



## **MEETING AGENDA**

TOWN OF PITTSFIELD  
BOARD OF SELECTMEN  
TOWN OFFICE, 85 MAIN STREET  
PITTSFIELD, NEW HAMPSHIRE 03263

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### **TUESDAY, JULY 26, 2016**

5:00 p.m. - Call to order – early meeting time to meet with department head(s) in non-public session

#### **NON-PUBLIC SESSION**

6:00 p.m. - Call to order – regular session

**PUBLIC INPUT** – regarding agenda items only

#### **AGENDA REVIEW**

#### **NEW BUSINESS**

##### **ACTION ITEMS**

1. Town Planning and Steering Committee
2. Town Hall painting
3. Sale of town owned tax-deeded property
  - a. 81 Main Street
  - b. 114 Main Street
  - c. 31 Berry Avenue

#### **COMMITTEE REPORTS**

#### **INFORMATION ITEMS**

#### **OLD BUSINESS**

1. Town hall basement (4/5/16)
2. Sale of town owned tax-deeded property
  - a. Five parcel combined offer - (5/24/16)
    - i. Tax Map U4, Lot 25 – 1 Fayette Street
    - ii. Tax Map U4, Lot 26 – Depot Street (was #7)
    - iii. Tax Map U3, Lot 127 – Fayette Street (parking lot parcel 1 of 2)
    - iv. Tax Map U3, Lot 128 – Bridge Street (parking lot parcel 2 of 2)
    - v. Tax Map U3, Lot 118 – Franklin Street parking lot

#### **APPLICATIONS and WARRANTS**

1. Elderly Lien Deferral Abatement – 910 Catamount Road

#### **CHECK MANIFESTS**

1. Accounts Payable
2. Payroll

#### **MINUTES**

1. July 19, 2016 – Public Meeting Minutes
2. July 19, 2016 – Non-Public Meeting Minutes

#### **PUBLIC INPUT**

## Town Planning Steering Committee

### Mission Statement

To develop a vision and a plan for the growth, prosperity, and enhance quality in Pittsfield.

### Members

Representatives from various town boards, appointed by the Board of Selectmen

1. board of selectmen
2. budget committee
3. conservation commission
4. economic development committee
5. master plan committee
6. planning board
7. zoning board of adjustment
8. town administrator
9. Suncook Valley Regional Development Corporation

**Cara Marston**

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**From:** james pritchard <jamesapritchard@yahoo.com>  
**Sent:** Wednesday, July 20, 2016 1:12 PM  
**To:** Clayton Wood; Daren Nielsen; Pat Heffernan; Gerard LeDuc; Roland Carter; Carole Richardson; Jesse Pacheco  
**Subject:** PB recommendation on sales of town properties  
**Attachments:** RecommendationOnTownProperties2016072001HDDR2.doc;  
RecommendationOnTownProperties2016072001HDDR2.pdf

July 20, 2016

Clayton Wood <cwood911@gmail.com>,  
Daren Nielsen <dsnielsen@mathmechanixs.com>, Pat Heffernan <patheffnh@gmail.com>, Gerard LeDuc  
<selectmanleduc@metrocast.net>, Roland Carter <rccarter03276@yahoo.com>, Carole Richardson  
<cpr2006@metrocast.net>, Jesse Pacheco <jpacheco@pittsfieldnh.gov>

Attached is a summary of the planning board's discussion on July 7, 2016, on the board's recommendations for the sales of town-owned properties at 81 Main Street, 114 Main Street, and 31 Berry Avenue.

Sincerely,

Jim

Planning board's recommendation on the board of selectmen's proposed sales of town-owned properties at 81 Main Street, 114 Main Street, and 31 Berry Avenue:

