

MINUTES OF THE FEBRUARY 10, 2020 SELECT BOARD MEETING

MEMBER'S PRESENT: Board Members Chair Mike Houghton, Vice Chair Joe Lovejoy, Board member Allison Knab were in attendance along with Town Administrator David Moore.

At 7:00 p.m. Mr. Houghton opened the meeting.

PUBLIC HEARING:

Mr. Houghton opened the public hearing on the town warrant. He indicated the Board would review each article and entertain public comment on each article.

Article 9 - Operating Budget – to raise and appropriate \$7,867,126 to defray general Town charges for the ensuing year. Mr. Moore explained that this is an approximate 5.6% increase over the previous year. The increase is due to not fully funding three key positions in the prior year, an increase in health insurance costs, an increase in waste collection disposal costs, as well as annualizing the cost of the piloted “stand-by” coverage at the Fire Dept. (implemented towards the end of last year). Net operating increase of 2.8% is reflective of new value added to the Town and increases in revenues. Mr. Houghton entertained public comment on the article and the Board and Mr. Moore responded to various questions clarifying the budget. Mr. Lovejoy made a motion to adopt Article 9. Ms. Knab seconded the motion which passed unanimously.

Article 10 –Capital Improvement Programs – to raise and appropriate \$443,000 for the CIP budget. Items include equipment, vehicles, and facility's needs. Mr. Houghton described how the money would be used. Mr. Houghton entertained public comment on the article and the Board and Mr. Moore responded to questions as part of public comment. Mr. Lovejoy made a motion to adopt Article 10. Ms. Knab seconded the motion which passed unanimously.

Article 11 –to appropriate funds in the amount of \$499,000 to several Capital Reserve funds previously established, \$150,000 to come from the unassigned fund balance and \$349,000 to be raised through general taxation. Resident Colin Laverty inquired about the vehicles needing to be replaced and what the money in Buildings and Grounds would be used for. Mr. Moore indicated a number of vehicles are slated to be replaced in the coming years, but a determination had not been made for certain about this year. Vehicles needing replacement include a utility truck, one-ton dump truck and excavator. He reviewed the strategy of making investments up front in order to avoid spikes in the future. He described a number of improvements needed for Town buildings and that more study is needed. He noted that roof work will be needed in the coming years at the Municipal Center and that the salt-storage roof at the DPW are examples of the types of facilities investments needed in coming years. He noted that more study will be done in 2020 to ensure the Board and staff have a handle on various building needs that are ahead of the Town to better inform the financial strategy. Ms. Knab motioned to accept Article 11. Mr. Lovejoy seconded the motion which passed unanimously.

Article 12 – to raise and appropriate from the EMS Special Revenue Fund the sum of \$20,000 for 2020 EMS/EMT First Responder Training, \$10,000 and 2020 ALS Services contract \$10,000 and to further authorize the withdrawal of \$20,000 from the Stratham Fire Department EMS Special Revenue Fund created for these purposes during the March 17, 2000 Annual Town Meeting and as amended during the March 11, 2005 Town Meeting. No additional funds from

taxation are to be used. Mr. Lovejoy motioned to accept Article 12. Ms. Knab seconded the motion which passed unanimously.

Article 13 – to see if the Town will vote to raise and appropriate the sum of \$30,000 for the purpose of purchasing new of Jaws of Life for the Fire Department and to further authorize the withdrawal of \$30,000 from the EMS Special Revenue Fund created for these purposes. No additional funds from taxation are to be used. Mr. Lovejoy motioned to accept Article 13. Ms. Knab seconded the motion which passed unanimously.

Article 14 – adopt legislation authorizing Tax Increment Financing district. To see if the Town will vote to adopt the provisions of RSA 162-A Municipal Economic Development and Revitalization District which, if adopted, will grant the Town at Town Meeting, authority to establish Tax Increment Financing districts. Mr. Lovejoy summarized the research that has been done and the TIF plan and proposal itself, which he described is being driven by the community's vision for the corridor, past zoning votes and the recently adopted Master Plan.

