

Town of Boscawen
Agricultural Commission
Meeting Minutes – Final
Boscawen Municipal Complex
November 9, 2017

Members Present: John Keegan – Chair, Bill Bevans – Vice-Chair, Rusty Colby, John Porter, Tina Larochelle.

Members Absent: Joshua Marshall

Ex-Officio Absent: Roger Sanborn

Alternate Member Absent: Ken Marshall

Others Present: Bruce Crawford-Planning Board Chair, Kellee Jo Easler – Planning & Community Development Assistant, Linda Chandonnet – Recording Secretary, Paul Franklin– Guest, Mark Stetson-Guest.

Chairman Keegan called the meeting to order at 7:00pm with a voting board.

Roll call made by Chairman Keegan.

Review and Acceptance of Prior Meeting Minutes:

Chairman Keegan stated that Appendix 1 referenced on page 2 of the November minutes is missing. Appendix 1 is the handout showing the points John Porter made did at the Monadnock Farm and Community Coalition meeting on September 17, 2017.

Motion made to accept the October minutes by Tina Larochelle and seconded by Rusty Colby as amended. All in favor, none opposed.

Accountant's Report:

Chairman Keegan stated the account report for shows no activity for the past month except \$8.00 spent for the Community Garden.

Motion made to accept the account report by Tina Larochelle and seconded by John Porter. All in favor, none opposed.

Land Use Happenings:

Mr. Porter reiterated that the purpose of this evening's presentations and discussion would be to hear from the speakers how assessors look at farm structures, as it relates to single use, lost capital, distinguishing equipment from buildings and so on. These are the types of issues the Commissioners want to better understand.

Chairman Keegan introduced guest Mark Stetson, from Avitar Associates of New England, and Paul Franklin, farmer and member of the State Tax Appeals Board

Mr. Stetson was the first speaker who reviewed in detail how the property tax assessment process works. His principle points included:

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The Legislature mandates towns be reevaluated every 5 years to bring assessments in line with current to market values. Boscawen is scheduled to be reevaluated in 2018. This can be done in 3 ways:

- Sales comparisons
- Cost approach
- Income thru sales for some commercial properties

Overview of the assessing process; method used must be consistent.

- Properties are at market value
- Entire town should be done fairly and equitably

Property tax exemptions available to property owners;

- Under current use property owners must have 10 acres of land or more that are in the natural state and intend to leave it that way.
- Land under current use that can qualify for tax savings.
- Barns and farm structures currently being used to qualify for tax savings in some towns, where approved by town meeting.

Other types of potential tax savings of property;

- RSA 79-D is the Barn Easement Program, it allows the town to adopt a lower value to a qualifying barn or agriculture structure, and try to preserve historic agriculture structures.
- RSA 79-E is Community Revitalization tax relief incentive is a discount to enhance downtown buildings and town centers at a lower rate for a fixed number of years.
- RSA 72; 81- 83 is a property tax incentive to help Commercial and Industrial construction for the Coos County only. It has to be adopted at town meeting and gives a discount up to 50% on the school and town tax rate for up to 10 years.

Mr. Colby asked, if the current use tax incentive affects just the land and the building? Mr. Stetson replied, the current use under farm structures does not change the assessment of the building. It is purely dealing with the assessment of the land under the building, which normally would not qualify for current use. The town must first adopt this provision for property owners to apply. In most cases the savings are not significant unless there are special circumstances such as the Connelly Farm in Temple.

Mr. Paul Franklin was the next speaker. He has owned a pick-your-own apples orchard and fruit operation in Plainfield for 40 years. For 34 years he was involved in the assessing for the Department of Revenue, and the last 22 years he was on the Board of Tax and Land Appeals. He has always done both agriculture and taxation and served as selectman and moderator. He handed out print outs of his main points and discussed the broader issues of what assessing is and the

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constitutional basis for property taxation explained that citizens have the right and responsibility to challenge their assessments. See Appendix 1.

Both speakers added they are receptive to any evidence presented to them to revise a property owner's taxes, but the key is data to support the claim.

