

WARRANT FOR SPECIAL TOWN MEETING

February 13th 2012 A.D.

Article 1. To see if the Town will vote to authorize the Board of Selectmen (the “Board”) to: a.) lease the approximately three (3) acre parcel of Town-owned land known as the Tea Lane Farmstead, identified on Assessors Map 12 as Lot 4.2 (the “Farmstead”), to a resident farmer, selected by the Board **and the MV Land Bank Chilmark Town Advisory Board**, based on criteria developed by the Board in conjunction with the Farm Committee; and 2.) sell the historic farmhouse, barn, garage, two metal outbuildings, well and septic system (the “Farmstead infrastructure”) to the selected resident farmer, or take any other action relative thereto. The lease of the Farmstead will be for an initial period of seventy-five (75) years at a cost of twenty thousand dollars (\$20,000.00), and the sale of the Farmstead infrastructure will be for one dollar (\$1.00). Both the lease and the sale will be on such terms and conditions as the Board of Selectmen, with the input of the Farm Committee, determine, consistent with the Intermunicipal Agreement between the Town and the Martha’s Vineyard Land Bank Commission, dated May 7, 2001, and the restrictions contained in the deed to the Town dated June 14, 2001.

Recommended by the Finance Advisory Committee – Unanimously

Selectman Doty will ask to amend Article 1 to insert the yellow highlighted section above. This was a requirement of the original Inter-municipal Agreement.

The Land Bank and the Town jointly purchased the Tea Lane Farm (Silva Farm) and land in 2001. The Town received the three-acre parcel of land with the historic farm house and outbuildings for \$250,000. There is a municipal agreement between the Town and Land Bank that places restrictions on the property with the goals of preserving the historic farm house and continuing to farm the land.

At the September 26, 2011 Special Town Meeting voters indefinitely postponed a warrant article seeking \$550,000 to restore the farm house and prepare the farm for a tenant farmer.

Today’s warrant article outlines a plan that is consistent with the original intent of preserving the historic farm house and farming the land. The Town will continue to own the land while having land use oversight through the ground lease. The program provides for a ground lease that will generate \$20,000 in a one-time lease payment to the Town while selling all the existing buildings and infrastructure to the selected farmer for \$1.00 as is, in their current condition. The Town through the Historical Commission, Board of Selectmen and Land Bank will also approve the renovation plans for the historic farmhouse to ensure its historical integrity is intact. The cost of any renovations or improvements made to the property will be borne by the selected farmer and ground lessee.

This plan is intended to meet the Town’s goals without costing taxpayers additional tax dollars. It also places the Town-owned land, the farm house, other structures and any future improvements made to the assets back onto the tax rolls.

Ground Lease: The selected farmer will lease the Town’s 3-acre parcel of land for a one-time, up front payment of \$20,000 for a period of 75 years.

The ground lease is modeled on the town’s Resident Homesite ground lease with additions to allow for the complexities of the farming component, the agreements with the Landbank at the time of the purchase, and the renovation and historic preservation of the farm house.

The ground lease controls the resale value of the farm house, buildings and lease of the 3 acres. This is accomplished by mandating a prior review and approval by the selectmen of improvements to the property which, at the time of resale, will represent the owner’s cost basis for calculating the sale price of the property. A 3% annual increase in the value will allow for inflation to this base. Other calculations involving appraisals are also available for establishing this figure.

The quality of the repairs to the antique farm house are controlled by prior review of plans before renovations costing more than \$5000 are undertaken. Any changes to the exterior of the house have to be approved by the Historic Commission and the selectmen. (As per the deed, the Landbank Commission also approves changes to the exterior.)

As part of the selection process, the farmer who owns the house and buildings will have submitted a “farm plan” describing the plans for the buildings and the plans for farming the land. The plan is referenced in the lease. The ground lease has a reversion clause if the “farm plan” is not implemented in good faith. The plan

is reviewed annually and revised when necessary.

The farmer must buy insurance, including fire insurance. If the house is destroyed by fire, it is to be rebuilt to its former appearance.

The farmer's heirs can inherit the property if they also have a farm plan. As in the resident home site ground lease, there is language to allow the farmer to obtain a mortgage.

Summary prepared by C. Hodgkinson, Coordinator of Administrative Support

Article 2. To see if the Town will vote to approve the following request of the Community Preservation Committee: to appropriate **\$100,000.00** of CPA Historic Resources Reserve Funds as a grant to fund renovations, under the administration of the Historical Commission, of the historic Tea Lane Farmhouse; and to meet this appropriation use CPA funds as follows: \$70,000.00 from the Community Preservation Historic Resources Reserve and \$30,000.00 from the Community Preservation Budgeted Reserve Funds. *Recommended by the Community Preservation Committee.*

Recommended by the Finance Advisory Committee – Unanimously

This article provides a grant of up to \$100,000 to help the selected farmer renovate the historic farm house. The grant would be available to the selected farmer as an optional source of renovation funds. The renovation plans are subject to prior approval by the Historical Commission, Board of Selectmen and Landbank. The grant will be administered by the Historical Commission.

The grant money may be used for contractor materials and labor costs or, owner-purchased construction materials. The grant recipient may not use grant money as payment for personal labor invested in the renovations.

Grant Payment Process

When the work is finished and has passed any required inspections, the applicant shall review all paid receipts with the Historical Commission as proof the work was completed as specified. The Commission will then release the portion of the \$100,000 grant amount that was approved for and spent on the specific farmhouse renovations.

The Community Preservation Committee will meet on Wednesday, February 15 @ 6:00 PM in the Selectmen's conference room to determine the terms of the grant agreement and how it will be administered. The method for determining the resale value of the grant has yet to be determined by the Committee. It will either be depreciated over time or taken off the established resale price of the property assets and improvements at the time of sale.

Summary prepared by C. Hodgkinson, Coordinator of Administrative Support

Article 3. To see if the town will vote to rescind Article 7 of the September 26th 2011 Special Town Meeting (\$6,500 for boat repair) and to appropriate the sum of \$24,000 from the Waterways Improvement Fund to purchase and equip a boat for the Harbor Department, including the payment of costs incidental and related thereto.

Recommended by the Finance Advisory Committee – 6 Ayes 1 Abstention

Our marine contractor reexamined the 13 foot grey inflatable boat we voted to repair in September and recommended against investing money into it. Therefore we intend to replace that boat with a USED 20 foot Maritime Marine Pioneer that is similar to the pictures below. The old outboard motor will be kept for the Shellfish Department or sold. The Harbor department will have only one boat.

