

New England Environmental Finance Center



**Roundtable Series on Innovative Approaches to
Land Conservation and Smart Growth**

RECONNAISSANCE REPORT

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New England Environmental Finance Center
Edmund S. Muskie School of Public Service
University of Southern Maine

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Table of Contents

Summary	1
1. Introduction.....	1
2. Lessons Learned.....	4
Land Trusts/Conservation Groups	5
Municipal Officials	7
Residential Developers/Architects.....	8
Housing Organizations.....	10
3. Unmet Needs.....	10
4. Responses to Written Questions	15
5. NE/EFC Program Implications	22
6. Acknowledgements.....	25
7. Appendix: Summary Reports from the Six State Roundtables.....	26
1.) Maine.....	26
2.) Massachusetts	38
3.) New Hampshire	49
4.) Connecticut.....	60
5.) Vermont.....	67
6.) Rhode Island	75

Summary

A series of six roundtable discussions was conducted by the New England Environmental Finance Center (NE/EFC) from January through May 2002, one in each New England state. The objectives of the series were to consolidate expertise in financing and coordinating projects that combine conservation and development on the landscape, and to identify key areas of unmet need that could be addressed by the NE/EFC. Each discussion entailed several case study presentations and facilitated discussion about what works, what doesn't work, and what might work in financing and coordinating efforts that combine conservation and development. Key areas of opportunity that emerged from the series as likely candidates for NE/EFC program development include enhancing the role of land trusts in comprehensive planning; training and assisting local governments with natural and cultural resource inventories; facilitating permitting of smart developments; and helping secure financial assistance to enable market demonstration of smart growth.

1. Introduction

The New England Environmental Finance Center (NE/EFC) is a university-based research, education, and public service program aimed at helping EPA's constituencies find financially successful approaches to environmental improvements. The initial focus of the NE/EFC has been the emerging importance throughout the region of innovative approaches to land conservation, habitat preservation, and growth guidance that move beyond public regulation to include financial incentives and partnerships between the public, non-profit, and private sectors.

In 2000 the Muskie School of Public Service conducted a preliminary needs assessment throughout New England to aid in establishment of the NE/EFC. The most widely recognized issues in local growth management and open space protection in New England included the small size and fragmented system of local town and municipal governments, often with no or limited professional staff; the lack of regional institutions with authority to address boundary-spanning ecological, economic, and transportation issues; and the supremacy of many private, often small property holdings across the landscape.

Additional issues identified in the 2000 needs assessment included that traditionally, land trusts have focused on preservation disconnected from other, complementary land use needs, such as fostering the best locations for where people will live, businesses will locate, and infrastructure will be built to avoid degrading resources. New England cities and towns, for their part, have primarily attempted to limit property rights with simple zoning, and fostered the piecemeal conversion of the landscape until rising land values make public or non-profit action to purchase the remaining large open space a necessity.

Meanwhile, environmental protection programs at the state and federal level have focused on media-specific (e.g., water, air, toxics) and functional (e.g., landfill) problems, and largely ignored the question of local guidance of overall growth. The absence to date of strong state mandates such as Oregon's urban growth boundaries, or of sufficiently rapid urbanization to support partial market solutions, has frustrated efforts to find a 'magic bullet' solution to the slower but inexorable form of sprawl seen throughout New England. Compounding this situation is the simple lack of adequate funding sources for land protection and the excessive financial risks to developers and investors who might undertake smart growth projects.

The needs assessment then suggested that to address these problems the NE/EFC might focus on the following general areas for program development: 1) the potential for partnerships between non-profit conservation organizations and state institutions in training and assistance to local communities; 2) the potential for creative partnerships among the private, non-profit, and public sectors to protect important public values on the land, through a more strategic approach to land conservation; 3) the unrealized strategic leveraging power of growing state land protection monies if appropriate local partnerships are realized; and 4) the desire to link EPA's assistance and resources to local environmental needs and actions. To develop specific programs in these areas, however, more detailed information about local unmet needs was required from possible clients and program participants. The 2002 roundtable series was created primarily to collect this information and guide creation of workplans for the NE/EFC over the next several years.

A secondary purpose of the series was to address an additional problem identified in the needs assessment: while there is a breadth of experience throughout New England in combining conservation with development, most residential developers, local conservation organizations, and local governments tend to learn primarily from their own experience, and do not benefit from lessons learned by others doing similar work. It was suggested in the needs assessment that this is largely because centralized resources are not available. Through this report, numerous successful and unsuccessful experiences in integrating conservation and development are consolidated, with the intent of providing a reference for land trusts, municipalities, residential developers, and others about ways to avoid likely problem situations, increase funds available to conduct conservation in a development context, and increase chances of project success. Through identifying areas of unmet need, the report also provides information to other organizations interested in developing programs to help implement smart growth.

A broad array of interests in conserving versus developing available land was intentionally included in each roundtable discussion. Besides NE/EFC personnel, each roundtable included between 11 and 15 participants, representing a mix of municipal officials, residential developers, architects, housing agency personnel, and land trust or conservation group representatives (contact information is organized by state in the Appendix). Each meeting included several case study presentations, followed by facilitated discussion about what works, what does not work, and what might work in financing and coordinating several types of smart growth projects. The most frequently discussed project type was ‘limited development,’ in which residential developers collaborated with land trusts and municipal officials to protect some open space in the context of residential development. Though many of the projects termed ‘limited development’ are not technically ‘conservation subdivisions,’ and many do not illustrate densification in designated growth zones, all have valuable lessons about how integration of conservation and development may be achieved.

Our intention with the series was not to take positions about any project or organization, or to suggest ways any organization or individual could improve their activities. Like other universities in the national Environmental Finance Center Network, our role is to

serve as a neutral party, with a focus on providing information, training, and resources to those conducting environmental work.

2. Lessons Learned

Most roundtable participants described projects they had coordinated or that were underway. Projects ranged from high-density condominium developments to land protection efforts with no residential development component, to planning efforts in which no development had yet occurred. In the few projects with no development component, the conservation action generally occurred or is occurring with careful consideration given to residential development patterns in the area. Common among the projects was an effort to integrate conservation and development interests on the landscape.

One recommendation from the discussions, made by Richard Berman of Maine, could be repeated for all groups and summarizes the lessons learned in a few words, namely “*Focus on the ‘shared money bag’ generated by more dense development.*” By this he was suggesting that everyone can and should benefit financially from well-designed projects. He also stated this another way: “We need to educate municipal officials and land trusts about how increased density in growth areas will allow more money for open space acquisition, especially when a developer is willing to work with the community to acquire open space.” These sentiments were echoed throughout the discussions; there was a clear sense that organizations involved in land use, regardless of their background, have genuine opportunities to gain financially through collaborating with traditionally opposed parties. One aim of the list below is to help these parties realize latent financial opportunities and to better integrate development and conservation on the landscape, through working more constructively together.

A summary of each presentation is presented in the Appendix. Recommendations and lessons learned were excerpted from those summaries and are grouped below for land trusts/conservation groups, municipal officials, residential developers/architects, and

housing organizations. Sub-categories were created to provide basic organization of the data and to facilitate use of the list as a reference. Redundant recommendations were deleted.

Land Trusts/Conservation Groups

Strategy

- narrow the mission so that it is achievable
- think at a large spatial scale
- have a clear and well articulated vision, including both short- and long-term goals
- have an organizational consensus to invest time and resources in each project
- use funds raised for a project to help define roles and create a larger vision
- focus on other strategies for land protection besides raising money
- be aware of other projects that can spring from land protection efforts
- expect large time commitments on landscape-scale project
- ensure that goals of the land trust parallel economic goals of communities
- have a broad spectrum of interests making proposals to owners of large parcels
- encourage a proactive approach to resource conservation by municipalities
- bring together groups that traditionally do not speak with each other
- ensure that each project is compatible with the character of the region
- sell and develop a portion of the open space where appropriate
- fit land protection projects into the community context
- aim for willing sellers

Process

- create strong partnerships with local legislators
- show regional, national, and global importance of the area to locals and visitors
- clarify the connection of the parcel with the rest of the town, and to articulate why it behooves the town to help preserve it
- assign board members to each neighborhood in town to network with leaders and local officials (this helps form citizen action groups, the input from which helps identify parcels that have public support)
- clarify as many details as possible of real estate transactions prior to raising funds
- find people who are 1.) willing to sign P&S agreements and 2.) willing to give their time
- involve influential players in a timely manner
- clarify and finalize easement terms early in the process if possible
- keep other land use groups informed of your proposed projects

- conservatively evaluate expected time commitments on complex projects prior to initiating them
- work with a locally respected person to champion each project, where possible
- partner with and empower local officials
- work with nationally recognized players
- recruit scientific cooperation
- target wealthy neighbors
- develop outreach efforts that will reach opposed groups
- ensure a broad cross-section of input on discussions about the disposition of a parcel
- involve neighbors in planning for the parcel
- clearly differentiate roles of all environmental players
- have all parties in one room
- agree to disagree

Development

- develop more trust between development and conservation communities
- educate the general public about developers and smart growth
- vocally and publicly support examples of good development
- seek opportunities to trade residential development into designated growth areas, in exchange for conservation land elsewhere
- aggressively help residents think about their long term needs for development in the region.
- use limited development projects as a means to increase land trust membership.
- help communities see the interconnectedness of land protection and residential development
- aggressively enter discussions about conservation and development, focusing on how the land trust can help facilitate the permitting process
- help revise zoning ordinances so that setbacks and lot sizes are favorable to overall conservation objectives
- be exceptionally clear with the public about why particular developments are necessary
- find elements of common interest (e.g., agree upon which parts of a parcel are appropriate for development or conservation)
- create niche land trusts to accept and steward remnant open space parcels created through limited development

Funding

- identify bridge lenders and other sources of up-front funds
- anticipate steep rises in land values over the course of the project

- form partnerships with local officials and local land trusts to raise monies for acquisition
- use GIS and other technology in fundraising efforts wherever possible
- develop a diverse funding strategy to purchase a large parcel
- use money in intelligent, creative ways (i.e., be risk-takers and do more than just easements and bargain sales)
- develop more revolving loan programs
- evenly allocate risk among players
- share costs (of joint conservation and development projects) with developers and municipalities

Municipal Officials

Approach

- develop a vision of what you want the local landscape to look like
- create an accepted, community-wide open space plan that melds conservation and recreation
- know when to walk away from the table when smart growth objectives are absolutely not being achieved
- focus on performance standards, such as stormwater and wastewater management.
- constantly nurture public engagement
- trust luck and opportunity
- be persistent, be patient enough to develop a track record of successes, and work with people who get things done
- have the local conservation community realize that “if we as conservationists can’t help devise a compromise solution to the problem, other people will”
- have a planning commission that has a vision and is able to say “no” to iterations of the project design
- educate the public about differences between zoning and planning processes
- ensure that those involved in project development have good negotiation skills
- make it more attractive and less risky for developers who might be willing to implement smart growth projects
- make permitting processes more difficult to interrupt (e.g., impose higher appeal fees)
- create consequences for those who inappropriately hold up permitting processes
- focus on streamlining permitting processes (high density is not a reward to a developer. To a developer, a reward is a process that treats a piece of property carefully, quickly, and without resistance)

Process

- hire full-time planners
- help structure land use planning processes so that input is possible and appropriate during writing of town plans, not after a plan has been approved
- maintain public access to protected open space
- conduct build-out and tax-base analyses and share them with town government and residents
- direct more resources toward mapping and inventory of ecological and cultural resources, and toward planning for natural resource protection
- strongly encourage developers to present creative designs
- show the regional or national significance of the open space to be protected
- use topographic, wetlands, survey, and other mapping information effectively
- state precisely what you want in a design
- help the community understand the importance of design details
- educate about the benefits of density
- conduct public education campaigns prior to a vote
- follow through with performance standards and flexibility on regulations when necessary

Partnerships

- develop effective charrette/community processes to establish working partnerships
- form partnerships with homeowners
- partner with developers before the permitting process is underway
- work with land trusts to think about how they might help guide development
- have the local land trust appear at town council meetings and voice support for the project, as well as work behind the scenes to develop public support
- tie into the self-interest of involved parties
- have a neutral facilitator and solicit diverse public input, throughout a multi-year process
- have town planners serve as facilitators

Residential Developers/Architects

Approach

- ensure strong support from State Planning Offices
- aim to overcome “black hat” perceptions of developers, many of whom do good things for the landscape

- provide models of limited development to the general public
- focus on affordability, walkability, and public access
- maintain a focus on the public-private relationship
- stay realistic and tolerate risk
- encourage the writing of progressive cluster ordinances
- educate citizens' groups about the need for good land use planning and development
- come into negotiations early with a higher number of proposed houses than intended
- educate home buyers that lots nearby are likely to be developed someday (especially if the lots are in designated growth zones), and that their opportunity to influence these designations should be through the town plan, not the permitting process
- go to the neighborhood first, including the town councilors and managers
- don't go to the neighborhood first
- use intermediaries to go to town residents, who then call town councilors, attend meetings, and get excited about the project

Partnerships

- develop more trust between development and conservation communities
- negotiate with towns in advance of the permitting process to ensure a smooth application
- educate neighbors about the benefits of limited development prior to initiating a project
- maintain a good relationship with the town through engaging the select board in the conservation plan
- find creative ways for partners to help each other cover last-minute funding gaps
- have project designers and town planners work together to identify which portion of the parcel would make the greatest contribution to protection of wildlife corridors and provide the best opportunities for public access

Finance

- create proposals that take advantage of existing density bonuses
- develop an 'offsite fund' (e.g., give money to a land trust for open space protection in exchange for concentration of units)
- carefully allocate protected open space so that cluster subdivision lots will sell better
- market the marketability of cluster developments
- show that it is possible to combine profitable (\$700,000/lot) development with conservation and tax benefits

Housing Organizations

- don't do dumb growth (smart growth, for public authorities building housing, does not mean building apartments in large areas of cheap land)
- avoid the pattern of rural housing developments ending up isolated
- help people overcome problems with density in urban areas
- think regionally about non-housing goals such as public access to open space
- determine in advance what organizational partnerships would be needed to carry the project to completion
- involve citizens in determining housing priorities
- maintain open communication

3. Unmet Needs

In discussing unmet needs of land protection in a development context, participants offered many suggestions for how the NE/EFC might help. Suggestions generally fell into five categories: education, finance, research, facilitation, and “other.” Some recommendations were broad, describing general themes around which to build a smart growth education program, for example, while others were targeted, describing particular programs that would benefit some smart growth efforts. These recommendations have been excerpted from the summary reports and are grouped below by category.

