



TOWN COUNCIL MINUTES - UNOFFICIAL
Special Meeting
Tuesday, November 13, 2018
5:00 PM
Council Chambers

1. CALL TO ORDER

Chair Sullivan called the meeting of 11/13/18 to order at 5:00pm.

2. PROOF OF POSTING

Town Administrator, Dr. Dean E. Shankle, Jr., provided proof of posting.

3. ROLL CALL - PUBLIC SESSION

In attendance:

Chairman James Sullivan and Councilors Donald Winterton, John Giotas, James Levesque, Robert Duhaime (left at 6:00pm), David Ross, Tim Tsantoulis, Alex Walczyk (arrived 5:05pm) and John Durand.

4. PLEDGE OF ALLEGIANCE

5. NEW BUSINESS

A. MS-1 Summary Inventory of Valuation – TIF District Valuation (2018)

Elayne Pierson, Assessing Clerk: Provided overview of three (3) 2018 MS-1 Reports with Less TIF Retained Value:

1. \$18,675,115 (signed by governing body 9/1/18)
2. \$1,098,703
3. \$19,033,015

MS-1 option #1 above had a mistake for the TIF. I captured the unretained value and should have used the initial TIF instituted value.

MS-1 option #2 above, I spoke with Barbara Reed @ NH DRA and Margaret Byrnes @ NHMA. I captured the TIF value capital improvements and not the market value.

MS-1 option #3 above, I talked to six (6) other NH municipalities and none of them adjusted the TIF because of a revaluation. This option #3 TIF of \$19,033,015 has \$400,000 in tax revenue.

Dr. Shankle: Referenced "*CHAPTER 162-K2 MUNICIPAL ECONOMIC DEVELOPMENT AND REVITALIZATION DISTRICTS Section XI. "Tax increment" means the amount of taxes raised in a development district due to increases in assessed value over the assessed value of the district at the time of its establishment.*" I don't know how you would adjust for a revaluation every 5 years in a TIF district.

D. Ross: The intent of a TIF is to develop part of the Town with infrastructure and then any increase in the district pays down sewer or other infrastructure to pay down this growth.

Dr. Shankle: How is this presented to the public? To catch value from these properties for the TIF district?

D. Winterton: Stu Arnet was a paid consultant. He recommended catching the value before April 1st for revaluation and taxation purposes. Capturing any increases of taxes for properties in the TIF district would go to the TIF or the Council can decide to put the funds in the general fund.

57
58 J. Sullivan: Can we put part or the whole into the general fund?
59
60 Dr. Shankle: The TIF is to pay for sewer. The Town can float a \$3,000,000 bond in engineering costs.
61
62 R. Duhaime: For a bond, we will make payments for 10 years.
63
64 Dr. Shankle: For the March 2019 warrant language “to pay for bond . . . out of TIF district” – assessment
65 \$19,033,015.
66
67 D. Winterton: 4/1/18 total evaluation in TIF district:
68 • Properties in this district increased \$19,033,015
69 • In TIF fund it is the difference of \$19,033,015 x tax rate = approximately \$400,000 that will go in TIF
70 district
71
72 D. Ross: Take money for the whole town and only put in one area of the town “as properties are built”. Take
73 bonds out.
74
75 R. Duhaime: When we were expanding Exit 10 area, we were supposed to build sewer. Those businesses are
76 paying taxes for years with no benefit.
77
78 Dr. Shankle: Elayne, have you adjusted the base for a revaluation, since you have been here for the original
79 TIF at exit 10?
80
81 E. Pierson: No.
82
83 T. Tsantoulis: Do we have a precedent to follow? How do we satisfy the State and taxpayers? Do we direct
84 the Town Administrator to consult with our attorney?
85
86 D. Winterton: The 2018 warrant article on a TIF district? There wasn’t one. This body created the TIF district.
87 The intent to create the infrastructure was to go to the voters to spend or borrow to do engineering work. The
88 revaluation has gone up significantly. The TIF district taxes incrementally are going into the TIF fund. We need
89 to ask the voters for 2019 to establish sewer on the west side of Hooksett. The increased revenues go back to
90 the general fund after we get infrastructure.
91
92 T. Tsantoulis: Councilor Winterton is correct.
93
94 J. Giotas: Councilor Winterton is correct. We would have had to wait another year before we could do
95 something.
96
97 D. Winterton: Are we comfortable that the Town Administrator is interpreting the law correctly?
98
99 D. Ross: I thought we had a Board of Assessors for this process.
100
101 J. Sullivan: The MS-1 is to tell the State where our values are listed.
102
103 D. Winterton: If property owners don’t pay their taxes in December 2018, they don’t get a deduction for it when
104 doing their taxes for 2018.
105
106 Dr. Shankle: If the Council doesn’t vote for MS-1 option #3 with a TIF Retained Value of \$19,033,015, then the
107 MS-1 option #2 with a TIF Retained Value of \$1,098,703 remains in place as the last official document signed
108 by the governing body.
109
110 D. Winterton: If someone built a \$2,000,000 restaurant after 04/01/17 it would not be included in the TIF if the
111 TIF district wasn’t created.
112
113 R. Duhaime: For bond payments at Exit 10 TIF the taxes were deferred to pay that last TIF. After completion