A resident inquired as to how long the monies could remain in the TIF. Mr. Lovejoy replied that it is indefinite until a first construction project scope is determined. Another resident inquired about the amount of money that could be raised from businesses in the TIF. Mr. Lovejoy responded that the function of a TIF is to utilize TIF proceeds generated from new investment catalyzed by infrastructure investments, in this case water and sewer improvements. He noted that according to modeling done by the Route 108 Study Committee the revenues to the TIF will eventually support the debt payments required to fund the initial construction work.

Mr. Houghton explained the advantages and missed opportunities. Another resident asked about the specific wording of Articles 14 and 15. Mr. Moore explained the duration of the TIF is capped in money, not time. Based on studies and research, it is estimated the project will cost \$30,000,000. The length of time is for however long you have debt outstanding. The savings comes in paying off the bond early. Monies in the TIF fund above and beyond that required to fund projects or debt on projects are to accelerate paying down the bonds. A resident theorized that if the money is going into the TIF, it is not going into the general fund, so it may cause additional tax burden to the residents. Mr. Moore and Mr. Lovejoy explained that this is true, indicating that, for only the 82 parcels in corridor the tax increments gained from additional value created will go to the fund. They noted this growth has been anemic in the past and no major growth will take place but for water and sewer infrastructure.

If nothing happens, there will be no new tax revenues. We've already missed opportunities to add monies towards the TIF. Through the long-term investment in infrastructure, and the ability to increase density in that region, the revenue generated thru increased taxation would be significant, as opposed to doing nothing. Mr. Lovejoy noted that in the early years, there would have to be some investment by taxpayers to fund the debt that it would take to get started. Mr. Moore noted residential development has increased over this past year. Residential construction is not a sustainable method of adding value to our tax base because there is limited remaining developable land. The TIF district would be a way to manage this issue into the future. Mr. Lovejoy motioned to accept Article 14. Ms. Knab seconded the motion which passed unanimously.

Article 15 – Route 108 Corridor Tax Increment Finance District. To see if the Town will vote to A.) establish a municipal economic and revitalization district in accordance with RSA 162-K:5 which district is shown on a map entitled Town of Stratham Tax Increment Finance District (TIF) dated February 20, 2020 and which generally runs along Route 108 to its intersection with Route 101 to the Town Center, including 82 properties along the Route 108 corridor. The District will have the name “Route 108 Corridor Tax Increment Finance District”. B.) Adopt the provision of the Route 108 Corridor Tax Increment Finance District Development Program and Financing Plan dated February 20, 2020 in accordance with RSA 162-K:6 and RSA 162-K:9 and c.) Authorize the Select Board to appoint the district administrator in accordance with RSA 162-K:13 and create a five member advisory board in accordance with RSA 162-K:14 with the advisory board membership to be determined by the Select Board. A resident asked if the district administrator would be an additional paid position. Mr. Lovejoy responded that no, it would be an added duty for the Town Administrator. Another resident asked if the PRE-district would be part of the TIF district. Mr. Moore indicated that there are TIF parcels that are in the PRE. Mr. Lovejoy recommended adoption of Article 15. Ms. Knab seconded the motion which passed unanimously.

Article 16 – Multi-sport park construction. This warrant article is placed by petition of voters in the Town of Stratham to see if the Town will vote to raise and appropriate the sum of \$300,000 for the purpose of constructing a concrete recreational facility multi-sport park on the southern portion of the municipal center parcel at 10 Bunker Hill venue and to authorize the Select Board to accept \$10,200 donations already raised for this project. In total \$289,800 to come from general taxation. Resident, Michael Tallone, gave a summary of the work the Skate Park Committee. He went into detail about the location and why it was chosen. There was much discussion about the location. The long term maintenance is very low cost. Ms. Knab voiced support for the project and motioned to support Article 16. Mr. Lovejoy seconded the motion which passed. Mr. Houghton was opposed.