Education

Audiences

- Educate CPAs, tax attorneys, planners, realtors (including students in these areas) regarding conservation tools — offer CEUs to teach professional development in conservation tools
- Market a paradigm shift to consumers regarding what they “need” (as opposed to “want”)
- Do service outreach to less savvy, less advantaged communities
- Teach negotiation skills to state agency staff
- Educate town officials about planning
- Educate municipalities about transfer of development rights zoning

- Educate bankers about smart growth projects' market value
- Educate developers about the need for smart growth projects (specifically, take them places and show examples; it is not enough to hand them something to read)
- Educate constituents (because legislators follow them): a grassroots campaign is needed for land conservation and smart growth
- Educate legislators
- Educate the press
- Educate the general public

Approach

- Emphasize cross-disciplinary education for developers, accountants, lenders, land trusts
- Develop graphic, concrete teaching tools
- Develop stories and pictures, not jargon (e.g., cluster, PUDs, etc.)
- Create new terminology to diffuse emotion (e.g., diversity housing, not affordable housing)
- Dispel the myths about affordable housing and smart growth
- Create education programs at all school levels about growth that is not negative
- Encourage a regional perspective
- Provide resources to help people think holistically, big picture
- Make the case for requiring open space development in designated areas
- Create and articulate shared understandings of conservation values
- Supply answers to frequently asked questions or problems faced by local officials regarding development and open space (such as in a web-site with FAQs)
- Develop case studies about smart growth projects that have worked, present them to private, rural landowners and planning boards

Material

- Teach skills to bring large deals to closure (there are insufficient skills and experience, especially in land trusts); use peer teaching
- Teach skills of: leadership, negotiation psychology (empathy for partnership goals), building trust, moving from Plan A to B to C with an eye on the goal (i.e., dealing from interests not positions)
- Teach local officials that economic development (for tax base) and preservation (for open space) go hand in hand
- Teach state agencies to see the bigger land use picture rather than focusing solely on their own turf or programs
- Teach state agencies how to follow through (i.e., how to assess the impact of their decisions on land use)
- Teach systems thinking; there is room for both conservation and development
- Teach basic listening skills

- Teach how to use listening skills in public hearings
- Teach large-scale project management
- Teach what is possible: use big projects that have succeeded
- Teach tax policy realities
- Teach how local government works
- Teach about the relationship between smart growth and smart building energy use
- Communicate to municipalities all available tools for joint development and conservation
- Educate regarding existing incentives for developers, and those needing to be created for conservation on the scale needed
- Help minimize municipal fears about buying open space (e.g., provide environmental remediation information)

Programs

- Create a program to recruit and train potential planning board members
- Create a respected, neutral forum for education regarding the process of development
- Create a model program for education of land use boards and town citizens about development (EFC would have credibility)

Financial

Approach

- Encourage demonstration projects
- Encourage enlightened financing
- Show how to make a profit and be a good person
- Demonstrate, persuade that strategic land conservation meets human needs (mental, emotional, physical, spiritual) of developers and conservationists
- Go deep not broad (i.e., focus on only one or two incentive increases or obstacle decreases [like expanding the permanent investment pool, lowering costs for “good” development, creating incentives for conservation investment], but nothing more)

Direct funding

- Help create an interest-free bridge loan fund
- Help find or create a regional high-risk loan fund
- Find who could establish a development fund
- Provide examples of alternatives to conventional subdivisions

- Provide examples of smart growth that support interests of development and conservation regardless of “roles” (i.e., regardless of whether it’s labeled growth or protection)

Evaluation and other assistance

- Create a group of retired professionals to help project participants
- Find who are the lenders who can wait out long-range investment returns
- Identify creative financing mechanisms, especially for private developers
- Find resources for low-cost financing
- Help with finding ways to finance putting different densities in different parts of town
- Help equalize financial differences between natura/cultural resource-based and traditional planning

Facilitation

Approach

- Encourage public input at planning and regulation development stages, not just when a project is proposed
- Help advocates for different “sides” understand the other’s perspective without requiring conversion to the other’s role
- Help conservationists and developers intermingle, develop trust
- Help developers and land trusts build trust for each other

General program possibilities

- Create land-use visioning process that precedes regulation
- Create models of outside-the-box consensus building prior to beginning approval process
- Create processes that help bring people together (i.e., the opposite of Bowling Alone)
- Teach how to mediate conflicts among users of preserved land
- Develop systems to help with new, big ideas
- Help towns focus on the character they want to preserve (“places of the heart”)
- Help create whole visions: assist with ecological audit, cultural audit, etc.
- Get past town-line barriers: help with initiating and coordinating regional planning efforts

Project-specific suggestions

- Convene key players on specific projects
- Bring together expertise of leaders in conservation and development to discuss a project
- Facilitate communication between conservationists and developers regarding projects of joint interest

Research

Approach

- Provide analyses and information specific to individual states

Taxes

- Analyze and publicize how tax policies drive land use patterns
- Help with community services cost analyses (especially regarding costs of schools)

Markets

- Supply data on homeowner satisfaction with cluster developments
- Provide market studies for mixed use developments and small homes
- Determine whether conserving land increases housing costs in the vicinity, how much, and under what conditions
- Determine which financing structures work best for the property value realities of each region

Valuation

- Research environmental values that should be considered during the appraisal process (e.g., what is the effective monetary value of public trails proposed for a parcel being considered for development and/or protection?)
- Develop information on financial value of different types of protected open space to a community

Other

Policy and Regulation

- Suggest ways EPA can mitigate unintended and unwanted land use effects of environmental regulations
- Develop criteria for smart growth certification so that projects could avoid onerous permitting processes and qualify for risk-reducing financing

Prioritization

- Develop criteria for assessing open space most in need of protection
- Help land trusts define strategic, regional protection criteria and use GIS mapping
- Develop a list of model values communities should assess in zoning decisions (e.g., needs for housing, commercial development, agriculture, and natural resources)
- Generate ideas for developing land trust capacity to steward acquired land

Media

- Educate media members on issues surrounding sprawl and smart growth, especially
- Write success stories for professional journals (e.g., real estate journal) and large newspapers
- Provide recognition for smart growth developers (e.g., develop an awards program)
- Create a sit-com set in a smart growth development

4. Responses to Written Questions

One intent of the roundtable series was to collect expertise about how to enhance effectiveness of some types of smart growth projects. While the discussions provided a useful mechanism for recording this information, it was felt that some participants might also wish to contribute their thoughts in written form. In the announcement describing the roundtable series, four questions were asked of participants. A synthesis of written replies received is provided below. Thanks very much to the following for their detailed and insightful responses: Brad Anderson, Randall Arendt, Chris Fichtel, Amy Haible,

Paul Hannan, Kate Hartnett, Alix Hopkins, Elizabeth Humstone, Caroline Kurrus, Doreen MacGillis, Shep Spear, and Frank Stewart.

Question 1. From your experience, what specific recommendations can you make about *what works* in engaging local governments in land conservation?

Most replies were structured with the words “First...”, “Then...”, etc., and there was considerable overlap between recommendations, suggesting that a particular process has been identified as effective in engaging local government in land conservation. Common themes among recommended steps in the process can generally be characterized as follows: 1) develop community involvement to conduct a natural resources inventory and identify areas in greatest need of protection, 2) present maps and build-out analyses to clearly show that there may be serious consequences if growth occurs according to conventional patterns, 3) show specific and vivid images of community designs that local governments can choose from, 4) help the town craft regulations to implement the designs they choose, and 5) ensure follow-through by local boards and commissions to carry out the articulated vision.

Several people described their success in engaging local government via the following actions: 1) conducting cost of service studies showing relationships between residential development and protection of open space, in terms of tax burdens on the town, 2) stressing the big picture rather than specific property lines, and 3) using towns’ natural inclination to be part of something successful (“Local governments will likely contribute to projects where there is an opportunity to have their money matched by private and state funding sources”; Doreen MacGillis, Maine).

Additional suggestions addressed how to engage local government in land conservation over the long run, not just on a start-and-stop basis. These included the following: 1) the “community of true believers” [Conservation Commission or other environmental group in the town] needs to find an accepted focus and engage in ongoing activities that will culminate in a specific project, or else initial enthusiasm may falter over time, and 2)

because of frequent turn-over in both town government and conservation organizations, the conservation community needs to continually cultivate new relationships with town officials (similarly, town officials would gain by regularly recruiting assistance from the conservation community). Besides just making office visits, this can be done through joint visits to potential land project sites or through conservation groups providing things of value to the municipality (such as shore access on key properties, land suitable for affordable housing, or assistance with comprehensive planning). These activities were identified as means to help residents include both conservation and development in their joint vision, and underscored the overriding message of the responses, which was to “stress the big picture” about desired growth patterns in the community.

Question 2: From your experience, what general principles can you draw about *what works* in integration of planning, finance, and ecosystem principles at the local or regional level? In other words, what do people need to keep in mind when trying to approach land protection projects in a holistic fashion?

Principles expressed in response to this question ranged widely. Generally the ideas fell into five categories: develop community support for proposed projects; develop and use adequate data; think at a regional spatial scale; encourage parties to be open-minded and flexible; and ensure adequate communication and partnering. An additional idea expressed several times was that how well-defined a project is at the outset tends to be the greatest determinant of whether the elements of planning, finance, and ecology will meld holistically. Clearly defining the potential for public use of the open space to be protected was identified as particularly important both for local public support and for interest from foundations and government funding sources.

The below comments are good summaries of the views expressed in each of the five categories.

Develop community support for proposed projects

“Proving that the community supports the values being touted is key to a project. For example, talking about walkability does not always play, because planners do not always believe that people want to walk anywhere” (Brad Anderson, New Hampshire)

“Those involved need to know that purchase or donation of easements will only do a part of the job and that other actions, including regulation, need to be part of the strategy. This will require a lot of community support and thus, a lot of community education” (Beth Humstone, Vermont)

“It may surprise many to learn that developers are people too, with feelings and emotions, and often with strong feelings about conservation that mirror all but the most ardent of preservationists. We don’t like getting yelled at. We don’t like being cast as the enemy when we build homes for people – sometimes the very people who then yell at us later on, or who cast aspersions about us – and we don’t like the way the media treats us uniformly as miscreants. Oh sure, the word developer conjures up the many past evil deeds by those of us who are greedy, evil, egotistical and poor excuses for human beings, just as there are in almost any line of business. However, the point is that if we are able over time to focus praise, support, encouragement and even financial incentives toward those in the private development sector who somehow deserve it, smart growth policies will be the real winner in the long run. In this world of instant media and public relations, that show of support for smart growth participants needs to originate at the local and state regulatory level, and somehow find its way in positive fashion into the minds and pens of an increasingly hostile media.” (Frank Stewart, Massachusetts)

Develop and use adequate data

“Good planning begins with good information about the economics of development vs. conservation, inventories of significant natural resources, maps and GIS data, etc. Once this data is collected and analyzed, it can help communities to develop better zoning, creative development strategies, and open space conservation strategies” (Doreen MacGillis, Maine)

Think at a regional spatial scale

“Look beyond the borders of the town when evaluating what lands might be important for conservation” (Chris Fichtel, Maine)

Encourage parties to be open-minded and flexible

“Key components to making it work are open-minded players on all sides and flexible folk who can transcend rigid aspirations in favor of a workable reality” (Shep Spear, Massachusetts)

Ensure adequate communication and partnering

“Too often sellers are overlooked as it is assumed that they will always sell to the highest bidder, which is absolutely not true. The vehicle of creative partnerships needs to be sold to land owners at the local regulatory and conservation organization level, and also through the media” (Frank Stewart, Massachusetts)

“The land trust and the municipality should communicate about land conservation priorities early on” (Chris Fichtel, Maine)

“The key is to build coalitions to create local critical mass, embodying credible voices who are motivated by a compelling vision for future possibilities” (Beth Humstone, Vermont).

Question 3: From your experience, what specific actions, at organizational and administrative levels, can be taken to reduce obstacles to innovation in land protection? (Please provide suggestions for: land trusts, agency staff, town officials, and developers).

Suggestions to reduce obstacles focused on collaboration, the relationship between money and planning, and education. For land trusts, the most often repeated action was “get more involved in town planning;” while for town officials, the most often repeated action was “invite land trusts to be part of the planning process.” For both parties, though, the central obstacle identified was lack of necessary training and funds to become more involved or to do so effectively. To allow more cooperative and enlightened planning, it was suggested that monies are specifically needed to train town and land trust staff and volunteers about how to work constructively with developers, facilitate creative real estate deals, and conduct effective cross-boundary planning. Financial incentives for towns to work across jurisdictions were identified as particularly important but lacking.

Other suggestions included creating minimum annual training standards for volunteer planners, providing technical support on real estate transactions, and producing progressive open space subdivision regulations. Municipalities were specifically encouraged to enable their Conservation Commissions to negotiate land protection projects, collect and hold conservation funds, authorize their expenditure for qualifying projects, and to manage land. On a broader scale, several people identified the need for education of the general public through the media or other avenues about 1) mechanisms for land conservation in a development context (e.g., impact fees, bond issues, and designated percentages of property taxes) and 2) the economics of smart growth (“when I tell people that we have spent \$380 million on new schools since the 1960s, even as the school age population has declined, their jaws drop” (Amy Haible, Maine).

For developers, recommended actions included using density incentives, publicizing success stories, approaching land trusts to collaboratively meet town open space guidelines, and motivating other developers to create additional examples of good development.

It was also discussed how a certain amount of momentum is required to overcome any obstacle to smart growth, and that “before towns become interested in finding solutions, they need to have experienced a fair amount of bad development first-hand. A visual approach to demonstrating the quality of land-conserving developments (through a slide program filled with attractive-looking conservation subdivisions) is necessary to convince them that this is not simply ‘clustering’ but rather something far superior” (Randall Arendt, Rhode Island).

Question 4: From your knowledge of the concept of ‘smart growth,’ how do you think those involved in land protection can best ensure that their work will contribute to smart growth planning efforts, especially at the local level?

While several people referenced their answer to question 1, some new information was provided. The role of science in smart growth was discussed, as distinct from the role of

aesthetics. It was suggested that many smart growth efforts today are based too heavily on concern for landscape appearance, rather than on ecological functionality (Kate Hartnett, New Hampshire). At the site scale, recommendations were made to harvest “free ecological services” that reduce cost and improve aesthetics, while also reducing longer term maintenance and cost (e.g., landscaping to provide shading and breezes for coolness, sunlight for warmth, and vegetated buffers for both surface water quality and retention/recharge for groundwater quality and quantity).

At the regional scale, several people again emphasized the need for land trusts to broaden their role and involve themselves in comprehensive planning. Though this is not the usual position for land trusts because they depend heavily on donations and often wish to not offend potential donors, the need was repeatedly identified for land trusts to aggressively push the community to plan rather than react to development proposals. However, because many land trusts would prefer to avoid local politics altogether, it was suggested that municipalities and land trusts could benefit greatly from towns hiring land trusts through politics-free, fee-for-service relationships, thus facilitating science-based input in the planning process.

Several comments referenced responses to question 2 about the need to first identify areas with the most valuable natural resources, then direct development toward areas where it would have the least negative financial and ecological impact. Regardless of mechanisms used, though, the extreme difficulty in implementing smart growth at the local level was underscored by several people, and was summarized most succinctly by Shep Spear from Massachusetts: “True smart growth is always 5% love of land, 3% intelligence and process, and 92% hard work. Nothing in this game works without a lot of people caring and bustin’ chops.”