1. Have the houses cleaned of trash by volunteers, if possible. Cleaning the houses should make them substantially more attractive to buyers.
2. Obtain an itemized report from a qualified person on (1) what work would be required to rehabilitate each house in a way that would preserve the house's historic appeal, if possible, (2) how much each part of the work would cost if a contractor did it, and (3) how long each part of the work would take if a contractor did it. For 114 Main Street and 31 Berry Avenue, the report should be for work to rehabilitate each house as a single-family dwelling. For 81 Main Street, the report should be for work to rehabilitate the house as either a single-family dwelling or as a small business.
3. Put the three rehabilitation-requirements reports on the town's web site, and provide copies free at the town hall.
4. Impose deed restrictions on the properties prohibiting the houses' use as two-family or multi-family dwellings.
5. Prepare a well-advertised auction of the properties with individual notice (by first-class mail, not certified mail) to all abutters and to the former owners. State in the advertisement and in the notice where the rehabilitation-requirements reports are available for public inspection and free copying. Encourage prospective buyers to discuss the projects with the building inspector.
6. Auction the properties with no minimum bid.
7. Do not require the buyers to post performance security for the rehabilitation of the houses.
8. Have the building inspector contact the buyers and work with them to plan the rehabilitation of the houses and to familiarize the buyers with the building-inspection process.
9. Set each property's initial assessment for taxes at the auction selling price, whatever that price might be.
10. Increase the assessment for taxes in increments as phases of the rehabilitation work are completed, with the increments being the values that the rehabilitation-requirements report states for the work actually done.
11. Overrule the town's contract appraiser if he disagrees with this tax-assessment process.

## Discussion:

The houses on these three town-owned properties are very dilapidated, and they are deteriorating rapidly. Because of the dilapidation and rapid deterioration, the board of selectmen cannot afford to leave these properties on the market for a long time. Consequently, the board of selectmen will also not be able to dictate terms to the buyers. The board of selectmen must offer these properties for sale in an attractive way but at the same time get some assurance that the buyers will in fact rehabilitate the houses. The planning board developed its recommendations with these requirements in mind.

The planning board's knowledge of the precise state of these properties and their values is limited. But the board toured the properties on June 13, 2016, and has inferred from that tour and from the fact that the properties were abandoned that the values of the properties are very low, perhaps even negative. The board reasons that people do not typically abandon properties that have value. A rational owner would try to sell a valuable property before abandoning it.

By "negative value," the planning board means that the cost of buying one of these three town-owned houses, hiring a contractor to renovate it, and paying the taxes on it would be greater than buying and paying the taxes on another house comparable in features to the town-owned house when renovated. The fact that the prior owner of 31 Berry Avenue abandoned that property and moved to another property in town, 146 Concord Hill Road, supports the theory that 31 Berry Avenue has negative value.

No rational buyer will buy a property with negative value unless he can keep the renovation value for himself by doing the renovation work himself. Therefore, the board of selectmen should direct its sales strategy to do-it-yourselfers. As used here, "do-it-yourselfer" means anyone, including not only amateurs but also builders and speculators, who will do the work himself without hiring substantial help. The board of selectmen's sales strategy must be comprehensive, beginning with attracting do-it-yourselfers, then making the properties easy to buy, then supporting rehabilitation work as the work progresses, and finally assessing the properties for taxes reasonably as phases of the rehabilitation work are completed.

The rehabilitation-requirements report produced by a qualified person is a crucial part of the sales strategy directed at the do-it-yourselfer. In fact, the rehabilitation-requirements report is basic to the whole sales strategy, and the report supports all phases of the sales strategy. The report has the following purposes:

1. To tell the board of selectmen and its advisors whether the three properties have positive value or negative value (calculated on the basis of a contractor's doing the rehabilitation work).
2. To attract do-it-yourselfers by giving them a plan for the rehabilitation.
3. To ensure that interested do-it-yourselfers know how big and difficult the job is.
4. To discourage do-it-yourselfers who will not be able to do the job.
5. To support the auction as a measure of the property's true market value (because market value is the selling price between an informed seller and an informed buyer).

6. To be a reasonable and valid basis for increasing tax assessments as phases of the rehabilitation work are completed.

Another crucial part of the sales strategy directed at the do-it-yourselfer is the planning board's recommendation to have the building inspector contact and work with the buyers to plan the rehabilitation of the properties and to familiarize the buyers with the building-inspection process. The property at 81 Main Street shows how the town's being proactive with a rehabilitation-requirements report and the building inspector's guidance could have made this property a success instead of the disaster that actually happened at the hands of a do-it-yourselfer who clearly did not know what he was doing.

The auction is a third important part of the sales strategy. The purposes of the auction are (1) to sell the properties quickly (to avoid further deterioration), (2) to make the properties easy for a do-it-yourselfer to buy, and (3) to be a reasonable and valid basis for the initial tax assessment. To ensure that the auctions attract do-it-yourselfers and are a reasonable and valid basis for the initial tax assessment, the planning board recommends that the auction be widely advertised and that the advertisement refer to the rehabilitation-requirements report so that the participating bidders will be informed bidders necessary to establish true market value.

