

**REAL PROPERTY COMMITTEE**  
**Minutes**  
**November 21, 2022**

The Real Property Committee met via Zoom at 12:00 p.m. on Monday, November 21, 2022, to make recommendations to the Board of Finance regarding the proposed one year lease of Longshore Cabin #9 to a Town employee, effective January 1, 2023.

Attendees: Committee Members Helen Garten, Martin Fox and Greg Kraut; Board of Assessment Appeals Member Ifeseyi Gayle

The Committee discussed two questions:

1. Alternative Dispositions of the Property

The Committee considered the possibility of sale, demolition and renovation. Sale was deemed impractical given the location of the cabin within Longshore, the difficulty of creating a salable lot and the likelihood that any sale would result in tearing down the cabins, leaving fewer affordable units available for workforce housing. Demolition would result in additional open space, and the Committee noted the deteriorating condition of the cabin. Again, however, this would reduce available workforce housing and lead to a loss of revenue for the Town.

2. Fair Market Rental Value

Pursuant to Board of Finance policy, rent is determined by an independent appraisal every three years and is adjusted by CPI. The Committee reviewed the most recent appraisal, dated September 16, 2019, and discussed the difficulty of determining fair market rental value of this property, given its unique location and poor condition. Moreover, the CPI rent adjustment is not a good gauge of changes in fair market rental value. Therefore, it was assumed that the proposed rent may be less than market rent. Nevertheless, the Committee recognized the Town's interest in providing affordable housing to employees as a justification for the proposed rent.

The Committee did notice the appraiser's comment that parts of the cabin's living space are unusable in winter. If this is still the case, the Committee wondered whether it would make sense for the Town to invest in improving the space, which would justify higher rent.

Taking into account all factors mentioned above, as well as its short term, the Committee agreed to recommend approval of the lease.

The Committee notes that more than three years have elapsed since the last appraisal, and recommends that a new appraisal be commissioned shortly before the lease term expires.

The meeting adjourned at 12:35 p.m.

Helen Garten  
Chair, Real Property Committee  
November 21, 2022