There was also some discussion that highlighted the need to achieve a balance between implementing progressive planning approaches and maintaining developer interest in smart growth projects:

“One way to seemingly offer incentives to private developers (to be sensitive toward incorporation of land protection or other smart growth techniques into development plans) is to render the approval process more simple. It may be argued that many communities have done that already, through creative zoning changes that offer density increases for a clustered approach, or other similar vehicles. Some would also argue that the timelines for approval of such plans have also been streamlined. I can state unequivocally that I don’t see these as real incentives, and I don’t find them to work in reality the way they were supposedly intended. Ironically, these creative approaches may actually lengthen and complicate the approval process, thereby acting as a disincentive toward smart growth practices. In fact, creative low-density or even clustered approaches are often based on an approval system that ‘opens up’ public hearings for input in even the most mundane of matters, thereby extending the timeline for approvals over many months or even years ... Is it any wonder that many developers who have been burdened by this wonderful new approach of ‘creative land-use’ have reverted back to business as usual?” (Frank Stewart, Massachusetts)

5. NE/EFC Program Implications

In developing the series we observed that while there have been many efforts to combine conservation and development in New England, few could accurately be termed “smart growth.” Under whatever title (limited development, conservation subdivisions, etc.), much open space protection that occurs in the context of residential development still results in relatively isolated clusters of expensive houses that have no civic core and little walkability, and remain auto-dependent. Some have even suggested that the recent emphasis on conservation subdivisions, by planners and conservationists alike, may therefore be a hindrance to smart growth rather than an aid, if other smart growth goals are not also emphasized. This notion is supported by data from the real estate market: the current market share for residential developments that represent what has become known as the Great American Neighborhood is around 0.1%, even for the much larger percentage of developments that protect some open space.

Percent market share (of residential developments that represent the Great American Neighborhood) has the potential to become a viable index for success of the smart growth movement. This number could be substantially larger if more residential developments

that protect open space could additionally address other smart growth goals, such as housing affordability and human community sustainability. Perhaps the movement could be termed a success in its initial efforts when this number reaches 5 or 15%, but it is our opinion that until then the movement will still be a marginal force, at least in terms of transforming residential land use patterns.

Because of the extreme difficulty in financing and coordinating projects that truly are smart growth, however, the learning curve will be steep and there will be many stages in the evolution of knowledge about how to implement them smoothly and expeditiously. If market share for Great American Neighborhoods is to increase, those conducting the projects will need to build upon lessons learned from forums like this roundtable series, about projects that are not smart growth. Limited development, then, should be viewed as a transitional stage on a path toward greater integration of an array of smart growth goals.

With this in mind, we listened throughout the series for possible ways to evolve to the next stage. Repeatedly identified themes about what is preventing smarter residential development included the following: 1) land trusts are not strategic enough in choosing which parcels to protect, or proactive enough in working with towns and developers to identify which parcels to develop; 2) there are unwanted land-use effects of some EPA and state regulation; 3) there is not enough *good* regional planning; 4) there is a lack of imagination and thoughtfulness about the benefits of creating *much* higher human density, 5) there is a lack of progressive urban policies to support the products of such imagination and thought, and 6) permitting processes are in dire need of dramatic revision, to reduce the influence of individuals and focus their energy into planning and zoning processes instead.

As mentioned in the “Unmet Needs” section, specific recommendations for NE/EFC program development fell into five categories: education, financial, research, facilitation, and ‘other’. Several specific opportunities for NE/EFC programs that surfaced repeatedly include:

- to enhance the role of land trusts in comprehensive planning (through training programs and convening land trust/municipality planning groups),
- to train and assist local governments with natural and cultural resource inventories,
- to convene stakeholder meetings and serve as a neutral party for those involved in permitting smart developments and revision of permitting structures, and
- to help secure financial assistance available for demonstration of smart growth projects, through working with state finance authorities and other groups.

Several New England states already have considerable capacity in some of these areas. For example, in New Hampshire programs to assist towns in conducting natural resource inventories are relatively well established. Over the next several years we are likely to develop programs that address each of the above opportunities, in states where there is still the greatest need. Some will be bundled into training programs that travel throughout New England. The structure, audiences, materials, and locations of these programs will be developed during the next year, guided by this report and building upon curriculum developed in 2001 for the Maine Smart Growth Institute.

For some of the recommendations received we have already initiated a project. Among these is an inventory of State taxation programs that use taxation to influence growth patterns. Specifically, the effort is identifying and describing current taxation systems or fees employed by the six New England states to help direct growth away from sensitive natural resource and rural areas, and toward designated or traditional growth areas. A follow-up effort will likely evaluate the programs for their relative influence and identify the most successful characteristics of such taxation systems.

Several suggested program areas were not repeatedly mentioned but were particularly relevant to the NE/EFC's goals and capabilities, and represent additional possibilities. They include:

- research on the impact of open space protection on nearby real estate values (and the conditions that influence this relationship),
- research on the effective monetary value of components of open space to be protected (such as public trails; this would aid in appraisals), and
- evaluation of ways the EPA could mitigate unintended and unwanted land use effects caused by environmental regulation.

It is our hope that these land use-related efforts will supplement our other program elements in GIS and drinking water resources (see our web-site for details: <http://efc.muskie.usm.maine.edu/>), and will provide a balanced foundation for many years of public service.

6. Acknowledgements

The NE/EFC extends special thanks to all who took the better part of their day to attend a roundtable and to contribute their thoughts to the discussions. Thanks also to those who helped identify appropriate people for the discussions, and to the organizational hosts who allowed us use of their spaces for the day. We were received warmly in each state, and greatly appreciate the hospitality.

7. Appendix: Summary Reports from the Six State Roundtables

1.) *Maine*



New England Environmental Finance Center



State of Maine Roundtable Discussion on Innovative Approaches to Land Conservation and Smart Growth January 31, 2002

MEETING SUMMARY

Session 1 notes are from the individual presentations about what worked well and what did not work well in financing preservation or limited development projects. The notes are from flip charts recorded by Caroline Kurrus and were organized into categories by Martha Freeman.

Session 2 notes are from the facilitated discussion about what works well, what does not work well, what might work, and how the Environmental Finance Center might help increase incentives and decrease obstacles to land conservation and smart growth. The notes were taken by Martha Freeman.

Notes from Presentations are a compilation of notes taken by Susan Quateman and Sam Merrill. Written responses to questions we asked of participants will be incorporated into the final roundtable series report.

Session 1

Category	What Worked Well	What Did Not Work Well
State Support	From State Planning Office, with creative solutions Land for Maine’s Future program LMF requirement of willing sellers	Insufficient bond funds Conflicting policies—e.g. LURC
Partnering	Among conservationists and developers With local leaders Federal, state, and local Public with private agencies	“Instant environmentalists” Failing to involve local legislators Developers’ reluctance to conserve Passive land trusts
Process	Charettes, other community & neighborhood input Grassroots’ involvement Application process with clear goals Flexibility in regulations, zoning, development bonuses Building capacity in land trusts, local commissions Getting fresh voices heard Seeking win-win	Lack of trust by community Lack of leadership, decision-making Stubborn positions Wanting to have it all, win-lose Lack of governmental innovation Competing public policies: housing v. land conservation v. costs
Tools	Showing \$ savings to towns from smart growth Innovative fund-raising Creative easements Increased profits through density bonuses, TDRs Multiple-use open space, including recreation Solving housing needs Limited Liability Covenants Risk-takers with deep pockets Public relations techniques	Zoning constraints: setbacks, lot sizes Time constraints to change zoning, get exemptions Lack of provision for public access Need for new strategies High cost of land

Category	What Worked Well	What Did Not Work Well
Education	<ul style="list-style-type: none"> Communicating a vision Creating a shared regional vision Showing opportunities One-on-one communication with large landowners Creating shared values Conservationists thinking development Developers thinking conservation All thinking community Analysis of town lands Public understanding of smart growth Showing effects on adjacent properties 	<ul style="list-style-type: none"> Failure to think regionally Lack of vision Lack of local natural resources data
Parameters	<ul style="list-style-type: none"> Timing is critical Deadlines help A real development proposal spurs action Referendum threat brings focus Political will must be harnessed Luck matters 	<ul style="list-style-type: none"> Failure to engage the political process If a referendum really happens Time intensive Luck matters

Session 2

In financing and coordinating limited development and land protection projects,

What works?

Developers, land trusts, other investors with patience in time, money, and energy

Land trusts filling the role town planners never will

What does not work?

Federal government financing policies are against smart growth

Conflicting policies among levels of government

When land conservation and development do not happen together

Insufficient vehicles for packaging financing

Land trusts do not have to meet planning requirements developers do

There is not enough pay-off for patient money

Maine land use process discourages smart growth

Smart growth theory is outpacing reality

The “mechanics of democracy”: town leaders following town culture, not leading

Large costs of even small development

What might work?

Land trusts and developers partnering more

Up front risk money for developers of smart growth (FAME-like)

Clearinghouse for developable land (for housing, etc.) in concert with smart growth

Comprehensive planning for development and protection

Conservationists advocating for development (where smart)

Streamline development review process

Regional planning

Designate growth areas

Need “poster child” projects

Flexibility for planning boards, rather than being legalistically rule-bound

Smart conservation: i.e., technical expertise needed

Redevelopment of service centers

State support for smart growth projects—e.g., RFP for smart growth on state-owned lands

How might the EFC help?

Convening key players on specific projects

Provide research, create tools, educate appropriate to parties’ interests

Provide recognition for smart growth developers (e.g., develop an awards program)

Help advocates for different “sides” understand the other’s perspective without requiring conversion to the other’s role

Demonstrate, persuade that strategic land conservation meets human needs (mental, emotional, physical, spiritual) of developers and conservationists

Provide examples of smart growth that support interests of development and conservation regardless of “roles”—i.e., regardless of whether it’s labeled growth or protection

Notes from Presentations

1. Richard Berman, Berman Associates

Richard described his experience as a developer on a project in Falmouth, where he found that town councilors were opposed to high density housing. He felt they thought high density was only appropriate for commercial uses. Their opinion changed when they realized they needed affordable housing. Seeing this as an opportunity, he incorporated affordable higher density into a development plan, only to encounter stiff resistance from the conservation community, and the project was abandoned.

Key Points

- For smart growth to work well, development and conservation communities need to **develop more trust** with each other.
- For smart growth to work well, strong support from the State Planning Office is necessary.
- There is a clear need to **develop effective charette/community processes** to establish working partnerships.
- It is necessary to **develop and support patient financing techniques** for limited development projects. Involving multiple players, while needed, is too time-consuming and costly for most developers.
- All parties in smart growth projects need to **focus on the “shared money bag”** that is generated by more dense development; everyone can and should benefit financially from well-designed projects.
- To encourage smart growth in designated growth areas, he suggested it is important to **educate municipal officials and land trusts about how increased density in growth areas will allow more money for open space acquisition**, especially when a developer is willing to work with the community to acquire open space.
- All parties should **aim to overcome “black hat” perceptions** of developers, many of whom do good things for the landscape.

2. Wayne Marshall, Town of York

In York County there is a culture of government not conducive to “thinking out of the box.” Several principles emerged from his experience as a planner in this County and are listed below. An example of the limited development projects he described is a development of 99 lots off of Route 1 where 120 acres of swamp and mill pond were set aside for conservation (“We helped create better neighborhoods where people talked to one another and have protected open space”).

Key Points

- It is important for land trusts to **form partnerships with homeowners** as a means of achieving conservation objectives through limited development.
- It is important for all players to **work with land trusts** to think about how they might help guide development (e.g., “It is going to happen, it is a question of whether you want to be involved”).

- Development projects should also be seen as an excellent way to **increase land trust membership**.
- It is important to **know when to walk away from the table** when smart growth objectives are absolutely not being achieved.
- In some cases it is possible to **set aside open space with no monies raised**, through partnerships and planning.
- Protected open space needs to **maintain public access**. In one example, hunters were particularly unhappy with the loss of access to newly protected open space.

3. Keith Fletcher, The Nature Conservancy

Keith talked about how to achieve effective land conservation from within a national conservation organization (The Nature Conservancy). He described TNC's Mt. Agamenticus project, which has been very successful in raising private funds for land acquisition (>\$1 million in less than a year).

Key Points

- It is important to **have an organizational consensus to invest time and resources** in the project. TNC had already identified that this project was a key priority area for them, from scientific and natural resources perspectives.
- It is important to **have a clear and well articulated vision**, including both short-term and long-term goals.
- It is important to **form partnerships with local officials and local land trusts to raise monies for acquisition**. Raising funds became more difficult as land values increased, highlighting the importance of these partnerships.
- It is important for TNC as outsiders to **show regional, national, and global importance of the area to locals and visitors**.
- It is helpful to **use GIS and other technology in fundraising efforts** where possible.

Key Problem Points

- TNC did not consider strategies other than acquisition to protect this large area. He suggested it may be important to **focus on other strategies for land protection besides just raising money**.
- TNC encountered problems when new roads were constructed. He suggested it is important to **anticipate steep rises in land values**.
- TNC did not **create a strong partnership with local legislators**.

4. Laurene Sweney, Scarborough Land Trust

Laurene described a successful land protection project led by her organization, the Scarborough Land Trust. The parcel is Fuller Farm, and the project represents a \$720,000 financing package.

Key Points

- It is important to **develop a creative and diverse funding strategy** to purchase a large parcel. In this case, the approach included raising funds (roughly in thirds) from the Land For Maine's Future Board, the Town of Scarborough, and land trust members.

- It is important for the land trust to **clarify the connection** of the parcel with the rest of the town, and to articulate why it behooves the town to help preserve it. In this case, communication of watershed concepts and water quality issues was critical.
- It can be a problematic process (time consuming) for land trusts to facilitate easements for public access. Land trusts should **expect large time commitments** on such projects. Also, if they plan to approach the Land for Maine’s Future program for support, they should **expect the process to take a long time**.

5. Elliot Chamberlain, Chamberlain Construction

Elliot described a model development underway at Dunstan corners that incorporates 441 units in homes, condos, age-restricted housing, and apartments in a well-mixed and dense traditional neighborhood setting. Considerable open space protection is also provided in the plan. Whether successful in the long run or not, several valuable lessons have already emerged about how those involved should conduct traditional neighborhood projects.

Key Points

- It is critical to **go to the neighborhood first**, including the town councilors and managers.
- In all discussions, **maintain a focus on the public-private relationship**.
- It may be helpful to **use intermediaries to go to town residents**, who then call town councilors, attend meetings, and get excited about the project. This excitement is essential fuel for the project. In this case it was Ed Suslovic and several engineers who served as catalysts.
- It may help to **develop an ‘offsite fund.’** In this project, a good strategy was for him as a developer to give money to a land trust for open space protection in exchange for concentration of units. “It is amazing how many people gain by doing this.”
- It is important for developers to **stay realistic and tolerate risk**. There will be many months of up-front time investment on these projects, so considerable trust in market possibilities is required.
- Because the project must work for everyone, you can **never forget the shared money bag** (that Richard Berman described).