Mr. Porter stated an important issue is separating real estate and equipment. With the use of robotics, in barns, egg production and other phases of agricultural it is hard to separate the two. He thinks our fast paced technology is making it hard to make those divisions and it's a real challenge.

Mr. Stetson stated that lack of access makes it difficult to assess property. If the assessor can't go inside to inspect the facility they have to estimate and that can make it frustrating for all parties. Mr. Porter asked if there is an attempt to make an appointment and how does that work? Mr. Stetson replied, yes, there is an attempt to do so and the owner also receives a letter inviting them to call and schedule the inspection.

Mr. Franklin added that there is no bright line for the fixture analysis. The courts have consistently said it is fact specific and it is a mix of facts and law. There are two court cases that they frequently use to help provide guidance there, it is King Ridge vs. Sutton and the other involved a lumber Co. in Wentworth. In both cases access to see the facts was vital. Mr. Porter mentioned lost capital is also something to keep it in mind when assessing. We have two dairy farms contemplating a 2-3 million dollar expansion projects and we want to be appealing to them to do that here. He thinks these issues are going to be important decision points. Mr. Franklin encouraged Mr. Porter and the Commission to talk to the Farm Credit East people as they are the best and have a handle on these issues.

Chairman Keegan asked about 79-E and if there is way to help residents in Boscawen to make a living in agriculture. Mr. Stetson replied that he doesn't see how 79-E would apply, as the public benefit is to enhance downtowns and town centers. But looking forward the commission may want to look into 72; 81. The keys here are the town meeting has to adopt it and the property owner has to apply before the construction starts.

Mr. Keegan asked a question for a person who had agriculture property with a view who wants to know about the view tax. Mr. Stetson stated there is no such thing, and explained it only adds value to the property. He and Mr. Franklin illustrated their point with several examples.

Old Business:

Banner Recognition for Crete Farm: Chairman Keegan asked Kellee Easler about the status on the Crete Farm banner presentation. She will check with Alan. The banner was displayed for all to see.

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Agricultural Rack Cards: Chairman Keegan asked if anyone had feedback on the rack cards. None given. He noticed there was no rack holder at the Franklin Savings Bank so he brought one there along with cards.

Educational Program - Update: Chairman Keegan stated he has not heard from Dot Perkins and needs to get in touch with her to see if there's a potential Master Gardener Candidate for the Educational Program.

New Business:

2018 Budget Chairman Keegan spoke about the Community Garden and the garden shed that was the big, one-time expense this year. He also asked the board if anyone had any suggestions or insights for next year's budget. None were identified except by Mr. Bevans who stated if we replace the rack cards it is \$1,000.00 for 400 ct.

Chairman Keegan asked Mrs. Easler what the schedule in developing the budget for next year. Mrs. Easler stated they are currently working on it and do not have a first meeting scheduled. Chairman Keegan asked Mrs. Easler what the schedule in developing the budget for next year. Mrs. Easler stated they are currently working on it and do not have a first meeting scheduled. Chairman Keegan asked if they could put a place holder of \$2,000.00.

MOTION; To put a place holder of \$2,000.00 for the budget by Mrs. Larochelle. Seconded by Mr. Porter, all in favor, none opposed.

New Business:

Farm Stands: Chairman John Keegan said Farm Stands are allowed as a right and asked what do they require for approval? He will ask Alan Hardy for more information and if we need to put it in for next month's meeting.

Property Tax follow-up: John Porter suggested that the Commission keep education ourselves on the property tax issue on a future agenda. He recommended having Farm Credit East representatives talk more about loss capital. Chairman John Keegan asked the board if they would like a Farm Credit East representative to come and talk to them. Mr. Porter added that he also thinks Mr. Stetson would find it beneficial to hear from them. John Keegan agreed and will contact Farm Credit East. Mr. Crawford would also like to be invited.

Motion to adjourn made by Bill Bevans and seconded by Tina Larochelle. All in favor, none opposed.

The meeting adjourned at 8:15pm.

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The next meeting of the Commission is scheduled for December 14, 2017 at 7:00pm.

Minutes respectfully submitted by Linda Chandonnet