114 no money was put into infrastructure and it was used to offset the rest of the Town. That area is overdue to
115 improve infrastructure at Exit 10.
116
117 D. Winterton: The new TIF district has a \$90,000,000 valuation.
118
119 D. Ross: We should take tax revenue out of the general fund.
120
121 J. Sullivan: The MS-1 is used to establish the tax rate.
122
123 D. Winterton: Does every Town Elayne Pierson contacted like MS-1 option #3 process?
124
125 E. Pierson: Yes, except for the City of Concord. You can take the whole captured value.
126
127 D. Ross: Is it true we (Town Council) can decide to put TIF money in the general fund? The dollar amount
128 changed so much, because of the revaluation.
129
130 Dr. Shankle: The captured value isn't in the TIF after collected and the Town Council can decide to put it in the
131 general fund.
132
133 **D. Winterton motioned to approve draft #3 of the MS-1 (Summary Inventory of Valuation). Seconded by**
134 **T. Tsantoulis.**
135
136 Dr. Shankle: If you vote for MS-1 option #2, approximately \$400,000 will stay out of the TIF for infrastructure.
137
138 D. Winterton: \$1,639,545,602 is last year's total Town valuation. \$2,018,483,904 is the valuation now.
139
140 E. Pierson: Requested a more defined motion.
141
142 **D. Winterton removed previous motion. Seconded by T. Tsantoulis.**
143
144 **D. Winterton motioned to approved 2018 MS-1 Summary Inventory of Valuation (option #3) as follows:**
145 • **Line 21A Net Valuation:** **\$2,018,483,904**
146 • **Line 21B Less TIF Retained Value:** **\$19,033,015**
147 • **Line 23B Net Valuation without Utilities, Adjusted to Remove TIF Retained Value:** **\$1,880,247,089**
148 **Seconded by T. Tsantoulis.**
149
150 **Roll Call Vote #1**
151 D. Winterton Yes
152 J. Giotas Yes
153 T. Tsantoulis Yes
154 J. Levesque Yes
155 A. Walczyk Yes
156 R. Duhaime Yes
157 J. Durand Yes
158 D. Ross No
159 J. Sullivan Yes
160 **Vote 8 in favor, 1 opposed (Councilor Ross). Motion carried.**
161
162 Dr. Shankle: Based on the MS-1 approved by Council tonight, our Finance Director estimates the tax
163 rate to be \$22.20 per thousand.
164
165 D. Winterton: The last tax rate was \$26.74 per thousand.
166
167
168
169

170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214

6. NON-PUBLIC SESSION

NH RSA 91-A:3 II (a) The dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her.

NH RSA 91-A:3 II (c) Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself.

J. Sullivan motioned to enter the non-public session of 11/13/18 at 5:56pm. Seconded by T. Tsantoulis.

Roll Call Vote #2

R. Duhaime Yes
J. Durand Yes
D. Ross Yes
J. Levesque Yes
A. Walczyk Yes
J. Giotas Yes
D. Winterton Yes
T. Tsantoulis Yes
J. Sullivan Yes

(9-0) Vote unanimously in favor

J. Sullivan motioned to exit the non-public session of 11/13/18 at 6:08pm. Seconded by T. Tsantoulis.

Vote unanimously in favor (8-0).

J. Sullivan motioned to seal the non-public session minutes of 11/13/18. Seconded by D. Winterton. Vote unanimously in favor (8-0).

7. OTHER

None.

8. ADJOURNMENT

J. Sullivan motioned to adjourn the public session of 11/13/18 at 6:11pm. Seconded by D. Winterton. Vote unanimously in favor (8-0).

Respectfully submitted,

Donna Fitzpatrick
Recording Clerk