

# The Plymouth Land Bank Proposal

## 1. Why Plymouth Needs it

- **Key Facts about Plymouth:**

- Fastest growing community in Massachusetts
- Largest town by size (103 square miles) and second by population (65,000+)
- Median income \$57,000
- Sole source aquifer
- 45% of the population is age 55+

## 2. Challenges Facing Plymouth

Plymouth faces the same challenges as other suburban/rural communities, only those challenges are exacerbated by its size, location, and reliance on its aquifer.

- **Land Preservation:**

- Unlike some other communities, this is not a luxury for Plymouth, it is a need.
- Plymouth is a sole source aquifer community, the second largest in Massachusetts.
- Open space is needed to protect our drinking water.

The biggest threat to our aquifer is rural septic systems.

- Most new development in Plymouth is occurring in rural areas.
- In the last decade, Plymouth has lost 61% of its Chapter 61 land to residential development.
- Those new developments operate principally on septic systems.
- Plymouth can't expand sewer to these areas because of its size.
- State law prevents Plymouth from requiring nitrogen and phosphate reducing septic systems which would help reduce the risk of contamination.

While Plymouth needs to preserve Chapter 61 land for water filtration, it can't afford to purchase land being converted for development.

- e.g. Atlantic CC – 176 acres for \$20 million
- Similar conversions are likely in future threatening the water supply

- **Housing Affordability:**

Because of their parameters, housing programs like 40B don't work for Plymouth.

- At 80% AMI as defined by the state and HUD, the cost of "affordable" rental housing is currently equal to or above market rate.
- Someone making the median salary in Plymouth qualifies for affordable housing. Someone making the median family income can only afford a house valued at \$332,000, which is \$170,000 less than the median house value in Plymouth.
- New affordable housing in Plymouth tends to be part of HOA and LOA communities, putting an ever-increasing extra expense on those buying "affordable" homes that they may not be able to sustain.

The most practical way to develop actually affordable housing is through public/private partnerships

- The Grantham project in Redbrook touted by the Governor is a prime example

But given the median wage, high housing costs, and increasing property taxes, Plymouth residents can't also afford an increase in the CPA surcharge to fund these projects.

- **Municipal Needs:**

As a growing community, Plymouth continues to need to expand its municipal facilities and services.

- Growth in developed areas requires expansion of existing facilities while growth in new areas requires creation of new facilities
- Plymouth has been challenged in obtaining the most suitable location for critical facilities (e.g. fire stations) and been forced to utilize less optimal locations due to emergent need.

The prudent approach is to plan for these future needs by acquiring the land for them when it is available and when costs are lowest.

**The proposed Land Bank addresses all of these issues in a way that is balanced to the community's needs, equitable to the community's residents.**

### **A. Key Features of the Land Bank**

The Land Bank, working in conjunction with the Town, CPC, and others, is intended to serve as a means to fund the purchase of land and certain types of projects consistent with the Plymouth Master Plan.

#### **1. What the Land Bank Can Do**

##### **a. Land and Supporting Facilities for Open Space**

Land in this category can be held in permanent conservation or it can be subject to improvements for passive recreation (such as hiking and bike trails) or active recreation (such as ball fields and playgrounds).

##### **b. Affordable Housing**

To address this need, land obtained by the Land Bank and its funds can be given or sold to any entity (municipal, CPC, nonprofit, or private) willing to develop affordable housing in Plymouth.

- Notably, the Land Bank defines affordable housing as being **60% Area Median Income (AMI)**.
- o This is based on the median income in Plymouth as opposed to the Boston/Cambridge region in which HUD has placed Plymouth.
- o Any affordable units funded by the Land Bank must also meet the requirements to count towards the Town's Subsidized Housing Inventory.

##### **c. Municipal Use**

Land can be purchased and later given to the Town to meet municipal needs such as for the development of new wells, utility easements, or creation/expansion of facilities (e.g. schools or public safety).

- The goal is to save residents money by purchasing land that is likely to be needed in the future when it is available rather than waiting for a need to arise and then finding the land is not available or is more expensive.



## 2. How the Proposed Land Bank will be Funded

The principal means of funding will be through a land transfer fee to be paid by the **buyer** of property in Plymouth.

- The fee can be between 1% and 2% and is applied to real property transfers in excess of a set amount
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- Both of these components will be determined at least annually by the Land Bank Commission.
- This allows the Land Bank Commission to adjust the fee based on economic conditions so that it does not harm the housing market and is imposed only on those who can afford to pay it.

This fee is also subject to a number of exemptions including, **but not limited to:**

Affordable Housing as defined by any Town, state, or federal program;  
First time homebuyers where all purchasers qualify;  
Interfamily transfers;  
Charitable organizations;  
Plymouth residents buying a new (not additional) residence in Plymouth.

Exemptions for persons only apply if the property purchased is their **principal residence**.

- There is also a proportional exemption for someone construction affordable units in excess of those required by Town bylaw, but otherwise there are no exemptions for developers.

The purpose for this structure is to place the cost of new services needed or replacement of open space necessitated by development and new people moving into the community.

- It is intended to avoid compelling people who have been paying taxes in Plymouth to pay an additional fee to stay in Plymouth when upsizing or downsizing.
- It is also intended to apply only to those who can afford it, as opposed to property taxes which impact everyone regardless as to their ability to pay

### 3. Operation of the Land Bank

Decisions regarding the regulations and expenditures of the Land Bank will be made by an independent Land Bank Commission subject to the requirements of the legislation and oversight by the state.

The Commission will be appointed as follows:

Select Board:	2 appointees
Town Meeting (through the COPC):	2 appointees
Planning Board:	2 appointees
Affordable Housing Trust:	1 appointee
Open Space Committee:	1 appointee
Land Use and Acquisition Committee:	1 appointee

- These bodies were chosen because they are charged by the Town with creating and managing open space, affordable housing, and municipal facilities.
- By having individuals appointed by the groups responsible for different interests all aspects of the Land Bank mission will always be represented, echoing the requirements of the Community Preservation Act.
- To ensure the independence of the Land Bank Commission, no appointing body may appoint either their own members or any elected Town officer to the Land Bank Commission.

It is also essential to note that this proposal is not anti-housing.

- Plymouth recognizes the state's interest in seeing additional housing.
- The greatest chance of getting Plymouth to support new housing is to have a greater affordability component that is in line with Plymouth's needs.
  - o Plymouth has shown a willingness to support such projects when they make sense for Plymouth (e.g. the Grantham senior affordable apartments and the Cordage 40R zoning).
- For that same reason we have not made Land Bank project approval contingent on approval of any other body such as the Select Board or Town Meeting.