The purpose of the recommendation to give individual notice to the former owners is to respect their position as the former owners, which the planning board has previously agreed is appropriate in the sales of all town properties taken by tax deed.

The planning board cannot overstate the importance of setting the initial and subsequent tax assessments according to the auction and according to the rehabilitation work done and evaluated by the rehabilitation-requirements report. The planning board examined the tax cards of these three properties and found the assessed values to be almost certainly unreasonable. If the board of selectmen does not assess these properties at truly reasonable values, as measured by the auction and the rehabilitation-requirements report, then unreasonable taxes will doom these properties to failure by consuming all of the new owner's equity from his own labor.

The planning board carefully considered whether to require performance security from the buyers of these town-owned houses, and the board concluded that requiring performance security would be counterproductive. Requiring performance security is common on development projects, but requiring performance security also imposes opportunity costs that increase the expense of the development without adding any value. In particular, the person submitting the performance security would have to have the security money in the first place, and then he would not have use of the security money while he was rehabilitating the house. The houses themselves already have the additional opportunity cost of being currently uninhabitable. The planning board thinks that requiring a buyer to post performance security would be too much of an impediment to converting the buyer's own labor into property equity.

The planning board thinks that imposing a covenant on each property against two-family or multi-family dwellings, that giving prospective buyers the rehabilitation-requirements report to tell them in advance what rehabilitating the houses will require, and that involving the building inspector proactively are probably the best assurance that the town can get that the houses will in fact be rehabilitated and avoid a cycle of failure.

Additional details on the planning board's thinking are in the planning board minutes of July 7, 2016, agenda item 6, page 14.

DRAFT July 20, 2016

**TOWN OF PITTSFIELD,  
NEW HAMPSHIRE**

To the Collector of Taxes:

By vote of the Board of Selectmen, upon the application of

Name: Charles H. & Esther J. Watson

Address: 910 Catamount Road, Pittsfield, NH 03263

We have abated the amount of \$5,600.00 on 2015 Property Taxes due to Elderly Tax Deferral.

Billed	5,600.00
Should Be	0.00
Abatement (deferral recorded)	5,600.00

Per order,

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Board of Selectmen

Date: \_\_\_\_\_



Watson, Charles H. & Esther J.  
 910 Catamount Road  
 R28-002

Property Tax Year	Amount	Total Interest	Interest Rate	Bill Due Date	Current Date	# of Days	Date Recorded	Book	Page
1990 to 1993	20,214.72	22,662.64	5.00%	09/01/93	05/25/16	8,184	05/27/94	1958	760
1995	3,915.00	3,949.32	5.00%	12/11/95	05/25/16	7,364	06/07/96	2024	1194
1996	3,574.00	3,433.98	5.00%	12/01/96	05/25/16	7,014	04/21/97	2053	358
1997	3,195.79	2,912.98	5.00%	12/01/97	05/25/16	6,654	03/26/98	2092	140
1998	3,458.11	2,981.55	5.00%	12/01/98	05/25/16	6,294	03/12/99	2144	1858
1999	3,350.57	2,714.88	5.00%	12/20/99	05/25/16	5,915	03/13/00	2197	588
2000	4,282.00	3,269.57	5.00%	12/01/00	05/25/16	5,574	03/20/01	2249	761
2001	4,201.00	2,998.25	5.00%	12/05/01	05/25/16	5,210	02/28/02	2343	1907
2002	4,938.00	3,270.58	5.00%	12/20/02	05/25/16	4,835	03/06/03	2469	1642
2003	5,479.00	3,367.71	5.00%	12/08/03	05/25/16	4,487	04/21/04	2645	1961
2004	5,247.00	2,971.38	5.00%	12/01/04	05/25/16	4,134	02/03/05	2746	609
2005	5,200.00	2,688.33	5.00%	12/01/05	05/25/16	3,774	01/26/06	2862	367
2006	5,796.00	2,688.39	5.00%	12/29/06	05/25/16	3,386	03/01/07	2969	325
2007	6,135.00	2,559.05	5.00%	12/10/07	05/25/16	3,045	03/07/08	3051	1142
2008	6,763.00	2,495.82	5.00%	12/01/08	05/25/16	2,694	03/18/09	3116	1415
2009	6,592.00	2,106.73	5.00%	12/02/09	05/25/16	2,333	04/09/10	3188	268
2010	6,231.00	1,674.69	5.00%	12/13/10	05/25/16	1,962	03/18/11	3247	175
2011	6,262.00	1,375.07	5.00%	12/12/11	05/25/16	1,603	03/29/12	3305	747
2012	6,059.00	1,024.22	5.00%	12/21/12	05/25/16	1,234	03/22/13	3375	1013
2013	6,040.00	723.97	5.00%	12/20/13	05/25/16	875	03/31/14	3434	1917
2014	5,709.00	403.54	5.00%	12/19/14	05/25/16	516	03/09/15	3471	265
2015	5,600.00	128.88	5.00%	12/07/15	05/25/16	168			
	128,242.19	72,401.54							
		<b>200,643.73</b>	<b>Total Owed</b>						

