



**TOWN OF HARTFORD  
SPECIAL SELECTBOARD  
MEETING MINUTES**

Tuesday, August 23<sup>rd</sup>, 2016 at 6:00 pm

Hartford Town Hall

171 Bridge Street

White River Junction, Vermont 05001

Present: Richard Grassi, Selectboard Chair; Rebecca White, Selectboard Vice Chair; Simon Dennis, Selectboard Member; Sandra Mariotti, Clerk; Dennis Brown, Selectboard Member; Mike Morris, Selectboard Member; Alan Johnson, Selectboard Member; Leo Pullar, Town Manager; Dave Briggs; Lori Dickerson, School Board of Directors Chair; Peter Merrill, School Board of Directors member; Dawn Pullar; Lannie Collins; Tim Sidore; Mona White;

**I. Call to Order Special Selectboard Meeting and Pledge of Allegiance**

Selectboard Chair Richard Grassi called the Selectboard meeting to order at 6:02 pm. Lannie Collins led the pledge of allegiance.

**II. Order of Agenda**

There were no changes to the Agenda.

**III. Selectboard**

**1. Citizen, Selectboard Comments and Announcements**

Wilder Resident, Jeff Arnold; commented that he was in favor of the waiver for the project. Mr. Arnold suggested cutting the education impact fees for the project, but not the Town impact fees overall.

Quechee Resident, Lannie Collins; wanted to make sure that everyone had considered what exactly impact fees are for, and to remind everyone that impact fees are for future use, not for now. Impact fees do not only deal with school fees, they also deal with water and wastewater fees. In the future there may be changes to the use of the building and it will be too late to go back. Also, this will set a precedent that may cause homeowners to come back to the Town for waivers. Feels that a long hard discussion needs to be made to make a decision to waive all impact fees for this project. Mr. Collins made the point that it would not be fair to waive the impact fees and then to place the burden on tax payers. Selectboard Chair, Richard Grassi reminded Mr. Collins that this was not a meeting to abolish impact fees.

Quechee Resident and School Board member Peter Morris, stated that he was not there to discuss the issue of waiving impact fees, rather the appropriateness of the venue. Mr. Merrill raised the concern that perhaps the Selectboard should not be discussing the possibility of waiving the school impact fees as these fees are monies raised for the schools, therefore they should be discussed by the School Board.

Hartford Selectboard member, Dennis Brown took a phone call about the Quechee Pocket Parks and too please not forget about the mess in Hartford Village and how no one wants to talk about them.

**2. Board Reports, Motions & Ordinances**

**a) Briefing, Discussion and Decision on 21 Aqua Street, LLC., request for a waiver of all Impact Fees associated with the project at 241 South Main Street, White River Junction, VT 05001.**

Hartford Town Manager, Leo Pullar gave a presentation regarding the project located at 241 South Main Street. Mr. Pullar pointed out the Town has no authority to grant the request for a waiver in this instance. It would require a significant ordinance change. Mr. Pullar reviewed the request below:

- 21 Agua Street LLC respectfully requests the Town of Hartford waive all impact fees associated with Domestic Water/Sewer, Schools and Recreation.
- 241 South Main Street will feature a "new" type of housing, geared towards current demographic trends. As an example, Northern Stage will be renting multiple units for its acting professionals; this transient population will make no discernible impact on the local school system or recreational facilities.
- This project is conceived to re-purpose an obsolete, abandoned building; there will be no new site development or footprint increase.
- Not disputing Fire/EMS or Library Fees (\$2,135.88).
- Total Waiver Request: \$37,319.96.

**PERMIT FEE:**

\$65.00	Administrative Approval – Change from 30-36
\$165.00	1 <sup>st</sup> Unit
\$5,250.00	35 Units @ \$150.00/Unit
<u>\$10.00</u>	File Fee
<b>\$5,490.00</b>	<b>PERMIT FEE – Must be submitted at the time of application</b>

**PLANNING IMPACT FEE:**

\$1,763.64	Fire/EMS – 36 x \$48.99/Each
\$372.24	Libraries – 36 x \$10.34/Each
\$12,256.20	Recreation – 36 x \$340.45/Each
<u>\$16,937.36</u>	School Impact – 19,247 Total Heated Square Footage x .88/Sq.
<b>\$31,329.44</b>	<b>PLANNING IMPACT FEE – May be deferred until end of construction by issuance of Lien. Must be released prior to issuance of required Certificate of Occupancy.</b>

