

February 17, 2017

Town of Arlington  
Board of Selectman

Dear Board of Selectman:

The following information is in support of ARTICLE 18 BYLAW AMENDMENT/APPRAISALS OF TOWN PROPERTY INTERESTS that I would like to submit for your review prior to the February 22<sup>nd</sup> meeting.

The article would require that, before the sale of any town owned real estate, including easements or similar rights, the town have the value of the property estimated by recognized real estate appraisal methods.

This requirement which is in keeping with state law\* will allow town officials to follow best practices, fulfill their fiduciary responsibility and have full confidence in the process, proposed terms of sale, and allow the town to be compensated at full value for town owed assets.

Given the very high real estate values in Arlington, due in large part to town expenditures such as the school system, etc., which are financed by the taxpayers, the town should be allowed fair compensation for sales of property.

Specifically, arbitrage situations, where a middle man buys property from the town at a low price and re-sells at a high price, should obviously be avoided.

In addition, sales of vacant land or of rights to land which open up new development should be given a full cost-benefit analysis. Town representatives should have full information for decision making, including issues such as loss of open space, increased density, and demand on town services.

In special cases where no market value exists because of a 1 buyer-1 seller situation (bilateral monopoly), the value to the buyer and the value to the seller should both be estimated. In this way, the town representatives will have all the relevant data for an informed decision.

Thank you for considering supporting this warrant article.

Lisa Reynolds  
TMM P6

**\*Chapter 30B Manual, Procuring Supplies, Services and Real Property**

**Chapter 8 – Real Property Transactions: Dispositions (pg. 99)**

**Step 2: Determine the value of the property**

You must determine the value of the property before you can dispose of it. Chapter 30B requires that you determine the property's value by using procedures customarily accepted as valid by the appraising profession. You may hire an appraiser, although you are not required to do so. You may also rely on the municipal assessment of a property's value if it is current, if the municipality is assessed at 100 percent, and if the assessment is determined through valid procedures. The value of most parcels of property will likely exceed the \$35,000 threshold for advertised competition.