on that property. Advisory would expect that the neighbors, as well as the College, would be appreciative of this term in the P&S. Additionally, the Planning Department has been working on similar guidelines to reduce light pollution within the Town, which may be the subject of future amendments to the Zoning Bylaw. Therefore, Advisory views that this condition to be reasonable and consistent with the Town’s future intentions. Dark Skies lighting guidelines are still under negotiation between the Town and College, but Advisory has been informed that Dark Skies guidelines would not preclude a lighted field on the North 40.

Alternative purchase by a private developer for residential, CCRC, or 40B development

An equally important consideration is the impact to the Town and taxpayer if Wellesley does not acquire the North 40. Whether or not the Town purchases the North 40, there will be costs, financial and otherwise, to the sale of the Property. If a private developer acquires the parcel, there would be an expected increase in traffic congestion on Weston Road and in the surrounding neighborhoods. If the North 40 were developed for single family residences (75-95 homes) or Chapter 40B (300 units), there would be a significant influx of new students to the Wellesley Public Schools. In the case of a non-age-restricted 40B development (an estimated 250 additional children), the school operating budget would increase by \$4.3 million per year and more elementary school building space would be required. Additionally, a 40B developer would not be bound by the Town’s Natural Resource Protection zoning which requires approximately one half the North 40 to remain as open space.

There is little net tax impact on a single-family residential development, as roughly \$1 million would be collected annually but this would be offset by increases in the level of Town services (particularly schools) needed for the new residents. The tax impact of a 40B development is distinctly unfavorable to the Town, with the \$1 million in projected in additional annual taxes much more than offset by the increase in the school operating budget. A CCRC has the most favorable tax impact for the Town, generating about \$400,000 in taxes annually before completion and about \$1 million per year in taxes after construction. With no children in such a development, there is also no increase to the school operating budget and also lower traffic impact. However, the costs associated with having to possibly remediate the landfill at a higher cost than if the Town agreed to leave the landfill area alone (or cap it to be able to create playing fields); the probable loss of open space; and the need to negotiate for land to meet Town objectives are all negative aspects of any of these third-party development scenarios. Additionally, the developer of a CCRC could ultimately choose to resell the North 40 to another buyer and that developer’s goals might not be as compatible with the Town’s goals (particularly with regards to open space) as has been the case with Wellesley College. Advisory does not believe that the increased net tax revenue in a CCRC development scenario offsets these risks and the loss of control resulting from a third party purchase.

Advisory feels that many neighborhood concerns, including potential traffic increases and loss of open space, are significantly addressed by the terms of the P&S, which require a substantial

amount of open space; limit light pollution; prevent connection of the Woodlands neighborhood to Route 135; and keep the Community Gardens available somewhere on the site for at least the next three years. The BOS intends to continue the planning process for land use on the North 40 and Advisory would expect that the Woodlands and Weston Road neighbors, like the College, would be represented on any successor committee to the N40SC.

#### Final Thoughts

Advisory is overwhelmingly supportive of the North 40 acquisition, calling it a “tremendous” and “golden” opportunity for the Town. The \$35 million purchase price was deemed fair by all members, though it was noted that confidentiality agreements precluded learning some information which would have been helpful to put the acquisition price more fully in context. Almost every member specifically cited the significant advantage gained by the Town if it controls the future of the Property, both from a use standpoint and in dealing with the landfill issues, with the latter an important factor to many Advisory members. The College stipulations were viewed as not being onerous and in fact consistent with Town goals. Advisory also mentioned that the future process for determining the land use, while clearly not the purview of this Town Meeting, was important for residents to understand and should be mapped out by the BOS in advance of Town Meeting.

Several members remarked that the timing of the purchase was challenging, coming as it does after a successful operating budget override in May 2014, the purchase of 900 Worcester Street, and a successful debt exclusion in December 2014 for school building renovations. One member commented that “we are asking a lot of our taxpayers.” However, the potential cost avoidance generated by the Town’s ownership of the North 40 and the extraordinary benefit to owning the parcel from an open space and future land use perspective made it easy for Advisory to reach consensus on the purchase; one member termed the acquisition as “buying an insurance policy” against 40B development.

Advisory noted on page 35 of the *Fall STM Report* that, “If the Town has control over the North 40 parcel, it will have the ability to build consensus regarding potential uses using conventional town governance process and methods. Concerns regarding traffic and other development impacts can be addressed via Town zoning bylaw amendments. The Town is perpetually facing a shortage of land, and much of what appears to be open space on zoning maps is in fact unprotected and not available for desired municipal uses. Advisory feels strongly that the Town should make a good faith attempt to purchase the land, thereby gaining control of its future use.” Advisory is very pleased that the BOS and Town staff have been successful in reaching an agreement with the College.

Finally, Advisory members note that the voters of Wellesley should have a chance to determine whether the Town should acquire the North 40, and that Town Meeting should give them that opportunity by allowing the debt exclusion vote on March 3, 2015.

**Passage requires a 2/3 vote.**

**Advisory recommends favorable action, 12 to 0.**