**PUBLIC WORKS IMPACT FEE:**

\$2,708.80	Water Impact
<u>\$5,417.60</u>	Sewer Impact
<b>\$8,126.40</b>	<b>PUBLIC WORKS IMPACT FEE – Must make 10% deposit and sign contract with Public Works prior to making application with Planning &amp; Development Office. Remaining 90% may be placed on Lien.</b>

**ISSUANCE OF LIEN FOR IMPACT FEES:**

\$1,763.64	Fire/EMS – 36 x \$48.99/Each
\$372.24	Libraries – 36 x \$10.34/Each

\$12,256.20	Recreation – 36 x \$340.45/Each
\$16,937.36	School Impact – 19,247 Total Heated Square Footage x .88/Sq.
\$2,437.92	Water Impact – 90%
<u>\$4,875.84</u>	Sewer Impact – 90%
<b>\$38,643.20</b>	<b>TOTAL IMPACT FEES</b> – Must be released prior to issuance of Certificate of Occupancy.

**CERTIFICATE OF OCCUPANCY - \$10.00 FILE FEE TO BE PAID AT TIME OF ISSUANCE\****This information does not include fees for Fire Department or State.*

Mr. Pullar further explained that Chapter 90 of the Town Ordinance; Adopted November 14, 1989, outlines how impact fees are established and gives a formula and methodology to amending impact fees. As stated below.

90-1. Impact Fee Established:

For any residential or nonresidential construction located within the Town of Hartford for which a zoning permit is required and for which a zoning permit has not yet been issued by the Zoning Administrative Officer, there are hereby imposed impact fees which will be computed and assessed in accordance with the formula and methodology set forth by the Selectboard from time to time and attached as Appendix A hereto. The impact fees herein established, and the formula by which said fees shall be calculated, are hereby found and determined to reflect the cost of maintaining an appropriate level of service, consistent with the Town plan, to be provided by capital projects and expenditures resulting from development, construction and subdivision, and capital projects previously constructed or acquired.

90-2. Amendment of Formula and Methodology:

The formula and methodology set forth in Appendix A may be amended from time to time to exempt in whole or in part from the imposition of the impact fee established herein found to be affordable housing within the meaning of 10 V.S.A Chapter 15.

Mr. Pullar further reviewed the State of Vermont laws pertaining to Impact Fees, as stated below.

5200. Purpose

It is the intent of this chapter to enable municipalities to require the beneficiaries of new development to pay their proportionate share of the cost of municipal and school capital projects which benefit them and to require them to pay for or mitigate the negative effects of construction. (Added 1987, No. 200 (Adj. Sess.), § 37, eff. July 1, 1989.)

5205. Exemptions

A municipality may exempt certain types of development from any part or all of the impact fee assessed, provided that the exemption achieves other policies or objectives clearly stated in the municipal plan. The policies or objectives may include, but are not limited to, the provision of affordable housing and the retention of existing employment or the generation of new employment. (Added 1987, No. 200 (Adj. Sess.), § 37, eff. July 1, 1989.)

Title 10, Chapter 015, Subchapter 001, 303:

(5) "Lower income" means less than or equal to the median income based on statistics from State or federal sources.

Mr. Pullar reviewed the Town of Hartford Master Plan in regard to the Housing Strategy: Advocate for a diverse housing stock that promotes a range of housing types and costs (118-119). This plan encourages the production of adequate amounts of new housing to

meet the housing needs of resident's at all socioeconomic levels. It also encourage public and private mixed-income single-family and multi-family residential development within neighborhoods and village areas where there is Town water and sewer and that are located in close proximity to public transit and community facilities.

Current Taxable Value: \$186,800.00

- Taxes: \$4,568.01
- Projected Taxable Value\*: \$1,621,700.00
- Projected Taxes\*\*: \$39,657.05
- \*Assumes Built to 36 Dwelling Units

\*\*Computed for TIF Estimate Only

Tax Increment: In each year after the district is created, the municipal officials shall do the following:

(a) Determine the total assessed value of all property in the District according to the provisions of statute; and,

(b) For the calculation of the municipal incremental revenue:

- i. Collect the municipal taxes for the current tax year, determined by applying against the value calculated in (a) all of the tax rates in effect in the municipality for tax year including (1) the municipal tax rate and (2) all other municipal tax rates in effect in the district, including tax rates to generate revenue for specific municipal purposes even if included in a municipal charter provision.
- ii. Compute the total amount of the municipal taxes that would have been due, including all municipal taxes and taxes assessed to generate revenue for specific purposes, if the grand list used to compute such taxes had included only the OTV.
- iii. Subtract the amount of the taxes computed in "ii" from the amount of the taxes computed in "i" to calculate the municipal incremental revenue.