Article 17 – Community Revitalization Tax Relief Incentive. To see if the Town will vote to adopt the provisions of RSA 79E given the Select Board authority to grant community revitalization tax relief based on the specified areas allowed in RSA 79E-4 with such authority to remain in effect until rescinded. Expands the incentive to include properties (such as historic) throughout the town to be included in the tax incentive relief. Mr. Canada felt the language of the article was unclear and feared that if this article doesn't pass it would repeal 79E which had been previously voted in and was relied upon to save the old town hall. Mr. Moore with confirm with Town Attorney that failure to pass this article will not affect the 79E article passed in 2014. Mr. Houghton made a motion to approve Article 17 with the stipulations made. Ms. Knab seconded the motion which passed unanimously.

Article 18 – Modifications to elderly exemption property tax. To see if the Town will vote to modify the provisions of RSA 72 39A for Elderly Exemption from property tax in the Town of Stratham based on the assessed value for qualified taxpayers to be as follows: for a person 65 years of age up to 75 years, \$125,000; for a person 75 years of age up to 80 years, \$145,000; for a person 80 years of age or older, \$165,000. To qualify, the person must be a New Hampshire resident for at least three consecutive years, own the real estate individually or jointly or if the real estate is owned by such person's spouse, they must have been married to each other for at least five consecutive years. In addition, the taxpayer must have a net income of not more than \$36,000 single or married a combined net income of less than \$60,000 and no net assets in excess of \$200,000 excluding the value of the persons residence. Town Assessor Andrea Lewy

explained that because of the recent town-wide revaluation, values went up, therefore it is appropriate to adjust the exemption rate accordingly. She noted the Board and staff studied the exemption level and asset limits in other Rockingham County Towns and she indicated these adjustments are in keeping with those of nearby towns. Ms. Knab made a motion to support Article 18. Mr. Lovejoy seconded the motion which passed unanimously.

Article 19 – Modification to Veterans Tax Credits. To see if the Town will vote to modify the Veterans Tax Credit in the Town of Stratham in accordance with RSA72:28-2 from its current tax credit of \$500 per year to \$600 per year. Mr. Houghton stated that this article is in response to the State's modification of Veteran's tax credits. Ms. Knab motioned to support Article 19. Mr. Lovejoy seconded the motion which passed unanimously.

Article 20 – NH resolution for fair redistricting. By petition of 25 or more eligible voters of the Town of Stratham to see if the Town will urge that the NH General Court which is obligated to redraw the maps of potential districts within the state following the 2020 census, will do so in a manner that ensures fair and effective representation of NH voters. That in order to fulfill this obligation of the NH General court, shall appoint an independent redistricting commission that redraws the new district maps in a way that does not rely on partisan data such as election results or party registration or favor particular political parties or candidates. The record of the vote approving this article shall be transmitted by written notice from the selectmen to the Town of Stratham State Legislators and to the governor of NH informing them of the instructions from their constituents within 30 days of the vote. Resident Doug Marino spoke, saying that he, along with Representative Debra Altschiller, brought this Article forward. Mr. Lovejoy motioned to support Article 20. Ms. Knab seconded the motion. Mr. Houghton noted that the terminology would be changed to Select Board. Motion passed.

Article 21 – Other business that may come before the meeting. Upon seeing none, Mr. Houghton motioned to close the public hearing. Mr. Lovejoy seconded the motion which passed unanimously.

The Board discussed the Select Board's report for the town report.

At 8:45pm Mr. Houghton motioned to go into a non-public session in accordance with RSA 91-A:3,II(a). Ms. Knab seconded the motion which passed unanimously.

The meeting reentered public session at 9:30 p.m. Ms. Knab moved to seal the minutes, indicating that failure to do so would render the proposed action ineffective. Mr. Lovejoy seconded the motion, which passed unanimously.

At 9:34 p.m. Mr. Lovejoy moved to adjourn. Ms. Knab seconded the motion which passed unanimously.

Respectfully submitted,

Karen Richard, Recording Secretary