Property Tax Year	Ad Valorem		Equalized Tax		Amount	
	Valuation	Equalization %	Valuation		Deferred	% of valuation
1990 to 1993	316,600.00	148.00%	213,919.00		20,214.72	0.0945
1995	169,500.00	100.00%	169,500.00	revaluation	3,915.00	0.0231
1996	169,500.00	95.00%	178,422.00		3,574.00	0.0200
1997	169,500.00	95.00%	178,422.00		3,195.79	0.0179
1998	169,500.00	93.00%	182,259.00		3,458.11	0.0190
1999	169,500.00	85.00%	199,412.00		3,350.57	0.0168
2000	169,500.00	79.00%	214,557.00		4,282.00	0.0200
2001	169,500.00	68.00%	249,265.00		4,201.00	0.0169
2002	242,320.00	100.00%	242,320.00	revaluation	4,938.00	0.0204
2003	242,320.00	89.50%	270,749.00		5,479.00	0.0202
2004	242,320.00	81.10%	298,792.00		5,247.00	0.0176
2005	242,320.00	71.60%	338,436.00		5,200.00	0.0154
2006	383,410.00	100.00%	383,410.00	revaluation	5,796.00	0.0151
2007	383,410.00	100.00%	383,410.00		6,135.00	0.0160
2008	383,100.00	111.60%	343,280.00		6,763.00	0.0197
2009	372,300.00	117.20%	317,663.00		6,592.00	0.0208
2010	312,200.00	107.20%	291,232.00	revaluation	6,231.00	0.0214
2011	312,200.00	116.20%	268,675.00		6,262.00	0.0233
2012	312,200.00	121.40%	257,167.00		6,059.00	0.0236
2013	312,200.00	122.69%	254,463.00		6,040.00	0.0237
2014	312,200.00	113.20%	275,796.00		5,709.00	0.0207
2015	299,000.00	100.50%	297,513.00	revaluation	5,600.00	0.0188

total deferred prev years 122,642.19 0.4850 total % of equity value of PREVIOUS years' deferrals  
 total deferred current year 5,600.00 0.0188 total % of equity value of CURRENT year deferral  
 total deferred all years 128,242.19 0.5038 total % of equity value ALL years  
 - 0.0000 cy proofs

2015 Equalized Assd Valu 297,513.00  
 less Priority Liens -  
 Equity Value 297,513.00

Allowed % 0.85 RSA 72:38-a  
 Can Defer 252,886.05 Taxes deferred can not exceed this amount

MERRIMACK COUNTY RECORDS *Kathi L. Guay, CPO, Register*

FOR REGISTER OF DEEDS USE ONLY

Return to:  
 Town of Pittsfield  
 85 Main Street  
 Pittsfield, NH 03263

FORM  
 PA-30

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION  
**ELDERLY AND DISABLED TAX DEFERRAL APPLICATION**  
 DUE MARCH 1 FOLLOWING THE NOTICE OF TAX

