



Town of Plaistow ♦ Board of Selectmen
145 Main Street ♦ Plaistow ♦ NH ♦ 03865

PLAISTOW BOARD OF SELECTMEN MINUTES:

DATE: June 27, 2016

MEETING CALLED TO ORDER: 6:32 PM

SELECTMEN:

Selectman, Steve Ranlett, Chairman
Selectman, Tammy Bergeron
Selectman, Peter Bracci

Selectman, John Sherman Vice Chairman
Selectman, Julian Kiszka
Town Manager, Sean Fitzgerald

AGENDA

S. Ranlett requests a moment of silence for the passing of our colleague Shem Kellogg who was our NH Representative and a member of the Plaistow Planning Board for many years.

MINUTES

*J. Sherman motions to approve the minutes of June 13, 2016. Second by T. Bergeron.
P. Bracci questions if the date that the Building Committee Charter deferred to date is correct. J. Sherman states the date is correct.*

Vote: 5-0-0

Motion Passes.

PUBLIC COMMENT

Julie Healey - Walton Road resident states that the road has become a cut through and many cars and trucks are speeding through the neighborhood. It is not safe. She would like a resolution and suggests Walton Rd becoming a cull-de-sac.

S. Ranlett states he will set up a meeting with Police and residents of Walton Road.

J. Sherman invites them to attend the Highway Safety Meeting on July 14 at 9:30 am.

Tom Murphy - Walton Road resident states it is very difficult to back into their own driveways. He states he often sees an Atkinson Police Cruiser speeding through Walton Road.

Cole Priddy - Walton Road resident states there has been a good Police presence but it is not a solid solution. He would like to see a gate at the end of the road. Both Cole and Julie have checked with the police and fire departments and gating the road would not be a problem. Emergency vehicles would access Walton Road via Main Street.

F. Hart inquires if there will be a question and answer session after the assessing presentation.
R. Ranlett replies yes.

UPDATE METHUEN CONSTRUCTION

Joe Barbone updates the Board on the drainage of the reservoir and the removal of 2 surplus structures (fire pump house and pump) has been completed. The reservoir water was tested

prior to drainage and all the VOC's and elements tested for were below detectable or allowable levels.

S. Sherman states the structures that were removed were not in use and were a safety hazard.

J. Barbone reviews a land swap proposal between the Town of Plaistow and Methuen Construction. Methuen Construction will give the Town about 17,000 square feet to be used to increase parking and access for the Community Garden. In turn, Methuen Construction would like two triangular areas of about 1500 square feet each added to their right of way. Neither of these areas will be deeded to Methuen Construction. Methuen Construction also proposes that an existing easement for the fire line be eliminated since the line is no longer used. Methuen Construction is willing to take on the expense to draw up the legal paperwork for the land swap and give it to Plaistow for Town Counsel to review. He would like to move on this as soon as possible.

P. Bracci inquires what the tax revenue impact is.

J. Barbone replies about \$500.

J. Sherman is in agreement with the proposal and would like parking for the Community Garden expanded.

J. Barbone will overlay the current parking for the Community Garden as long as it can be done when he is paving his property.

J. Barbone reviews slides showing the work done to date on the property. He mentions S. Fitzgerald has more experience with land swaps.

S. Fitzgerald explains the law and a prior land swap done with Alden Palmer and the Town of Plaistow.

NH RSA 41:14-A details the rules for the Acquisition or Sale of Land, Buildings or Both. The steps to be followed are:

- Board of Selectmen sends to Planning Board & Conservation Commission
- Planning Board & Conservation Commission Review
- Public Hearing
- Second Public Hearing
- Board of Selectmen Vote/Town Meeting

J. Kiszka motions to approve the proposal presented by Methuen Construction concerning the right of way, land swap, and to direct the TM to send the proposal to all department heads and committee chairs for review. Second by T. Bergeron.

Vote: 5-0-0

Motion passes.

ASSESSING PRESENTATION

Wil Corcoran and Marybeth Walker, Assessing Agents of Corcoran Consulting, along with Steve Hamilton, Director of NH Municipal and Property Division are here to review the process of revaluation for educational purposes. Property tax is based on the value of property, it is a market value also known as Ad Valorem. NH State Law requires revaluation of all property at least every five years.