6. Nan Cumming (Portland Trails) and Ed Suslovic (independent mediator)

Nan and Ed described a project led by the organization Portland Trails to protect 103 acres adjacent to the Presumpscot River. The City of Portland had created a land bank idea just as developers were coming forward with interest in the area. Many city councilors were passionate about the project, and many were against it. The Land for Maine’s Future program and the State Planning Office played central roles in helping each party determine how to proceed. Portland Trails became willing to protect only some of the acres, and with the assistance of impartial mediation by Ed, the project finally moved forward. Forty-eight acres were protected (to be owned by the City, with Portland Trails holding an easement), and the remainder was designated for residential development.

Key Points

- There is a need to **help communities see the interconnectedness of land protection and residential development**. Portland Trails lacked 100% city backing for this project, because of either/or political realities (for either housing or open space).
- **Use funds raised for a project to help define roles and create a larger vision**. In this case funds from Land for Maine's Future helped clarify the land trust's role and form a vision for the whole river.
- It is good to **be aware of possible ripple effects** that can spring from land protection projects. In this case a 2 mile stretch adjacent to the river will also be preserved.
- Some developers were problematic partners, aiming for higher than appraised values (*suggesting a possible NE/EFC role in helping groups determine how to establish effective partnerships with somewhat reluctant partners*).
- Public policy by referendum can pit sides against one another. There was a call for a referendum on the issue, but it was avoided because of the social and political problems it could cause.
- **Aim for willing sellers**. In this case, Land for Maine's Future funding worked because they only finance willing sellers.
- There is a need to **revise zoning ordinances**. "We could have created more housing and saved more land if setback and lot size requirements had been changed."

7. Dana Totman, York Cumberland Housing Authority

Dana described several affordable housing projects from his work with the York Cumberland Housing Authority.

Key points

- **Don't do dumb growth**. "Smart growth (in terms of public authorities building housing) does *not* mean putting apartments in large areas of cheap land. It is not a good use of land to buy 70 acres to put up 20 units in Bridgton. This is actually dumb growth." Try to **avoid the pattern of rural housing developments ending up isolated**. In these situations people face serious transportation issues and waste land.
- Rather, smart growth is making single room occupancy units in urban areas such as Portland – but the trouble is that the land is expensive (up to \$1.1 million per acre in Portland).
- One ramification of the cost issue is that HUD and some other agencies are not in the smart growth business. For example, Bridgeton did not ask for their 20 unit project, but HUD pushed for it (because of lower cost), so it proceeded. Such projects generally end up proceeding without substantial local support, which has other negative ramifications.
- An additional problem with smart growth projects is that even if someone is willing to pay high land prices in growth areas, it can be difficult to find the land.
- Further, people become resentful of developers who make money from public housing projects (and they make considerably more in urban areas).
- Nevertheless, because densification of units can lead to a greater sense of community and waste less land, there is a need to **help people overcome problems with density in urban areas** (*suggesting a possible role for the NE/EFC to clearly show the links between*

supporting public housing in urban areas and saving the rural lands – that the expense is actually warranted for the greater public good).

8. Theo Holtwijk/Steve Walker, Town of Brunswick

Theo and Steve described lessons they have learned from several smart growth projects in Brunswick.

Key Points

- To be truly effective, developers need to **make partnerships with the community**.
- Developers can get flexibility if they set aside land for open space.
- It is unfortunate, but some in the development community are reluctant to embrace open space ordinances (Brunswick allows 5 units per acre, but some developers are still creating 1 unit per acre). There is a need to **educate about the benefits of density**.
- In planning smart growth projects, it is important to **focus on performance standards**, such as stormwater and wastewater management.
- There have been too many ad hoc protection efforts. It is important to **create an accepted, community-wide open space plan that melds conservation and recreation**.
- It is important to **constantly nurture public engagement**. In Brunswick this engagement springs partly from a strong sense of place and an understanding of connections between parts of town.
- Smart growth projects will work better if towns **direct more resources toward mapping and inventory of wildlife, and toward planning for natural resource protection**.

9. Jack Aley, Brunswick-Topsham Land Trust

Jack described the approach his organization (Brunswick-Topsham Land Trust) has been taking to land protection, and some key areas of opportunity.

Key Points

- His Land Trust works to facilitate private citizen action. A good method for this has been to **assign board members to each neighborhood in town to network with leaders and local officials**. This activity helps form citizen action groups, the input from which helps identify parcels that have public support. Several parcels identified this way had not previously been on the land trust's "radar screen."
- He highlighted the need for land trusts to **use money in intelligent, creative ways** (i.e., be risk-takers and do more than just easements and bargain sales). For example, his land trust has a project that uses a Limited Liability Covenant, a time-intensive method that is paying substantial dividends in acres protected and dollars not spent.
- It is necessary for land trusts and others to **develop more revolving loan programs** (suggesting that the NE/EFC could help develop this type of financing).
- There are people resistant to land protection efforts (e.g., "angry farmers"); it is necessary to **develop approaches that will reach opposed groups**.

10. Dick Spencer, Rangeley Lakes Heritage Trust/Drummond, Woodsum and McMahon

Dick described a large and complex land protection project underway in the Rangeley Lakes region that has successfully involved 26 partners from all across the political and environmental spectrum. The project is protecting roughly 7,000 acres and 20 miles of lake frontage.

Key Points

- Four groups are at the core of the partnership, and their partnership is what drives the project. The groups are: the Rangeley Lakes Heritage Trust (who stays largely out of politics), a group representing Mooselukumeguntik and economic development interests (that is very involved in politics), a small group of individuals willing to take economic risks, and a small group of individuals willing to spend a lot of time on project details.
- It is important to **have a large scale vision**. “The bigger the vision the easier it is to do a project. People are willing and excited to give monies and easements to a big project.” Rangely Lakes Heritage Trust is aiming for \$5 million in donations for land acquisitions; so far they have raised \$1 million.
- For large projects like this it is necessary to **find people who are 1.) willing to sign P&S agreements and 2.) willing to give their time**.
- To develop adequate financial support, the **goals of the land trust must parallel the economic goals of communities**. In this case the goals are recreation and tourism.

PARTICIPANT CONTACT INFORMATION

Name	Phone	E-mail
<u>Attendees/Presenters:</u> (207) unless noted		
Dana Totman	725-8246	dana@ych.org
Ed Suslovic	541-4770	ed@mainerealtors.com
Elliott Chamberlain	883-1992	recbuild@aol.com
Jack Aley	729-7694	btlr@gwi.net
Keith Fletcher	251-1447	kfletcher@tnc.org
Laurene Swaney	883-4909	swaney@att.net
Nan Cumming	775-2411	nan@trails.org
Richard Berman	772-3225	rberm@javanet.com
Richard Spencer	773-5874	rspencer@dwmlaw.com
Steve Walker	725-6660	swalker@brunswickme.org
Theo Holtwijk	725-6660	holtwijk@brunswickme.org
Wayne Marshall	338-3370	wmars@acadia.net
Amy Haible	729-4029	anhaible@gwi.net
Chris Fichtel	729-7366	cfichtel@mcht.org
Caroline Kurrus	865-2239	caroline.kurrus@noaa.gov
<u>EFC Personnel:</u>		
Dick Barringer	780-4418	barringr@usm.maine.edu
Jack Kartez	780-5389	jkartez@usm.maine.edu
Carry Oostveen	228-8594	carry.oostveen@maine.edu
Katherine Groves	780-4820	kgroves@usm.maine.edu
Sam Merrill	228-8596	smerrill@usm.maine.edu
Rosemary Monahan	(617) 918-1087	monahan.rosemary@epa.gov
Alison Barker	228-8593	abarker@usm.maine.edu
Susan Quateman	(978) 468-7773	qman@star.net
Martha Freeman	871-7890	mfreem@maine.rr.com

2.) *Massachusetts*



New England Environmental Finance Center



**State of Massachusetts Roundtable Discussion on
Innovative Approaches to Land Conservation and Smart Growth
February 14th, 2002**

MEETING SUMMARY

Session Notes are from the points captured on flip charts during the afternoon group discussion facilitated discussion. The group discussed generally what works well, what does not work well, and what might work well in undertaking smart development or preservation. The group also discussed how the Environmental Finance Center might help increase incentives and decrease obstacles to land conservation and smart growth. The notes were taken by facilitator Martha Freeman.

Notes from Presentations are a compilation of notes taken by Susan Quateman and Sam Merrill; these notes were supplemented by the audio tape from the meeting, which was transcribed by Alison Barker.

Written responses to questions we asked of participants will be incorporated into the final roundtable series report.

Session Notes

What works?

Money follows good ideas

Partnerships, because lone operators can not take on projects of large scale

Project partners (including municipalities) must all have a financial stake in the project if they want influence

Collaboration, among public and private entities

A “spark plug” person or entity behind the project or partnership

When conservation values are known and articulated as benchmarks against which to measure projects

What does not work?

When there are not enough good ideas

Thinking too “reasonably”

Good ideas are not being rewarded with enough resources

Smart development can help achieve town conservation goals without significant expenditure of public funds

Media focus on negative, not positive, land use stories

Lack of trust among development/conservation players

Problem of availability of affordable housing

Archaic Massachusetts statutes regarding land use

Massachusetts politics

When town takes on a conservation project that fails

Risking money

Use of special permit “hammer” by towns when other obstacles to smart development are removed

What might work?

Thinking big, exciting ideas

Thinking small, sometimes: small project success will build support

Put ideas into pictures

Have persistent vision

Establish a high-risk capital revolving loan fund for land trusts

Get the federal land conservation money states are due

Find more funding, create more partnerships

Use media as a means after having figured out what works

Seek people who will put their own money at risk in conservation investment vehicles

Recognize where mistrust comes from

Create and use demonstration projects

Establish permit by right through site plan review

Do not lose conservation goals—need to inform communities regarding habitats, etc. within their boundaries deserving of conservation

Conservationists and developers need to create a media strategy

Conservationists and developers need to work together on actual sites, out of the spotlight, to develop trust

Need to educate young people about land conservation and smart growth

Need more incentives for large conservation

Need to educate the IRS regarding what are and are not profits from land use

Need to educate the general public regarding interrelationships on the landscape

Need an attitude change among the media regarding growth

Need incentives for municipalities to think, work regionally

Need to remove uncertainty and financial risks in limited development planning process

How might the EFC help?

Develop systems to help with new, big ideas

Communicate to municipalities all the tools for limited development and conservation

Gather data and educate regarding existing incentives, those needing to be developed for conservation on the scale needed

Educate CPAs, tax attorneys, planners, realtors (including students in these areas) regarding conservation tools — offer CEUs to teach professional development in conservation tools

Create a program to recruit, train potential planning board members

Educate legislators

Create a respected, neutral forum for education regarding process of land development

Create education programs at all school levels about growth that is not negative

Find resources for low-cost financing

Help find or create a regional high-risk loan fund

Find who are the lenders who can wait out long-range investment returns

Find who could establish a development fund

Develop information on value appreciation, tax revenues for limited development projects and value of open space

Bring together expertise of existing leaders

Help conservationists and developers intermingle, develop trust

Emphasize cross-discipline education for developers, accountants, lenders, land trusts

Teach systems thinking, consilience: there is room for conservation and development

Teach basic listening skills

Teach large-scale project management

Teach skills to bring large deals to closure (there are insufficient skills and experience in land trusts); use peer teaching; teach skills of: leadership, negotiation (psychology, empathy for

partnership goals), building trust, ability to move from Plan A to B to C with an eye on the goal (i.e., dealing from interests not positions)

Market a paradigm shift to consumers regarding what they “need”

Do service outreach to less savvy, less advantaged communities

Create and articulate shared understandings of conservation values

Encourage demonstration projects

Encourage a regional perspective

Teach what is possible: use big projects that have succeeded

Educate constituents (because legislators follow them): need a grassroots campaign for land conservation and smart growth

Focus on one or two incentive increases or obstacle decreases—i.e., go deep not broad (e.g., expand the permanent investment pool, lower costs for “good” development, create incentives for conservation investment, but nothing more)

Show how to make a profit and be a good person

Write up project success stories for professional journals (e.g., real estate journal) and large newspapers

Use mentoring: find companies that fund shadowing to show examples of deal-making

Create a group of retired professionals to help project participants

Notes from Presentations

1. Al Lima, Town of New Bedford

Al described a land conservation project in New Bedford, which historically has had little interest in land conservation. The goal was to protect a 15,000 acre “greenbelt,” in which 4,000 acres were owned by one person. There were fears the area would become one large sprawl development if left unprotected. But, because the state environmental agency (EOEA) was not interested in the project, those involved had a vision but no means to accomplish it. The situation improved when someone in EOEA became interested, and the political will to save the land began to emerge. The Trustees of Reservations (TTOR) also became involved and helped create an agreement with the City to protect some of the land. The city’s interest was based in the possibility of using some of the forest land (300 acres) for an industrial park, but the site needed

a road interchange. The end result was 4,000 acres of land acquired by TTOR for \$14.1 million, and EOE put an additional \$2.4 million into escrow with TTOR until a road interchange was built at the proposed industrial site.

Key Points:

- In moving a project forward, it is important to **tie into the self-interest of involved parties**. In this case it was economic development and an environmental area for urban kids.
- It is important to **have a vision of what you want the landscape to look like**. The vision will enable clear thinking and smoother process.
- It is important to **trust luck and opportunity** if you want the right people to fall into place at the right time. In this case, the lack of interest on the part of state agencies disappeared when the right people showed up.

2. Frank Stewart, Northland Residential Corporation

Frank discussed the development of a one-owner 68 acre parcel in Sudbury. Frank enabled the limited development of this parcel, whereby 65% of the parcel was protected with a conservation restriction, and the remainder lots cannot be resubdivided. He made the point that sellers are often not aware of different development scenarios, and will often accept less money for quicker development that includes conservation. There were 22 offers to develop the property, ranging from \$7 – 18 million; his offer was accepted at \$9 million to develop 14 home sites. He presented overlays of restricted areas, building envelopes, streetscape protections, etc., to the planning board, and the plan was accepted eventually. The Approval Not Required process, often viewed as a problem for protection of open space, is actually what facilitated open space protection in this case, because speed in permitting is what the seller required to be able to accept Frank's low bid.

Key points:

- Sellers often think their only options are high density development or high levels of conservation; they don't know about options in the middle. This suggests a need to **provide models of limited development to the general public**.
- There is a pervasive negative attitude about developers; "they are put through the wringer when they think out of the box." This suggests it is necessary to **educate the general public about developers and smart growth**.
- High density is not a reward to a developer. To a developer, a reward is a process that treats a piece of property carefully, quickly, and without resistance. This suggests it is important to **focus on streamlining permitting processes**.
- Developers should be encouraged to set aside open space at the beginning of a project, to get tax benefits. Otherwise, they may remain suspect and only do it if they must. It is necessary to **show that it is possible to combine profitable (\$700,000/lot) development with conservation and tax benefits**.