B  
 1447  
 2-5

STEP 1 OWNER AND APPLICANT NAME AND ADDRESS		OWNER AND APPLICANT INFORMATION			
OWNER WATSON		If required, is a PA-33 on file? <input type="radio"/> YES <input checked="" type="radio"/> NO			
		APPLICANT'S LAST NAME WATSON	APPLICANT'S FIRST NAME CHARLES	MI H	
		APPLICANT'S LAST NAME	APPLICANT'S FIRST NAME	MI	
STREET ADDRESS 910 CATAMOUNT ROAD		MAILING ADDRESS (if different from above)			
CITY/TOWN PITTSFIELD		STATE	ZIP CODE		
		NH	03263		
STEP 2 PROPERTY LOCATION		PROPERTY LOCATION			
STREET 910 CATAMOUNT ROAD		COUNTY MERRIMACK			
		CITY/TOWN PITTSFIELD			
NUMBER OF ACRES 130		TAX MAP R28	BLOCK	LOT 02	BOOK 1,957
		PAGE 630			
STEP 3 TO BE COMPLETED BY PROPERTY OWNER		(a) Tax year for which the deferral is requested 2015			
		(b) Amount of requested tax deferral \$5,600			
		(c) Amount of tax bill \$5,600			
		(d) Is the applicant:			
		65 or older and has owned homestead for five (5) consecutive years; or <input checked="" type="radio"/> YES <input type="radio"/> NO			
		Receives benefits under Title II or Title XVI of the Federal Social Security Act and has owned homestead for one year; and <input type="radio"/> YES <input type="radio"/> NO			
		Living in the home? <input checked="" type="radio"/> YES <input type="radio"/> NO			
STEP 4 OWNER SIGNATURES		I understand that upon approval of this application by the municipal assessing officials, a lien shall be created against the above described property, pursuant to RSA 72:38-a. My signature below indicates my agreement with the obligation incurred against the property described in Step 2 above. Under penalties of perjury, I declare that I have examined this document and to the best of my belief the information herein is true, correct and complete.			
CHARLES H. WATSON		<i>X Charles Watson</i>			
TYPE OR PRINT NAME		SIGNATURE (IN INK)		DATE	
		SIGNATURE (IN INK)		DATE	
TYPE OR PRINT NAME		SIGNATURE (IN INK)		DATE	
		SIGNATURE (IN INK)		DATE	
TYPE OR PRINT NAME		SIGNATURE (IN INK)		DATE	
		SIGNATURE (IN INK)		DATE	

FORM  
 PA-30

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION  
**ELDERLY AND DISABLED TAX DEFERRAL APPLICATION**

STEP 6 APPROVAL BY THE MORTGAGEE	By signing below, the mortgagee signifies that they do approve and are duly notified that upon approval of this application by the municipal assessing officials, a lien shall be created against the above described property, pursuant to RSA 72:38-a, III.		
	N/A		
	NAME OF MORTGAGE HOLDER		
SIGNATURE OF OFFICER OR AGENT FOR MORTGAGEE		TITLE	DATE

TO BE COMPLETED BY MUNICIPAL ASSESSING OFFICIALS

STEP 6 AMOUNT OF TAXES DEFERRED	(a) Amount of tax deferred in prior years	\$122,642		
	(b) Amount of tax deferred in current year	\$5,600		
	(c) Total amount of taxes deferred [6(a) + 6(b)]	\$128,242		
STEP 7 PERCENT OF EQUITY VALUE ENCUMBERED	(a) Enter the percentage of total equity value of the property encumbered in prior years	48.5		
	(b) Enter the percentage of total equity value of the property encumbered in current year	1.88		
	(c) Percentage of total equity value the property encumbered for: All Years [7(a) + 7(b)]	50.38		
STEP 8 MUNICIPAL DECISION	<input checked="" type="checkbox"/> Elderly Tax Deferral <input type="checkbox"/> Disabled Tax Deferral	Granted <input checked="" type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>	AMOUNT \$5,600	DATE [ ]
	For Deferrals: This page must be returned to the property owner after approval or denial, on or before July 1, following the date of Notice of Tax as defined in RSA 72:1-d, by first class mail. (RSA 72:34, IV)			
Reason for Denial		[ ]		
STEP 9 APPROVAL OF A MAJORITY OF SELECTMEN / MUNICIPAL ASSESSING OFFICIALS	LAWRENCE J. KONOPKA	<i>Lawrence Konopka</i>	5/31/16	
	PRINT / TYPE NAME OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	SIGNATURE (IN INK) OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	DATE	
	GERARD A. LEDUC	<i>Gerard A. Leduc</i>	5/31/16	
	PRINT / TYPE NAME OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	SIGNATURE (IN INK) OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	DATE	
	JAMES C. ALLARD			
	PRINT / TYPE NAME OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	SIGNATURE (IN INK) OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	DATE	
CARL E. ANDERSON				
PRINT / TYPE NAME OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	SIGNATURE (IN INK) OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	DATE		
CAROLE A. RICHARDSON	<i>Carole A. Richardson</i>	5/31/16		
PRINT / TYPE NAME OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	SIGNATURE (IN INK) OF SELECTMEN / MUNICIPAL ASSESSING OFFICIAL	DATE		
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SB agenda  
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0 highlights, 0 comments