S. Hamilton discusses the following:

- Annual List – inventory of properties as of April 1
- How Appraised – most taxable property is appraised at market value, in other words the highest and best use of the property
- Exceptions to Market Value –open space land subject to conservation restriction, land subject to discretionary preservation easement, residence in an industrial or commercial zone
- Revised Inventory – done annually to reflect changes
- Appraisal vs. Assessment
- Mass Appraisal vs. Single Property Appraisal
- Date of Value
- Mass Appraisal Process
- Types of Revaluations
- The Role of the DRA
- Powers and Duties of the Board
- Uniform Standards of Professional Appraisal
- Public Relations
- Equalization
- Statistics
- Ratio Study Report
- Importance of Sales
- Market Value
- Adjustment to Sales
- What impacts the value of property – location, location, location
- The Abatement Process
- Appeal of Municipality Decision
- How Assessments Impact Budgets, Tax Rates and Taxes
- Hardship Relief
- Exemptions and Credits

The goal for accuracy of mass appraisal is between 90-110%. If appraisals are over 100% more residents will apply for abatements.

J. Sherman states Plaistow targets for 95% valuation.

S. Hamilton states it is better to be below 100% but state guideline allow up to 110%.

Discussion ensues regarding commercial property.

W. Corcoran states commercial properties are revalued every 5 years.

In simple terms values are driven by buyers and sellers in the market.

S. Ranlett opens the meeting to question and answers from the public.

J. Peck states residential properties have been revalued within the last 2 years but commercial properties have not been revalued or changed in 10 years which has caused a shift in the tax burden to residential owners. He also discusses land valuation of commercial property stating Salem NH is 4 times higher and Haverhill is 2 times higher. He would like to know how commercial land valuation is determined.

W. Corcoran replies the goal is to compare local properties.

S. Hamilton states the 2016 revaluation is not complete yet so this discussion is not very productive. Market forces on property are different for Plaistow, Salem, and Nashua etc. The availability of water and sewer has an impact; property in different communities is valued differently.

F. Hart addresses T. Bergeron's statement regarding a home business. Federal rules are very strict about this and the rules are published in Publication 8829. Federal rules trump state rules.

F. Hart believes there are 3 ways to value property, sales, income, and replacement cost. She states how insurance rates increase yearly due to replacement costs rising.

S. Hamilton states replacement cost less depreciation is different than insurance replacement costs.

Discussion ensues.

S. Fitzgerald mentions he was surprised at some of the values over the last 5 years however this year there will be positive results in commercial values.

F. Hart states there are mistakes and errors in many tax cards. She would like to know if they will be corrected.

W. Corcoran states yes, they will be corrected. He wants to get the information right and appreciates citizens input.

M. Walker states all information provided to the assessing department must be verified by a certified member of the assessing team.

B. Hamilton states he is confused regarding the valuation of some commercial properties such as Walgreens and Danos. Walgreens is assessed at a much higher value per square foot than other properties in the same plaza. Danos is assessed at \$175 per square foot which is the highest of all commercial property in Town.

W. Corcoran states property values are from April 1. They will be different when the revaluation is complete. He appreciates the feedback from residents and encourages residents to come forward with any information. He also states that small lots are generally more expensive. Certain types of property such as Cumberland Farms will have high values due to the amount of traffic. Infrastructure will bring the tax base down, it will bring in restaurants, and gas stations etc. which will help increase commercial values. Remember franchise restaurants need fire suppression, water and sewer.

P. Bracci inquires if W. Corcoran is able to assess both residential and commercial property.

W. Corcoran states yes, and his company is certified to do both too.

J. Peck inquires what happens when a commercial property has a tenant who completes renovations, for example Kohl's a tenant of Market Basket renovated their store.

W. Corcoran states the renovation did not add value to the property the renovations protected the property's value. It is known as competent management of the asset. It is like putting a new roof or boiler in a home. Assessing must look at the difference between protecting vs. enhancement of property.

K. Raymond, 7 Lynwood Avenue inquires if Danos valuation was affected by its close proximity to Cumberland Farms.

W. Corcoran states the proximity did not impact the value.

K. Raymond states citizens have done work to understand that sales are not needed to value commercial property. She believes that W. Corcoran stated last year that he was not able to assess commercial property.

W. Corcoran states his qualifications have been in place for decades.

K. Raymond inquires if the Town gets 1 day of services per week for the fee paid.

M. Walker states she is in the Plaistow office 1 day per week but she has other staff that visit properties, record data and keep day to day activities going. W. Corcoran is in the office as needed. The answer to her question is no, the Town gets more than 1 day of services per week.

K. Raymond inquires if land and buildings are separated out for valuation purposes and she would like the term sale/lease-back (Walgreen's) explained in more detail.

S. Hamilton states yes, it is typical to value land and building separately. A sale/lease-back starts with the sale of land to a franchise. Then the property is leased to a company to build a building, and then the whole package is sold to an investment company. S. Hamilton states they put the most weight on what is known not what we suspect. Therefore the land value is based on the original sale price of the land.