3. Bob Wilber, Audubon Society of Massachusetts

Bob described efforts of the Southeastern Massachusetts Conservation Partnership (SEMCP), a coalition of environmental groups pursuing a broad approach to land conservation on cranberry-growing land owned by Makepeace, Inc. Traditionally, cranberry growers could make \$25,000 – 40,000/acre/year, but an industry downturn has raised questions about the disposition of the land owned by Makepeace. SEMCP recently identified 14,000 of the 90,000 acres owned by Makepeace as having exceptionally high conservation value; at the same time, Makepeace announced plans to build 6,000 residential units in the same area. Although the outcome of current negotiations between SEMCP and Makepeace has not been determined, several lessons have been learned from the process thus far:

Key points:

- It has been helpful to **think at a large spatial scale**; this has motivated many people about the value of the project.
- It has been helpful to **work with nationally recognized players**; in this case Philip Tabas of TNC has been instrumental in developing a tax strategy for the project (selling the land at its current value would create a 99.9% capital gain for the owners).
- It has been difficult to work with 10 environmental organizations, all with different missions. Eventually two groups split off, and it further became difficult for others to differentiate between “good cop” and “bad cop” environmental players on the project. This was compounded by some people having bad or extreme images of environmental groups of any kind, and suggested a need to **clearly differentiate roles of all environmental players**.
- It has been helpful have federal, local, and state official working together with legislators to make proposals to the owners, suggesting it is important to **have a broad spectrum of interests making proposals to owners of large parcels**.
- The partnership represented by SEMCP was attractive to funders, but they needed a *deal* that they could work towards, suggesting it is important to **clarify as many details as possible of real estate transactions prior to raising funds for open space acquisition**.
- Negotiating quietly behind the scenes can help avoid a public “train wreck,” but it can also be used against you.

4. Stephen Johnson, Sudbury Valley Trustees

Stephen described a limited development project in Framingham in which an owner of a 120 acre parcel wanted a conservation outcome. However, the land was also part of her family legacy, and she had three children with deep interest in realizing value from the land. The owner was willing to offer a bargain sale of \$2 million, which was more than the conservation group (Sudbury Valley Trustees) could provide. Several conservation partners became involved, and eventually 80 acres were protected (through ownership by the town and the State holding an easement) and 40 were sold for residential development (11 lots at about \$350,000 each).

Key points:

- This was a “great outcome on the land,” but there were problems with the process that highlight the need to **evenly allocate risk among players**.
 1. Risks were unevenly distributed among players, with a disproportionate share on the developer.
 2. Sudbury Valley Trustees Needed appraisals on each parcel but could only obtain one for the entire property.
 3. It was difficult to hold the group together throughout the project. For example some parties threatened to back out if closing could not be accelerated.
 4. Sudbury Valley Trustees suddenly had a large funding gap late in the process, and did not benefit substantially from the project. In fact the project was a significant financial loss for them, even though they had assumed less risk than the developers. The only positive result for them (besides seeing land protected) was that the developer donated Sudbury Valley memberships to the new homeowners, and there is hope the new members will be generous donors to the Trust.

5. Kathy Leahy, Audubon Society of Massachusetts

Kathy described the Green Neighborhoods Initiative, an effort on the north shore of Massachusetts to help local governments implement open space zoning. The Initiative has been very successful in raising funds to support implementation. To date, model ordinances have been created to encourage open space residential design (OSRD), have been approved in four towns, and are being considered by many others. No homes have been constructed under the plans, but several proposals have been submitted, including one with an affordable housing component. The initiative is proving to be a positive force for balancing needs of residential development and open space protection. Several upcoming challenges in implementing the Initiative include how to advocate for regional planning, what will happen when planning boards change after OSRD is adopted, and how to clarify the financial details of OSRD implementation.

Key points:

- It has been helpful to **encourage a proactive approach to resource conservation by municipalities**.
- It has been helpful to **partner with and empower local officials**. By helping them become local champions, they are able to run with the ideas behind OSRD and effect positive change.
- It has been helpful to **bring together groups that traditionally do not speak with each other**. In this case Massachusetts Audubon and the Massachusetts Homebuilders’ Association are communicating frequently, and now have a productive relationship.

6. Shep Spear, Camelot Realty Trust

Shep described a limited development project on 130 acres in Georgetown. His development firm owned 35 of the acres and bought the remainder from the abutter, with a plan to protect 55% of the open space and build 45 units. There were several problems with the process. First, it

took four years of difficult negotiations to get all the permits, and this was “too much bashing for someone that wants to do good” through limited development. Finally he was allowed to build 53 houses with 10% being affordable. However he then only built 43 (and lost on the deal financially), because the planning board later chose not to allow affordable units in the development. To exacerbate the situation, a planning board member subsequently approached him and asked for more money because the plan did not have affordable housing in it.

Key points

- Conservation commissions are not the right groups to protect remnant open space parcels (they do not have enough money to do the work properly, and the constant need to consider new parcels limits their ability to enter lengthy negotiations). This suggests the need to **create niche land trusts to accept and steward remnant open space parcels created through limited development.**
- In rural areas, with issues around installation of new septic capacity, one option is to install a septic treatment plant. A minimum of 25 units may be required to take this approach, and in this case a condominium association was needed. However, it is difficult to sell condominiums in rural areas, because owners will not own the land. Through this experience he identified several problems with the Green Neighborhoods Initiative (note that Shep is a central figure in developing the Initiative): there is still no connection with affordable housing, there are still no thoughts about access to anything except by car, and it is not clear if the protected land will have public access. This suggests a need to **focus on affordability, walkability, and public access** in conducting limited development projects and in refining the Green Neighborhoods Initiative.
- Further, he encountered hesitation on the part of realtors about whether the units would sell; although it is a plus to have lots that people can design to their specifications, they may be difficult to market well. This suggests the need to **market the marketability of cluster developments.**

7. Leigh Youngblood, North Quabbin Regional Landscape Partnership

Leigh described the North Quabbin Regional Landscape Partnership, which consists of over 40 partners (federal, state, non-profit, university, municipal, and private) with an interest in conserving land in the region. Based on the planning efforts of the Partnership, Mount Grace Land Conservation Trust and others have protected about 5,000 interconnected acres in 15 months. Although few of the projects have involved residential development, about ¼ of the conservation restrictions have left exclusions for the existing house and/or future houses. The primary lessons to emerge from the experience are about how to develop and conduct landscape-scale conservation initiatives.

Key points:

- In designing a large-scale conservation project, is important to **have all parties in one room** and ask “What do we all do in this region?” In this case, sharing information brought people closer and helped create common goals.
- To avoid conflicts of interest within a diverse group, it is helpful to **agree to disagree**; this can be made easier if the group agrees to **narrow the mission.**

- In developing funding mechanisms for a large-scale conservation project, it is helpful to **involve influential players at the correct time**. In this case, the vision and partnership were in place prior to bringing in Bob Durand from EOE. When he became involved, he perceived momentum and a high likelihood of success for the project, so he directed substantial State resources to it.
- In attempting to develop support for conservation on private land, it is important to **share costs** of the conservation action with the land owner, **ensure that the project is compatible with the character of the region**, and **work with a locally respected person to champion the project where possible**.

PARTICIPANT CONTACT INFORMATION

Name	Phone	E-mail
<u>Attendees/Presenters:</u>		
Al Lima	(508) 460-3799	alima1@rcn.com
Frank Stewart	(617) 641-6701	fstewart@northlandresidential.com
Bob Wilber	(781) 259-9500	rwilber@massaudubon.org
Stephen Johnson	(978) 897-5500	sjohnson@sudburyvalleytrustees.org
Kathy Leahy	(978) 927-1122 x2700	endicott@massaudubon.org
Shep Spear	(781) 334-6789	shespear@aol.com
Leigh Youngblood	(978) 248-2043	mtgrace@shaysnet.com
Lee Cunningham	(978) 887-8876 x19	l.cunningham@eccf.org
Matt Zieper	(617) 367-6200	matt.zieper@tpl.org
Philip Tabas	(617) 542-1908	ptabas@tnc.org
Tracie Hines	(978) 356-6607	tracieh@town.ipswich.ma.us
Wes Ward	(978) 921-1944	wward@ttor.org
David Santomenna	(978) 768-7241	dts@ecga.org
<u>EFC Personnel:</u>		
Dick Barringer	(207)-780-4418	barringr@usm.maine.edu
Sam Merrill	(207)-228-8596	smerrill@usm.maine.edu
Carry Oostveen	(207)-228-8594	carry.oostveen@maine.edu
Martha Freeman	(207)-871-7890	mfreem@maine.rr.com
Diane Gould	(617) 918-1569	gould.diane@epa.gov
Susan Quateman	(978)-468-7773	squateman@attbroadband.com

3.) *New Hampshire*



New England Environmental Finance Center



State of New Hampshire Roundtable Discussion on Innovative Approaches to Land Conservation and Smart Growth March 28, 2002

MEETING SUMMARY

Session 1 Notes are from the individual presentations about what worked well and what did not work well in financing and coordinating limited development projects. The notes were taken by Carl Eppich.

Session 2 Notes are from the facilitated discussion about what works well and what does not work well, what might work, and how the EFC might help increase incentives and decrease obstacles to land conservation in the context of smart growth. The notes were taken by Martha Freeman.

Notes from presentations are from the meeting audio tape, transcribed by Alison Barker, and were supplemented with notes taken by other EFC personnel at the meeting.

Written responses to questions we asked of participants will be incorporated into the final roundtable series report, along with an evaluation of trends to emerge from the series.

Session 1 Notes

Category	What Worked Well	What Did Not Work Well
State Support	Developers and conservationists joining to change state laws	Unhelpful state laws
Partnering	<p>A Planning Board that wants an open space ordinance</p> <p>A developer who likes the project enough to want to live there</p> <p>A conservation group that will accept ownership of cluster open space</p> <p>A creative developer, with capacity to buy land and reap tax benefits</p> <p>Getting farmers on your side, and advocating for preservation of agricultural land</p> <p>Involving more people, working with those who are influential and get things done</p>	<p>Adversarial relationship between town and planning board</p> <p>No people on planning board committed to conservation</p> <p>Unhappy abutters</p> <p>Conservationists dealing with landowner instead of developer</p>

Category	What Worked Well	What Did Not Work Well
Process	<p>Having patience</p> <p>Being persistent</p> <p>Having credibility and a track record</p> <p>Having integrity</p> <p>A developer offering more money in exchange for process streamlining</p> <p>A land trust helping the developer streamline town processes</p> <p>Having alternative plans for the same site</p>	<p>Fear-mongering</p> <p>Affordability</p> <p>Lack of coordination, communication between city departments</p> <p>Difficult, long negotiations</p> <p>Generally, few have experience with good development</p>
Tools	<p>Using a mix of financing mechanisms</p> <p>Conducting a cost of community services study</p> <p>Having town-wide performance-based commercial industrial zone</p> <p>Having zoning that allows higher density senior housing</p> <p>Having density that varies by distance to town center (closer = > density)</p>	<p>Towns taking advantage of concessions offered by developers</p> <p>Towns not having a full-time planner</p> <p>Finalizing conservation easement terms after project approval</p> <p>Appraisals that are massaged so landowners hold out for more \$</p>

	Cluster ordinances that give bonuses for overcoming the large lot market	
	Providing flexibility in road dimensions regulations	
	Working in a wealthy community with fundraising potential	
	Having permitting in place before suggesting “smarter” development	
	Using land trust easement values as federal fund match	
	Planning for tie-ins with existing trails, open space, wildlife corridors	
	Using carefully constructed overlay districts with specific objectives	
Education	Having a shared community vision as a basis for a master plan	Insufficient public education about open space/cluster ordinance
	Having good land resource information	Insufficient money for public outreach
	Identifying the best areas for a town to preserve as open space	Negative public opinion about cluster ordinances
		Fear of change
		Dislike of belonging to homeowners’ associations
Parameters	Market timing matters	Aesthetic concerns trumping ecological ones
	Developers must begin the process early, with appropriate town players	Engineering requirements trumping ecological services
		Costs, infrastructure constraints can be too tight, leading to being priced out of the market

Session 2 Notes

What works?

Win-win, incentive-based relationships

An ethic that values community

A time-consuming process is okay, if it follows rules and ensures a product at the end

What does not work?

Adversarial behavior

Long timelines

Lack of certainty in routes for developers to follow

On planning boards, when personal experience of members substitutes for rules

When the regulatory process is used as a tactic to delay growth

Disincentives to villages (e.g., current zoning and difficulties in creating developments for those over 55)

Ethic of individualism

What might work?

Professional planning for small towns

Capital budgeting in towns

Better housing technology so big lots are not needed

Redevelopment

Truly comprehensive planning, including planning for growth

Providing a village zone with incentives (e.g., access to trails)

Local articulation of social and cultural values, and identification of natural places in need of protection

Use of digitized tax maps to designate special local natural places

Developing regional land trust capacity

How might the EFC help?

Supply data on homeowner satisfaction with cluster developments

Provide market studies for mixed use and small houses

Conduct studies to determine whether conservation land increase housing costs, how much, and under what conditions

Help with finding ways to finance putting different densities in different parts of town

Help equalize \$\$ difference between natural resource-based and traditional planning

Help with community services costs analyses (especially regarding schools costs)

Create land-use visioning process that precedes regulation

Educate the general public

Educate town officials about planning

Inform about the relationship between smart growth and smart building energy use

Dispel the myths about affordable housing and smart growth

Provide resources to help people think holistically, big picture

Help create whole visions: ecological audit, people audit, etc.

Make the case for requiring open space development in identified areas

Develop stories and pictures, not jargon (e.g., cluster, PUDs, etc.)

Create processes that help bring people together (i.e., the opposite of Bowling Alone)

Provide analyses and information specific to NH

Notes from Presentations

1. Adam Block, Town of Pelham

Adam described a planning dilemma in Pelham, a town of 11,000 residents that is almost entirely built-out. Two times in recent years, town planners have developed and put forward an open space planned development ordinance; both times it has been voted down. In his view this was a result of several problems: 1) because the town did not have a full-time planner, they had insufficient time to educate residents about open space subdivisions, 2) an influential resident (the planning board's former attorney) spread misinformation about open space ordinances, and 3) nimbyism was present; at a hearing regarding one property that would be affected by the ordinance, 15 disappointed abutters were present and vocal. These experiences suggested that towns interested in implementing open space ordinances should **hire full-time planners** when possible, and **conduct public education campaigns prior to a vote.**

2. Kate Hartnett, Town of Deerfield

Kate summarized 10 years of history in open space planning and zoning issues in Deerfield. In the late 80s, the Society for Protection of New Hampshire Forests served as a catalyst for formation of the Deerfield Conservation Commission, which has since conserved over 700 acres that are now part of a regional greenway corridor. In the early 90s a Natural Resources Inventory was conducted by the town, followed by a Community Profile for Vision, a cost of community services study, and a Master Plan. In 2001 the Commission succeeded, over select board objections, to direct a portion of the Use Change Tax to a conservation fund for open space protection. In that year \$50,000 was allocated for open space protection. Additional events included acceptance of an open space subdivision ordinance, which requires developers to consider an open space subdivision if there is impact on Natural Resource Inventory-identified lands of special importance. New ordinances also specified greater allowable density closer to the town center (9 units per 3 acres within 1 mile of the town center, 6 units per 3 acres within 2 miles, and 1 unit per 3 acres over 3 miles). Further, there were zoning changes to allow higher density senior housing in some areas, to mix uses, and to address energy efficiency and stormwater management.