(c) The Education Tax incremental revenue is calculated by determining the incremental revenue attributable to homestead property and the incremental revenue attributable to non-residential property separately, then aggregating the two amounts to determine the Education Tax incremental revenue. Education Tax incremental revenue shall be determined by:

- i. Using the homestead or nonresidential rate determined by the Commissioner of Taxes, multiplied by the education property tax grand list value of the property in the District, classifying the property as homestead or nonresidential property and without regard to any other tax classification of such property, the municipality shall collect the education property taxes for all properties in the District.
- ii. Using the homestead or nonresidential rate determined by the Commissioner of Taxes, multiplied by the education property tax grand list value of the property in the District, classifying the property as homestead or nonresidential property and without regard to any other tax classification of the property, compute the total amount of the education property taxes that would have been due if the education property tax grand list used to compute such taxes had included only the OTV.

- iii. With respect to the properties classified as homestead in the District, subtract the amount of taxes computed in “ii” using the applicable homestead tax rate from the amount of the taxes computed in “i” using the homestead tax rate to determine the education homestead tax incremental revenue.
- iv. With respect to the properties classified as non-residential in the District, subtract the amount of taxes computed in “ii” using the applicable non-residential tax rate from the amount of the taxes computed in “i” using the non-residential tax rate to determine the education non-residential tax incremental revenue.
- v. Aggregate the education homestead tax rate incremental revenue and education non-residential tax incremental revenue to determine the amount of the education tax incremental revenue.

(d) If the District has not triggered the retention period, any increment is paid over to the taxing authorities. If the District has triggered the retention period, retain in the District Fund that portion of each of the municipal tax incremental revenue and the education tax incremental revenue determined by applying the share that the municipality is allowed to retain against each of the municipal tax incremental revenue and the education tax incremental revenue; and pay the balance over to the taxing authorities to whom the remaining amounts are due.

Mr. Pullar recommend that the Selectboard hold an in-depth discussion or workshop on impact fees. The Board would them have 3 possible options; take no action and keep the status quo; amend the ordinance, or repeal the ordinance and do away with impact fees all together. Then perhaps add this topic to an agenda so the Selectboard may decide on the issue.

Hartford School Board of Directors Chair, Lori Dickerson said Thank You to the Davidson’s for wanting to invest in the downtown area. Ms. Dickerson then went on to discuss what the school impact fees represented and how they were established. Ms. Dickerson asked that everyone keep in mind the possibility that the schools could grow and would need to find the money to provide additional classrooms. She listed examples of how planned housing at the initial time of permitting has changes over the years. Ms. Dickerson hopes that the Selectboard would invite the School Board to discuss these issues.

Resident of White River Junction David Briggs spoke about the benefit of TIFF and revitalization.

Selectboard Clerk Sandra Mariotti felt it was important to recap the reason for the meeting tonight and that this issue is on a time constraint. Ms. Mariotti felt that it was important that everyone understand that given the time constraints, the Selectboard would not be able to make a decision regarding the issue tonight. Ms. Mariotti asked what the Town uses the impact fees for. Town Manager, Leo Pullar answered that the Town would invest these fees in capital projects that relate to the way the funds were earned. The Town has had the ordinance for over 28 years.

Selectboard Chair Richard Grassi felt that Town Manager Pullar had put together a very clear plan for the Selectboard and that although it would be horrible to lose a business in

downtown White River Junction, but that it is clear from the ordinance that the Selectboard does not have much choice with this project. Mr. Grassi asked Town Manager Pullar to do a study and create a presentation for the Selectboard in late September so that the Selectboard can have a lengthy discussion over what to do in regard to impact fees. Mr. Grassi asked how much investment the Town of Hartford lost due to the cost of the impact fees involved in building a house?

Selectboard Vice-Chair, Rebecca White highly recommended that at the time of the presentation by Town Manager Pullar, the Selectboard consider having a joint meeting with the School Board.

**IV. Adjournment (Mot. Req.)**

**Selectboard member Alan Johnson made a motion to close the Selectboard Meeting of 8/23/16 at 7:25pm. Selectboard member Mike Morris seconded the motion. 7 Selectboard members agreed. 0 Selectboard members opposed. 0 Selectboard members abstained. The motion passed.**

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Clerk

All Meetings of the Hartford Selectboard are open to the public. Persons who are seeking action by the Selectboard are asked to submit their request and/or materials to the Selectboard Chair or Town Manager's office no later than noon on the Wednesday preceding the scheduled meeting date. Requests received after that date will be addressed at the discretion of the Chair. Citizens wishing to address the board should do so during the Citizen Comments period; comments from the public.