S. Ranlett states tonight's meeting is step 4 of the Board of Selectmen's process of revaluation. It was done for educational reasons and the Board did allow some questions and answers to help educate the public.

K. Raymond inquires about Public Hearings.

S. Fitzgerald states certain Public Hearings require notices in the news paper, protocols are different.

J. Peck notes Salem, NH revalues all property every 5 years. What are the advantages and disadvantages of doing it every 5 years?

S. Hamilton states when markets change a lot and valuations are only changed every 5 years there are often large increases in the valuations. Since Plaistow does 25% every year it helps stabilize things. Every community decides what is best for their town.

J. Sherman notes there is a difference if the market is going up or down. He refers to a table from 2007 when the Town lost \$180 million in total value. He is thankful we had a system in place to react to it.

J. Peck inquires about the next steps.

Recommendations from the assessor on July 18, then schedule an informational hearing.

B. Hamilton inquires if W. Corcoran is aware of the original sale price of the land where Walgreens is located and what affect that has on surrounding property.

W. Corcoran states he is aware of the sales price. It was loaded into the assessing database system as a sale and the information provided help with comparisons.

J. Kiszka inquires if revaluations are done every 5 years and values go down, do house assessments stay the same until the next revaluation.

S. Hamilton states not every value changes at the same rate. Condominiums change differently than single family homes.

S. Ranlett closes the Public Hearing at 9:33pm. He thanks Wil, Marybeth and Steve for the presentation.

P. Bracci notes that there are serious concerns of taxes over the last 10 years and it has shifted the tax burdened to the residents. The tax situation has affected 7600 people yet only a few

concerned citizens came tonight. He believes advertising for tonight's meeting was negligent. He applauds the people that attended tonight and brought information with them.

TOWN MANAGER'S REPORT

Letter of intent for TAP grant money- Cues the Town up for looking for grant money. It does not obligate the Town in any way. If we are fortunate to be awarded, the Town would be obligated for \$180,000 which is 20% of the \$800,000 that could be used for traffic calming, sidewalks etc (There is consensus to submit the letter, 4 yes, 1 no P. Bracci)

100% loan forgiveness of \$30,000- to map storm water drainage. Submit scope of work, rate, grade & establish a capital improvement plan. The Town would pay for costs upfront and be reimbursed if we demonstrated that the outlined tasks were completed. (There is consensus to submit the letter, 5 yes)

Haverhill Water status update
Solid Waste Proposals
Officer Robicheau resigns
Summer Recreation
Town's New Website
Regional Selectman's Meeting
NH Boys State

P. Bracci states he did not sign the bond because he did not have the opportunity to understand all of it.

S. Ranlett states the Board knew about the bond. He called P. Bracci and asked him to call S. Fitzgerald if he had any questions.

S. Fitzgerald explains the full bond process to the Board. The Town saved about \$1.4 million over the estimate given at Town meeting last March.

J. Kiszka states he did not sign the bond paperwork because he did not understand it. However once it was explained to him he was in favor of it.

J. Sherman notes the good news is we saved over \$1 million dollars.

ACTION ITEM REVIEW

Reviewed

OTHER BUSINESS

None

SELECTMAN REPORTS

J. Sherman

- Jake Lovett Recognition – Commitment to Community
- Safety Complex Meeting- Building Committee Charter- New Chair, Martha Sumner, Vice Chair Dennis Heffernan, Monthly reports, Q & A on web site
- Old Home Day- went well

- Highway Safety Recommendation to be put on BOS agenda July 11
- Electrical work done at Gazebo by Plaistow Lions
- Public Safety Charter

T. Bergeron

- Family Mediation- She is now Treasurer due to resignations
- Old Home day- went well

S. Ranlett

- Old Home Day- Terra Farms
- Mural at the museum

J. Kiszka

- Mural unveiling at Library
- Old Home Day
- CEDS Meeting
- Renewables Meeting
- Jake Lovett Recognition
- Letter to Board of Selectman- from Renewables regarding Public Safety Committee

P. Bracci

Nothing to report

Memo from the Fire Chief to adopt the new Fire Code from NFPA which is basically a housekeeping item.

J. Sherman motions to follow the Fire Chief's recommendation regarding the adoption of state fire code dated June 27, 2016. J. Kiszka second.

Vote: 5-0-0

Motion passes.

SIGNATURE FOLDER

S. Ranlett states the signature folder and manifest are going around.

S. Ranlett adjourned the meeting at: 10:20 pm

Respectfully submitted,

Gayle Hamel,
Recording Secretary