In Kate's view these outcomes were a result of 10 years of patience, persistence, and the Conservation Commission's gradual development of credibility. Difficulties encountered included the fear of change from the familiar, preferences for aesthetics over ecology, preferences for engineering over ecological services, and the absence of experience with good development. Collectively these experiences suggest the need to **be persistent, be patient enough to develop a track record of successes, and "work with people who get things done."**

3. Bill Norton, Norton Asset Management and Concord 2020

Bill described the “Over-55 Housing Limited Partnership,” which has a goal of providing small-scale, affordable senior housing in-fill projects in the village of Concord. He explained how these projects are exceptionally difficult to implement, because they are generally prohibited by existing rules. In one project on 14 acres, standard steps were taken to move the project forward (surveys and mapping of topography, setbacks, and wetlands, to identify buildable areas), but substantial problems were encountered when roads needed to be built to town standards (regardless of size of the road, and even though the town administration was not certain why some rules, such as one requiring a cul-de-sac, were in place). The original intent was to provide 10 – 12 homes at \$160,000, but after complying with town rules, all that will be possible on this site is 8 homes at about \$240,000.

An additional interest that Bill and the Partnership had in this parcel was that if it were to be considered part of a larger tract that tied into a local trail system, there was potential for the Town of Deerfield to buy an estimated 400 acres nearby and allow developers to purchase and develop a portion of that piece. For limited development and other housing projects, this highlights the need to **think regionally about non-housing goals such as public access to open space.**

Two additional problems were described with building affordable housing for the over-55 market: 1) older buyers often want maintenance free houses, so that competing with the “recently renovated ranch” tends to increase the price of a new home (also, lending institutions don’t understand this, making acquisition of capital more difficult), and 2) communities are often opposed to senior housing because “somebody with kids might buy that house,” increasing the local tax burden. Most towns that accept senior housing desire an absolute covenant that residents of the new units must all be over 55.

4. Eric Chindburg, Chindburg Builders

Eric described several limited development projects in Stratham and Durham. Projects in Stratham are generally a success because the Conservation Commission is willing to negotiate with developers who offer more than the required value for a property in return for a streamlined permitting process. This has been especially successful because of the Conservation Commission’s willingness to accept fee ownership of residual open space parcels. The town has also passed a cluster development ordinance, which gives developers a range of incentives for good development (such as bonuses that increase with the amount of open space protected on a parcel). Additionally, the town has been flexible with their road dimension requirements, allowing small roads when larger ones were unnecessary. These experiences highlight the need for towns to **write progressive cluster ordinances**, and suggest that developers can **negotiate with towns in advance of the permitting process** to ensure a smooth application.

In Durham, however, Eric’s experience has been less pleasant. On one 75 acre parcel, his plan was to provide 18 house lots and have >50% of the land protected (40 acres). Although the planning board loved the plan, several abutters sued. He tried to fashion a deal with them,

through buying an additional 30 acres and reducing the number of houses to 16, but the plaintiffs have decided that after all they want nothing to be developed on the site, and have been making the process difficult for him. Finally he received a call that he was to be responsible for an additional \$3,000 in town fees for handling the project. After 2 years of cooperating, he was quite disturbed to get this call and told the town he would not do the project. This experience suggests the need to **find creative ways for project partners to help each other cover last-minute funding gaps.**

5. Julie Iffland, Trust for Public Land

Julie described a successful limited development project on 103 acres in Manchester, MA, in which TPL worked with developers and local communities to create a development plan for the parcel. Several drafts of the plan were developed, including one with 81 lots in a traditional subdivision, then one with 13 clustered lots. The plan finally accepted was put forward by the developer; expensive homes were built on just 6 lots and more of the parcel was put into conservation. The parcel sold for \$2.8M, and the cost to the developer was \$2.4M; with TPL's help, nearby residents were able to contribute \$350,000 and the town gave \$150,000 to cover the remainder. The developer subsequently donated the peripheral conservation land for tax purposes. Circumstances that contributed to success of this project included that there was substantial community participation in determining what was best for the parcel, the community was affluent, and that the developer not only felt strongly about conservation in the area (and purchased one of the lots) but also worked very well with groups. These experiences suggest it can be helpful to **involve neighbors in planning for the parcel**, and to **target wealthy neighbors** in planning how to pay for open space protection in limited development projects. Difficulties in the project included that that it took a long time to fashion a deal, that the developer had wanted to get more out of the deal than they did, and especially that although the general terms of the easement had been negotiated early in the project, a year of process had intervened by the time easement terms were to be finalized. During this lag period the bar appeared to be raised regarding what would be protected, and this created some ill feelings (suggesting the need to **clarify and finalize easement terms early in the process if possible**). However, the developer would do a similar project again, partly because the town and community benefited greatly from increased public access to protected trail networks.

6. Peter Dow, Town of Exeter

Peter described a successful limited development project on 475 acres in Exeter. The Rockingham Land Trust, the Nature Conservancy, and the Green Bay Resource Protection Partnership worked with state agencies to secure grant funding for acquisition of 454 of the acres. The remainder was developed into ten 2-acre house lots. Raising funds for the open space acquisition was facilitated by gifts of conservation easements to the Rockingham Land Trust (\$1.2M in value) that served as match for grant requests. The project proceeded smoothly in large part because the developer received substantial assistance with subdivision approval from the Conservation Commission and the Rockingham Land Trust, illustrating that land trusts and

Conservation Commissions can reap significant rewards if they **partner with developers before the permitting process is underway**. An additional factor in the project's success was that prior to negotiations, all parties were able to **use topographic, wetlands, survey, and other mapping information effectively** in planning an preparation of the subdivision proposal. Nevertheless, there were numerous complications during the process, including that at one point the seller thought market conditions had changed and tried to back out of the deal. The developer was subsequently forced to the court system to obtain a purchase and sale agreement. These experiences highlight the need for all parties to **be patient and persistent** in coordinating limited development projects, because delays and complications are likely. Peter also voiced concern about the impact that demand for conservation land may be having on real estate values generally, and pointed out that some residents are choosing to keep their assets in the land instead of selling now, because its value is likely to increase with the demand for conservation land.

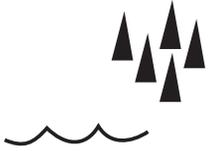
7. Michael Keane, Michael Keane Architects

Michael described two successful limited development projects in Stratham. One provided 54 units in densely compacted duplexes on 30 acres and protected the remaining 60 acres on the parcel, and another has been approved to provide 63 units on 48 acres and protect the remaining 94 acres on the parcel. In both cases, the developer benefited from being able to **use density bonuses** in existing ordinances, which met their goals while increasing the amount of open space protected. It was also beneficial to **have project designers and town planners work together to identify which portion of the parcel would make the greatest contribution to protection of wildlife corridors and provide the best opportunities for public access**. This process further helped minimize the number of wetland crossings and other environmental impacts. The primary difficulty encountered on both projects was negative public opinion. On the duplex project, residents were initially concerned with the condominium concept, but were eventually convinced of the value of the project. Generally residents did not understand the degree to which they could benefit directly from open space protection (versus having the same number of homes spread throughout the parcel), reinforcing the need to **educate neighbors about the benefits of limited development prior to initiating a project**.

PARTICIPANT CONTACT INFORMATION

Name	Phone	E-mail
<u>Attendees/Presenters:</u>		
Clay Mitchell	(603) 659-3617 x2	clayaz@nh.ultranet.com
Kate Hartnett	(800) 769-7420	khartnett@thejordaninstitute.org
Bill Norton	(603) 625-9628	wbn@nortonnewengland.com
Eric Chindburg	(603) 868-5995 x11	cbieric@ttlc.net
Julie Iffland	(802) 223-1373 x12	julie.iffland@tpl.org
Peter Dow	(603) 772-6157	pdow668044@cs.com
Michael Keene	(603) 778-4838	mjkarchitects@netway.com
Dijit Taylor	(603) 717-7045	dtaylor@spnhf.org
Paul Doscher	(603) 224-9945 x353	pdoscher@spnhf.org
Carol Barleon	(617) 576-1745	c_barleon@osp.state.nh.us
Elizabeth Adams	(802) 223-1373	elizabeth.adams@tpl.org
<u>EFC Personnel:</u>		
Dick Barringer	(207)-780-4418	barringr@usm.maine.edu
Sam Merrill	(207)-228-8596	smerrill@usm.maine.edu
Jack Kartez	(207) 781-5839	jack@usm.maine.edu
Martha Freeman	(207)-871-7890	mfreem@maine.rr.com
Diane Gould	(617) 918-1569	gould.diane@epa.gov
Rosemary Monahan	(617) 918-1087	monahan.rosemary@epa.gov
Susan Quateman	(978)-468-7773	squateman@attbroadband.com
Carl Eppich	(603)-591-6133	cfepich@yahoo.com

4.) Connecticut



New England Environmental Finance Center



State of Connecticut Roundtable Discussion on
Innovative Approaches to Land Conservation and Smart Growth
April 11, 2002

MEETING SUMMARY

Session 1 Notes are from the facilitated discussion about what works well, what does not work well, what might work, and how the EFC might help increase incentives and decrease obstacles to land conservation in the context of smart growth. The notes were taken by Carry Oostveen and Martha Freeman.

Notes from presentations are from the meeting audio tape (transcribed by Alison Barker), and were supplemented with notes taken by other EFC personnel at the meeting.

Written responses to questions we asked of participants will be incorporated into the final roundtable series report, along with an evaluation of trends to emerge from the series.

Session 1 Notes

What works?

Creation of attractive open spaces in cities (attracts development nearby)

When there is a financial return on open space utilization and preservation

When neighborhood management teams are listened to

Listening

What does not work?

Developers are sometimes penalized for working and thinking progressively and outside traditional development structures

Town commissioners often plan in a vacuum, not adequately involving other community representatives

It is difficult to acquire information about likely infrastructure costs on projects in cities

Permit approval processes are sometimes too long

Permit approval processes are often more problematic in cities than in suburbs

Trying to build on brownfields can be too difficult

What might work?

Allocating a portion of real estate transfer or other taxes to support open space protection

Building relationships outside the formal permit approval structure

Being specific about possible uses of protected open space

Cities valuing open space for uses other than building (e.g., parks)

Developing and implementing user-friendly and affordable land use visioning technology
Changing property tax rules to affect land use – (e.g., to reflect that business development is a property tax benefit, but adding kids to a community is not)

Using a term other than “affordable housing” – e.g., “quality housing at whatever price”

Using a term other than “growth management” – e.g., “growth accommodation”

Using a term other than “limited development” – e.g., “preservation or best use development”

Educating that business park planning and open space planning go hand in hand

Helping people learn to listen better

Providing builders with feedback about why specific permit applications are or are not approved

How might the EFC help?

Analyze how tax policies drive land use patterns

Help provide examples of alternatives to conventional subdivisions

Create models of outside-the-box consensus building prior to beginning approval process

Create a model program for education of land use boards and town citizens about development processes

Help minimize municipal fears about buying open space – e.g., provide environmental remediation information

Supply answers to frequently asked questions or problems faced by local officials regarding development and open space

Teach local officials that economic development and preservation go hand in hand

Create and use new terminology to diffuse emotion – e.g., “diversity housing”

Teach listening skills, and how to use them in public hearings

Encourage public input at regulation development stage, not just when project proposed

Teach tax policy realities

Teach how local government works

Develop graphic, concrete teaching tools

Notes from Presentations

1. Steve Patton, The Nature Conservancy

Steve described successful limited development projects in Weston and Redding. In both, houses were built on a portion of the parcel for sale in order to help finance acquisition and protection of the remainder. In Weston, TNC worked with a bank on a 77-acre, foreclosed-upon property. Seven lots were sold for about \$250,000 each on 17 of the acres, and TNC and the Town of Weston split the \$400,000 cost of the remaining 60 acres. This approach provided an inexpensive purchase price for TNC (about \$3,333 per acre versus the market price for raw land in Weston at the time, about \$20,000 per acre). In Redding, TNC worked with Redding Open Lands, Inc., a group formed in the 1960s that has conducted several limited development projects and donated many protected acres to the CT Audubon Society and the Town of Redding, but in recent years has been working to subdivide and sell portions of conservation lands, then return net proceeds to the purchasers of the parcel. In this case TNC purchased a parcel for \$1.35M, and 2 lots were sold to a developer for \$550,000, reducing the purchase price to \$800,000. A state grant is contributing \$425,000 toward this amount, and TNC and the Town of Redding are splitting the remainder, again at a cost significantly reduced by the sale of house lots. The projects demonstrate that to close funding gaps it can be very helpful for a land protection organization to **sell and develop a portion of the open space**. In both cases it was helpful that town leaders knew about tax burdens of single-family residents relative to the potential tax revenue they might generate. Difficulties encountered on the projects included some neighbors that would have preferred the parcels to remain entirely undeveloped.

2. Bob Fusari, Real Estate Service of Connecticut

Bob described two limited development efforts in Middletown. In the first, 40% of the 160-acre parcel was protected as open space, and 361 houses were built, to be sold for \$180,000 to just over \$300,000. He discussed how the project was a market success because of the focus on providing homes with frontage on protected open space at a price difficult to find elsewhere in central CT, and because new residents in the development would become part of a homeowners association (and would collectively own the protected open space). A problem he identified for residential developers in CT is that cluster subdivisions are not created through an approval-by-right process. Because cluster subdivisions require a special permit, developers can spend significant funds creating a plan only to be denied the permit and forced to create a traditional subdivision. In the second project, 30% of the 125-acre parcel was protected as open space, and 67 houses were built, to be sold starting at \$350,000. Nine of the protected acres are in a central park area for community use. On this project, there was initially a group strongly opposed to the project (The Westfield Association for Rational Development), but after several public meetings the group was in strong support of it, suggesting the need to **educate citizens' groups about the need for good land use planning and development**. He also discussed how even when developers take steps to protect the environment (such as building smaller roads than required or taking substantial financial risks to protect open space in conjunction with residential development), they rarely receive positive feedback from the conservation community. This

absence of recognition contributes to a polarized atmosphere, and suggests the need for conservation groups to **publicly support examples of good development**. Because it is very possible for developers to lose on these projects, there is also a need to **make it easier to do good development and harder to do bad development**. He also described how good development requires money, faith, and commitment over time, but added that there clearly is a market to support it.

3. Bill Voelker, Town of Simsbury

Bill described a successful limited development project in Berlin, in which 5 houses were built on 2-acre lots, with the remainder of the 90-acre parcel protected as open space. Through a series of meetings between the owner, developers, a local land trust, and the Town of Berlin, an atmosphere of respect was cultivated that facilitated the process. It was particularly beneficial to **have the local land trust appear at town council meetings and voice support for the project, as well as work behind the scenes to develop public support**. Also, an environmental remediation plan was required for parts of the farm that contained pesticides. The town initially covered this cost but the owner paid it eventually, out of the roughly \$1M purchase price paid by the town. In Bill's view, in order to create a plan that addressed environmental remediation, development pressures, and conservation, it was essential to **have the local conservation community realize that "if we as conservationists can't help devise a compromise solution to the problem, other people will."**

4. Ella Mauhs, Mutual Housing Association of South Central Connecticut

Ella described MHA's involvement in an affordable housing project with the Town of Guilford. Following a local needs assessment that included substantial community involvement, open communication, and strong partnerships with other housing organizations, MHA was able to create a 99-year lease with the Town of Guilford for \$1. Through this agreement they were able to build 13 affordable housing units clustered on a 30-acre parcel, and leave the remaining acreage undeveloped. The key to providing affordable housing in this context was to **determine in advance what organizational partnerships would be needed to carry the project to completion**, a process that identified areas of overlapping interests. It was also beneficial to **involve citizens in determining housing priorities, maintain open communication, and form strong partnerships among housing organizations**. A challenge she identified in this type of project is that although costs of a proposed development may balance at the beginning of negotiations, the number of units is likely to decrease, which may jeopardize project viability.

5. Peter Hughes, Town of Marlborough

Peter described two limited development projects in Marlborough. In the first project, 26 clustered houses were built on a 300-acre parcel, and 50% of the acreage was purchased by an

adjacent conservation group (Flanders Nature Center). Although some neighbors were initially opposed to the project, their attitudes changed upon learning about the connectivity between the land to be protected and the nature center. In this case it was particularly helpful to **have town planners serve as facilitators** for discussions between owners, neighbors, developers, and conservation groups. In the second project 25 house lots were designated on about 250 acres of a 700-acre parcel, the remainder of which was protected. The parcel had been appraised at \$4.5M. To enable the transaction, the family reduced the price to \$2.5M (and received a tax credit), the Flanders Nature Center raised \$770,000 toward the purchase, and the town contributed \$75,000. The remainder was paid for through sale of the house lots. Peter thought fund-raising for the project was helped by the parcel being surrounded by 2,000 acres of land in conservation easements, suggesting it is important to **show the regional significance of the open space to be protected**. Also, town selectmen and the zoning commissioner were in full support of the project, because of tax-base implications of alternative development scenarios (with more units) that were considered for the parcel, suggesting the need to **conduct build-out and tax-base analyses and share them with town government and residents**.

PARTICIPANT CONTACT INFORMATION

Name	Phone	E-mail
<u>Attendees/Presenters:</u>		
Steve Patton	(203) 226-4991 x201	spatton@tnc.org
Bob Fusari	(860) 347-7378 x13	rcfsr@resc.com
Bill Voelker	(860) 658-3228	wvoelker@simsbury.k12.ct.us
Preston Maynard	(800) 656-4613 x306	pres10@att.net
Sid Pinney	(860) 240-6004	spinney@murthalaw.com
Peter Hughes	(860) 295-6202	planner@marlboroct.com
Katherine Winslow	(860) 344-0716 x314	kwinslow@tnc.org
Chet Arnold	(860) 345-4511	carnold@canr.uconn.edu
Jim Gibbons	(860) 345-4511	kgibbons@canr.uconn.edu
Linda Bowers	(860) 344-0716 x314	lbowers@tnc.org
Bill Ethier	(860) 232-1905	bethier@hbact.com
EFC Personnel:		
Dick Barringer	(207) 780-4418	barringr@usm.maine.edu
Sam Merrill	(207) 228-8596	smerrill@usm.maine.edu
Martha Freeman	(207) 871-7890	mfreem@maine.rr.com
Diane Gould	(617) 918-1569	gould.diane@epa.gov
Carry Oostveen	(207) 228-8594	carry.oostveen@maine.edu

5.) *Vermont*



New England Environmental Finance Center



**State of Vermont Roundtable Discussion on
Innovative Approaches to Land Conservation and Smart Growth
April 25, 2002**

MEETING SUMMARY

Session 1 Notes are from the facilitated discussion about what works well, what does not work well, what might work, and how the EFC might help increase incentives and decrease obstacles to land conservation in the context of smart growth. The notes were taken by Carry Oostveen and Martha Freeman.

Notes from presentations are from the meeting audio tape (transcribed by Alison Barker), and were supplemented with notes taken by other EFC personnel at the meeting.

Written responses to questions we asked of participants will be incorporated into the final roundtable series report, along with an evaluation of trends to emerge from the series.

Session 1 Notes

What works?

Projects that provide open space accessible to the public

What does not work?

Uncoordinated project reviews by state agencies

When there has been no overall vision created for conservation and development in a region

Smart growth permitting processes are too time-consuming, difficult, and expensive

The permitting process does not get enough attention and is not “in the market” for review or change

Laws that set up competing interests for developers (e.g., taking advantage of tax breaks for open space donation results in donated land being considered as part of a project, triggering state level review)

A state land use law that actually encourages non-smart growth

Failing to see the bigger picture (that housing demand will remain; if opposition succeeds in blocking a project, the project will relocate somewhere else, perhaps in a less-smart location)

State agencies that are too narrowly focused (e.g., on wetlands), creating conflicting policies and large loopholes between agencies

When preservation is currently proposed it is usually approved. However, the State and towns should take a better look in the future to see if other questions are addressed by the proposed land protection (public access, affordable housing, community needs, and the consequences of preservation)

What might work?

Creating a revolving loan fund for high risk financing, especially for affordable housing (e.g., EPA appealing to congress for a direct appropriation)

Creating loan fund for interest payments

Issuing grants instead of loans for smart growth developments

Focusing on permitting risks rather than market risks

Helping understand the cost/benefit effects of encouraging smart growth (e.g., educating that environmental regulations that encourage infill development sometimes do so at the cost of class 3 wetlands. 'Whether trade-offs are appropriate' is not discussed enough in the environmental community.)

Helping create a more straightforward permitting process

Helping develop regional planning review of local planning decisions

Assisting in town review of conservation proposals in the context of other community needs

States conducting project reviews that apply to more types of land use – e.g., review of “trophy houses”

Conducting a housing needs awareness campaign

Leveling the process playing field for those involved in development and conservation; e.g., reducing the influence of last-minute no-votes on good developments, perhaps through creating a more expensive mechanism for neighbors/communities to appeal the process (currently \$25 fee versus “big bucks” for developers)

Creating a computer program that allows simulation of proposed developments to help determine whether the development is smart

Helping to appoint a permit facilitator to reevaluate permit requests regionally

Educating residents (by radio and television advertisements) that their youth are leaving the state because houses are not being built affordably or fast enough

How might the EFC help?

Facilitate communication between conservationists and developers regarding projects of joint interest

Research environmental values that should be considered during the appraisal process (e.g., what is the effective monetary value of public trails proposed for a parcel being considered for development and/or protection?)

Research creative financing mechanisms, especially for private developers

Suggest ways EPA can mitigate unintended and unwanted land use effects of environmental regulations

Teach state agencies to see the bigger land use picture rather than focusing solely on their own turf (programs)

Teach state agencies how to follow through and assess the impact of their decisions on land use

Teach negotiation skills to state agency staff

Help develop criteria for assessing open space deserving of protection

Help develop a list of model values communities should assess in zoning decisions—e.g., housing needs, needs for commercial development, protection of agriculture, open space protection, natural resources valued by the public

Help develop criteria for smart growth certification so that projects could avoid onerous permitting processes

Notes from Presentations

1. Adam Lougee, Conservation Designs, Inc.

Adam described a limited development effort by his firm on two adjacent parcels that total 90 acres in Waitsfield. Although 75 acres were set aside for conservation with only 11 building lots on the remainder, and although the town plan designates the land for low- to medium-density development, there have been significant problems in bringing the project to fruition. Specifically, a small number of neighbors did not appreciate the proposed open space protection, but instead focused on the clustered development and the negative consequences they thought it would bring. Many efforts were made to engage the neighbors early in the process, prior to septic capability studies and sketch plans that were conducted for the proposed development, but the discussions were not constructive. The number of proposed units has been reduced so that the project is now only marginally viable commercially, but the local opposition remains. One possibility Adam mentioned for how things could have proceeded better was to have **come into negotiations early with a higher number of proposed houses than intended**, so that greater concessions could have been made, and the project could perhaps have proceeded more smoothly. He currently expects to be litigating the proposed project in environmental court. An additional problem he identified was a requirement that the parcels enter the Act 250 process because they are adjacent, regardless of the overall conservation value or tax implications of the project. Although he could have reduced the number of proposed units to 9 and avoided this stipulation, that would have rendered the project financially untenable. Throughout the process, it has been helpful to **maintain a good relationship with the town through engaging the select board in the conservation plan**.

2. Chris Boget, Lake Champlain Land Trust

Chris described a successful conservation project in Colchester that worked well largely because of awareness about the local context for housing and human needs. The parcel has 47 lakeshore acres and is only a few blocks from a 36-unit senior living facility. To initiate fundraising for the parcel the land trust approached the Vermont Housing and Conservation Board (VHCB), which appreciated the neighborhood context of the proposal and contributed \$200,000 toward the eventual purchase of the property for \$750,000. This was \$100,000 below the appraised value and included \$53,000 from the Town of Colchester among many other sources. The land trust then donated the property to the town of Colchester and maintained an easement on it. The project was successful largely because of early conversations with VHCB about benefits of increased recreation opportunities that would be created through a boardwalk and trail system to be put on the property. Similarly, conversations with the Town of Colchester about the desired balance of protected areas, areas for recreational use, and areas for development were instrumental in creating financial and other support for the project. This underscored the need to **fit land protection projects into the community context**. Also, early in the project 20 houses had been proposed for the parcel; in retrospect it was discussed how those houses could have been used to leverage development in another, more appropriate place if there had been enough communication between possible cooperators. This awareness highlighted the need for agencies, land trusts, and developers to **keep other land use groups informed of your proposed projects and seek opportunities to trade residential development into designated growth areas**.

3. Bob Marcellino, Homestead Design, Inc.

Bob described a limited development project in downtown St. Albans that his firm abandoned when it became clear the process would be too costly and difficult. The proposal for the 28-acre parcel included 18 units, mostly in a senior housing apartment complex, to be clustered on 10 of the acres. The remaining 18 acres were to be donated to the town for creation of a public trail network. At initial meetings with the local community, 60 – 80 people were in clear opposition to the project, even though direct benefits to the community were illustrated and the impacts of placing those units elsewhere on the landscape were discussed. The firm then agreed to present a design consistent with what the town said it wanted, a design that included 28 single-family lots more spread out on the parcel. The firm subsequently decided not to pursue the project because of costs during what was expected to be a lengthy appeals processes (in the initial contract, the firm was to continue paying taxes and an carrying cost throughout the permitting process). Bob felt that the recommendation frequently made for smart growth projects, to involve neighbors in planning discussions, was not a good approach in this case, because instead of facilitating a smart growth project, it simply gave opponents a forum to organize against the project. This suggested the need to **structure land use planning processes so that input is possible and appropriate during writing of town plans, not after a plan has been approved**. This would not override local input on proposed projects, but would rather channel it through an appropriate planning process. He also suggested that planners, realtors, and others involved in land use take opportunities to **educate home buyers that lots nearby are likely to be developed someday**

(especially if the lots are in designated growth zones), and that their opportunity to influence these designations should be through the town plan, not the permitting process.

4. Andy Broderick, Housing Vermont

Andy described a project on 36 acres in a part of Burlington zoned for high density (maximum allowable density on the parcel would have been 135 units). Housing Vermont initially proposed 92 units of intergenerational, mixed-tenancy housing that would have addressed student and elderly housing needs of the community and been consistent with local streetscape design and character. Six of the acres were to be protected as open space. Numerous formal and informal public meetings were held over about 10 months, and little progress was made to bridge the gap between those for and against the project. Although the Mayor, the Community Development Office, the Planning and Zoning offices, and many local residents were in support of the project, some neighbors never moved from their position that no more than 4 or 5 units should be built. Through negotiations with the neighbors and a lengthy appeal process (1.5 years) in environmental court, the proposal changed to 72 units. Unfortunately, though the project was implemented, most of the original streetscape design and affordable housing components were lost through the negotiations. Further, although the process worked well (all partners were involved and politically organized in solid partnerships, a high-density zone was in place, and a good design was proposed), it did not matter: the permitting structure in VT allows “project hijacking” to occur, and does not provide consequences for those who do it. Andy emphasized that people should have the right to appeal, but suggested that in general there is an incorrect public perception that it is appropriate to commandeer the permitting process. This suggested the need to **make permitting processes more difficult to interrupt (e.g., impose higher appeal fees), create consequences for those who inappropriately hold up permitting processes, and educate the public about differences between zoning and planning processes.**

5. Bob Linck, Vermont Land Trust

Bob described a conservation and development project on a 773-acre dairy farm in Craftsbury and Greensboro that successfully addressed community desires for the future of the farm. The farm had passed from the original farmer to a group of farm managers in 1977, who managed it for 10 years until it encountered financial problems. The Vermont Land Trust was then asked by the community to help protect the agricultural land. The VLT established a steering committee of 9 charitable creditors to strategize about the disposition of the land and be responsible for funds that could not be raised through smaller donations. The group represented diverse interests in the community, including a forester, a farmer, and several neighbors among others. The project was a financial success (following purchase of the property, most of the \$700,000 cost was recovered through sale of seventeen 10 – 15 acre lots for development of one house per lot, with conservation easements on the remainder. The remaining 200 – 250 acres are now protected and leased to dairy farmers), largely as a result of focusing on the community’s desires for the future of the parcel. These desires included seeing as little change as possible on the farm, and providing the aging local population with a retirement option (which the VLT did, through donation of a portion of the land to the Town of Greensboro for creation of a 40 unit retirement facility. The facility was built with a considerable component of affordable units). The success of the project suggests it is important to **ensure a broad cross-section of community input on**

discussions about the disposition of a parcel. However, the project was relatively low-density, and in other ways might not be described as a smart growth effort. Bob suggested that if the VLT were to have the opportunity to do the project again, they might work to **help residents think more about what their long term needs are for development in the region.** Also, this project was relatively time-consuming for the VLT, requiring a full-time staff person for 3 years, suggesting the need to **conservatively evaluate expected time commitments on complex projects prior to initiating them.** Nevertheless, the project succeeded in preserving agricultural activities, rural character, and substantial open space, through an integrated community process.

6. Chris Snyder, Snyder Companies, Inc.

Chris described a current limited development project in South Burlington that has encountered substantial delays in the permitting process. A plan for the parcel was originally presented by a different developer, and though it received City and Act 250 approval, a permit was denied by the Environmental Board in an appeal brought by neighbors. Snyder Companies purchased the property, thinking they could redesign the plan and obtain project approval. Their revised plan would protect 40 of the 61 acres, and provide 48 clustered units on the remainder, but they have been in and out of court for 3 years, mostly on procedural issues, and still do not have an Act 250 permit. Currently they await reconsideration and have little indication of the likelihood of permit approval. Their aim had been to sell the homes from \$230,000 – \$250,000, but legal and other expenses incurred the 3-year delay will now add roughly \$20,000 to each home. Chris discussed how generally, this type of problem prevents both affordability of new houses and protection of open space through cluster subdivision. It is also in conflict with the Town of South Burlington’s stated interest in protecting open space through cluster subdivisions, because few developers are likely to choose to shoulder risks now inherent to the permitting process. These difficulties suggested the need to **make it more attractive and less risky for developers who might be willing to implement smart growth projects, perhaps through helping shorten permitting processes for some types of development.**

PARTICIPANT CONTACT INFORMATION

Name	Phone	E-mail
<u>Attendees/Presenters:</u>		
Adam Lougee	(802) 388-3141	alougee@sover.net
Chris Boget	(802) 862-4150	chris@lclt.org
Bob Marselino	(802) 878-3303 x206	ram1347@aol.com
Andy Broderick	(802) 864-5743	andy@hvt.org
Bob Linck	(802) 223-5234	blinck@vlt.org
Chris Snyder	(802) 879-6726	csnyder@snydercompanies.com
Kathy Beyer	(802) 828-3211	kbeyer@dca.state.vt.us
Stephen Holmes	(802) 223-2328	sholmes@vnrc.org
Paul Hannan	(802) 828-2117	phannan@vhcb.state.vt.us
David Adams	(802) 652-3478	dadams@vhfa.org
Paul Costello	(802) 828-6024	vcrd@sover.net
Ezra Milchman	(518) 587-0774	emilchman@lta.org
Elizabeth Courtney	(802) 223-2328	ecourtney@vnrc.org
<u>EFC Personnel:</u>		
Dick Barringer	(207) 780-4418	barringr@usm.maine.edu
Sam Merrill	(207) 228-8596	smerrill@usm.maine.edu
Martha Freeman	(207) 871-7890	mfreem@maine.rr.com
Carry Oostveen	(207) 228-8594	carry.oostveen@maine.edu

6.) *Rhode Island*



New England Environmental Finance Center



State of Rhode Island Roundtable Discussion on
Innovative Approaches to Land Conservation and Smart Growth
May 2, 2002

MEETING SUMMARY

Session 1 Notes are from the facilitated discussion about what works well, what does not work well, what might work, and how the EFC might help increase incentives and decrease obstacles to land conservation in the context of smart growth. The notes were taken by Carry Oostveen and Martha Freeman.

Notes from presentations are from the meeting audio tape (transcribed by Alison Barker), and were supplemented with notes taken by other EFC personnel at the meeting.

Written responses to questions we asked of participants will be incorporated into the final roundtable series report, along with an evaluation of trends to emerge from the series.

Session 1 Notes

What works?

Partnerships between land trusts, affordable housing advocates, and banks

Community-based planning

Parties with diverse perspectives working together on a concrete project

Having a state greenway plan that helps prioritize and connect land purchases

When leadership for land preservation activities comes from localities, not the state

Proposals for projects housing people over 55

In communities with schools that need filling, projects with houses that encourage families with kids

What does not work?

Middle income housing that does not provide a sufficient profit margin

When land trusts take a political stance, rather than working with a landowner's desire to develop land

When density is perceived to be associated with crime

When density is perceived to go against the lot-size of the American dream

“Developer” is a dirty word

Inheritance laws that encourage farmers to maximize their return through selling land, rather than considering alternative arrangements that might provide adequate return along with conserving land and addressing community goals

Fears of service costs from lower income families, kids

When holders of conservation easement do not enforce them

What might work?

Selling density as community

Working on a business basis (avoiding 'political mode' where possible)

Revising loan scoring schemes at large financial institutions to reflect value of smart growth projects

Hand-holders who bring developers, conservationists, towns, and neighbors together on particular projects

Community banks dedicated to a local area, that could help with financing

Capturing the market (if it exists) for mass transit

Planning that leaves future transit options open

Replacing income tax with carbon tax

Local groups percolating ideas up to the state level for financial assistance

Establishing municipal/land trust partnerships for management of conserved lands

Focusing on visual preservation of viewsapes and intersections

Addressing school funding issues

Land trusts sharing their strategic plans with local towns, discussing mutual goals

How might the EFC help?

Help create an interest-free bridge loan fund

Encourage enlightened financing

Educate bankers about smart growth projects' market value

Determine which financing structures work best for property value realities of each region

Get past town-line barriers: help with regional planning

Educate developers about the need for smart growth projects (specifically, take them places and show examples; it is not enough to hand them something to read)

Educate about transfer of development rights zoning

Help developers land trusts build trust for each other

Help towns focus on the character they want to preserve (“places of the heart”)

Teach how to mediate conflicts among users of preserved land

Develop case studies about smart growth projects that have worked, present them to private, rural landowners and planning boards

Help land trusts be strategic, defining their conservation criteria regionally and using GIS mapping

Educate the press

Create a sit-com set in a smart growth development

Generate ideas for developing land trust capacity to steward acquired land

Notes from Presentations

1. Marilyn Cohen, Town of North Kingstown

Marilyn described a successful limited development project in North Kingstown, in which 103 single-family houses were clustered on 81 acres. The project’s success was due primarily to four factors: 1) the community and developer had a vision for the type of neighborhood they wanted to create, and they were able to articulate it (suggesting that it may not be enough to articulate what you don’t like; it may also be necessary to **state precisely what you want**), 2) there was enough local capacity to review designs and provide feedback to the developer, 3) parties had adequate negotiation skills, and 4) the developer involved was educated. These experiences suggested it may be helpful to **have a planning commission that has a vision and is able to say “no” to iterations of the project design; help the community understand the importance of design details; and ensure that those involved in project development have good negotiation skills.**

2. Harvey Perry, Westerly Land Trust

Harvey described a successful limited development project on a 174-acre industrial park in Westerly, in which 80 senior-living apartments and 65 condominium units have been approved on 32 acres, and the remaining 142 acres will be protected by the land trust. A 3-party purchase

and sale agreement was created in which the developer purchased 32 acres for \$1.6M and the land trust purchased the remaining 142 acres for \$1.2M. A good relationship between the developer and the land trust was central to the project (e.g., the developer helped the land trust secure a loan for a portion of the \$1.2M, the land trust was able to identify areas within the parcel that were most important to protect, and the land trust was able to advise about landscapers that would use native vegetation in implementing the residential design). The land trust's capital campaign for the project has been successful because of the global significance of natural resources being protected and the diversity of funding sources cultivated. However, local politics hurt the capital campaign, there was little cooperation from the town, and it was difficult to identify potential bridge lenders. These experiences suggested that for negotiated projects of this type it is important to **find elements of common interest** (e.g., agree upon which parts of a parcel are appropriate for development or conservation), **recruit scientific cooperation** (in this case a geologist and others provided scientific background regarding the importance of the parcel), and **identify bridge lenders and other sources of up-front funds**.

3. Richard Youngken, The Dunn Foundation

Richard described a successful limited development project on a 70-acre farm in Portsmouth. When the property came on the market, a neighbor (who was also a developer with knowledge of alternative types of development) felt the property should not be developed according to its zoned use, and contacted Richard to encourage an alternative development scenario. Richard was then commissioned to design a development plan for the parcel. Whereas the zoned use would have created 40 lots, the plan Richard proposed included ten 2 to 4-acre lots, and easements were sold to the local land trust on much of the remainder. A focus of the design was on preserving views by locating houses behind tree cover. At a planning board hearing, public support for the project was unanimously strong. It was recognized by a group of about 25 neighbors that creative engineering had the combined benefits of decreasing infrastructure costs and road widths, preserving local character, and increasing both the financial returns for the developer and the amount of open space protected. This experience suggested that in cases where attempting a zoning change prior to a project might take years and miss opportunities for creative development, it can be helpful to **create partnerships between the town and local land trust**. In combination with creative design, this can help a proposal move smoothly through a permitting process and address a range of community goals.

4. Clarkson Collins, Town of Narragansett

Clarkson described a planning effort he is coordinating to create a 'Planned Residential District' (PRD), a floating development zone for the Town of Narragansett. In considering additional development for the town, residents are generally interested in preserving their quality of life, the value of their real estate investments, and local natural resources. The PRD seeks to address these goals by allowing interior transfer of development rights, through first identifying the number of development rights on a parcel, then strategically designating their locations within a parcel. Guidelines for these designations emphasize the use of local architectural traditions (e.g., minimum and maximum building heights) and specify that 50% of each parcel should be protected as open space. Developer incentives in the ordinance (e.g., incentives to build small,

multi-family houses and apartments on small lots, use narrow road designs, and conduct external transfer of development rights from other parts of town) provide up to a 20% increase in allowable density. The ordinance is currently in its sixth draft, and is expected to be approved soon. Although the number of properties eligible for the PRD option is roughly known, it is not known whether there is enough interest among local home builders to generate substantial development through the ordinance. Interest in the ordinance to date, however, suggests it can be a viable approach to **write ordinances that strategically locate development rights within a parcel according to community desires.**

5. Kelly Woodward, Aquidneck Island Planning Commission

Kelly described the background and efforts of the Aquidneck Island Planning Commission, which is taking a broad approach to developing a master plan for the municipalities of Portsmouth, Middletown, and Newport. Like in other parts of New England, these town councils have historically not wanted other communities to make decisions about their properties. In the mid-90s a booklet describing the island's vision for economic and other types of development was produced, and based partly on this effort the 3 towns are contributing 30% each to the cost of running the Commission. Other funders currently include the RI general assembly, which aims to keep an economic base on the island. The Commission's has conducted public meetings and charrettes and solicited ideas for redevelopment possibilities on a 400-acre Naval site. Over 380 written ideas were received through this process; the Commission then narrowed these to 3 scenarios and presented them to the community for further refinement. Though the 3 communities differ in the amount of economic and other development each would like in their town, much progress has been made toward satisfying interests of both the development and conservation communities. This experience suggests that for regional planning efforts to succeed it is important to **have a neutral facilitator and solicit diverse public input, throughout a multi-year process.** Kelly also discussed the difficulty of obtaining foundation support for this type of planning effort, because the time before expected results is longer than most foundations will allow. Nevertheless, some foundations have been supportive, and initial plan results are expected within a year.

6. Dennis DiPrete, Diprete Engineering Associates

Dennis described a limited development effort on a 60-acre parcel in North Kingstown, in which a design to build 30 units on 2-acre lots gradually evolved to a cluster design that protected 60% of the open space. Dennis discussed how some developers avoid cluster subdivisions because they suspect smaller lots will not sell well. In this case a market for the small lots was encouraged by locating a 2-acre portion of the protected open space in a forest patch at the center of the subdivision, as opposed to placing all the protected open space on one side of the subdivision. To further help with sales, during development the builder was able to save many mature trees between units. These experiences suggest that for clustered units to sell well it is important to **carefully allocate protected open space.** The process of moving from a traditional subdivision design to a cluster design was facilitated by the planning board setting a performance standard for the developer and being willing to waive regulations that prevented the developer from accomplishing the more progressive design. It was also helpful to have a developer willing to take the risks entailed by an 18 – 24 month permitting process, and who had a positive attitude

toward working with the town to produce a better design. However, he emphasized that for most small home builders, one bad project could put them out of business, so these types of risks may be unacceptable. To involve more small developers on projects of this type, he suggested it is necessary for consultants, town councils, and town planning boards to **strongly encourage developers to present creative designs** and then **follow through with performance standards and flexibility on regulations when necessary**.

7. Larry Taft, Audubon Society of Rhode Island

Larry described a 1986 project in Smithfield which RI Audubon received a donated 81-acre parcel, and in order to support management of the property into perpetuity, cut off a 4-acre piece to sell (with approval of the donor). This effort created a \$750,000 endowment to manage the property and provide public trails and diverse educational programs. At about the same time, RI Audubon gained support from the donor of the property to build a headquarters building on the refuge, and undertook a separate capital campaign for this building. Finally, through an additional acquisition the property became a pristine 125-acre wildlife refuge in an area now surrounded by shopping malls and other commercial development. Nevertheless, even for substantial public engagement at the time of the project, it has been difficult to overcome the sense that the Society violated the donor's trust in developing a portion of the parcel. The perceived issue continues to haunt potential land deals, so that the Society regularly needs to explain both the donor's interests and that without the project, the entire area would have been developed commercially by now. The experience suggests that for environmental organizations involved in developing portions of conservation land, it is important to **be exceptionally clear with the public about why the development is necessary**. Otherwise, public trust in the organization's commitment to being caretakers of the land may be weakened.

8. Ted Clement, Aquidneck Island Land Trust

Ted described a limited development project on Aquidneck Island in which the land trust saw an initial proposal for a parcel and felt the developer was proceeding without vision for the community. The trust approached the developer with a more conservation-oriented vision, and after some negotiation the developer realized the land trust could be quite helpful in moving the proposal through the permit process. The plan finally approved will protect over 70% of the 50-acre parcel, and the land trust is additionally receiving a major contribution from the developer to their land stewardship and legal defense fund. This type of approach was viewed as particularly necessary on Aquidneck island, where land may be prohibitively expensive (up to \$25,000 per acre) for land trusts to acquire by other means. Although the developer did not recognize it at first, they soon appreciated the degree to which the land trust's support could benefit them. The experience suggested it can be useful for land trusts to **aggressively enter discussions about conservation and development, focusing on how the land trust can help facilitate the permitting process**.

PARTICIPANT CONTACT INFORMATION

Name	Phone	E-mail
<u>Presenters/Attendees</u>		
Marilynn Cohen	(401) 294 3331	mcohen@northkingstown.org
Harvey Perry	(401) 348-1269	hcperry@washtrust.com
Richard Youngken	(401) 941 3009	dunnfndn@tiac.net
Clarck Collins	(401) 782 0602	narrplan@hotmail.com
Kelly Woodward	(401) 849-4027	kwoodward@aquidneckplanning.org
Dennis Diprete	(401) 943 1000	dennis@diprete-eng.org
Larry Taft	(401) 949-5454	ltaft@asri.org
John Berg	(401) 331 7110	jberg@tnc.org
Sheila Brush	(401) 273-5711	sbrush@growsmartri.org
Chris Modisette	(401) 568-1610	sneforest@efortress.com
Juliet Hansel	(401) 762-0250	juliet_hansel@nps.gov
Stephen Glascock	(212) 741 1325	stephenglas@aol.com
Scot Millar	(401) 222 3434	smillar@dem.state.ri.us
Paul Pawlowski	(401) 421-2727	Pawlowski.prov@worldnet.att.net
Susanne Greschner	(401) 521-6320	S_Greschner@ripec.com
<u>EFC Personnel:</u>		
Dick Barringer	(207) 780-4418	barringr@usm.maine.edu
Sam Merrill	(207) 228-8596	smerrill@usm.maine.edu
Martha Freeman	(207) 871-7890	mfreem@maine.rr.com
Diane Gould	(617) 918-1569	gould.diane@epa.gov
Carry Oostveen	(207) 228-8594	carry.oostveen@maine.edu