



TOWN OF BROOKLINE, NEW HAMPSHIRE

P.O. BOX 360 – 1 Main Street
BROOKLINE, NH 03033-0360

Telephone (603) 673-8855, ext. 213

Fax (603) 673-8136

<http://www.brookline.nh.us>

Minutes Melendy Pond Planning Committee September 4, 2018

Attendees included committee members Tom Solon, Webb Scales, Eddie Arnold, Chris Duncan, Peter Webb, Kevin Visnaskas, Eric DiVirgilio and Tad Putney as well as resident Chris Adams.

Tom called the meeting to order at 6:32pm.

Minutes

*Chris moved, seconded by Peter, to approve the August 21, 2018 minutes as written;
Voted Yes 6-0-2 with Eddie and Eric abstaining.*

Agenda Adjustments

None.

Public Input

None.

Survey Update

Tad provided an updated summary, which included survey responses from 13 of 23 tenants. He said he is expecting completed surveys from two more tenants, which will give us a 65% response rate. It was decided that **Tad** should do a follow-up mailing to the tenants who have not yet responded. **Tom** provided information on selected wells that had been observed during the site walk and **Tad** will add the information into the summary sheet.

Market Rates

Webb said he had not been able to obtain additional information since the last meeting. **Kevin** walked members through a summary he had prepared last year regarding market rates for comparable situations. He said there were local mobile home parks that charge for only a ground lease, which is comparable to our situation on Melendy Pond. He said one in Pepperell was charging \$375 a month and the owner of the park knew of two similar parks in Nashua that charge approximately \$400 a month for each ground lease and the Melendy Road Park in Milford was charging \$480 per month for a ground lease.

Kevin said another approach is to estimate the amount an individual would pay in taxes for the land they are using. **Tad** said he had asked Avitar for their estimate of the assessed value of each lot on Melendy Pond. He said Avitar estimated the values at

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\$140,000-\$150,000 for waterfront and about \$70,000 for the backlots according to the recently completed 2018 revaluations. In order to estimate an annual tax payment, **Tad** said we would need to use the 2017 tax rate (2018 rate to be set in late October) and he estimated the 2017 assessed values were about 30% lower. For a waterfront lot on Melendy Pond, he said the estimated annual tax would be about \$3,600. **Kevin** said in his analysis last year, he also added about \$2,000 per year to reflect an investment rate of return on the land based on the Fed discount rate, assuming a \$100,000 assessed value, which would yield a total of \$5,600 per year. It was agreed that a potential annual rent formula is:

Tax on assessed value of land + ((Fed Discount Rate +0.25%) x Assessed land value)

Lease Terms

There was discussion about whether some of the current lease restrictions should be relaxed in any new leases. **Peter** suggested we should not preclude welfare and E911 services in any new leases. **Kevin** suggested that any new leases should be based on the 2018 assessed values and then tie rent increases to the Consumer Price Index or some other factor that is not subjective.

Demolition

Tom asked about the estimated cost for demolition of a structure. **Tad** said that costs have increased recently about 30% for disposal of construction debris. He said our last demolition cost \$7,500 and it is best to plan for \$10,000-\$12,000 for near-term demolitions. **Tom** said it is not clear if we can add demolition costs to the market rental rates or if it would be too high.

Interim Report to Selectboard

Tom reviewed the items to be shared with the Selectboard on September 10th:

- Summary of tenant survey
- Future options and rankings
- 3-ring binder with background information
- **Kevin's** background material on market rates
- Summary of members opinion about our ability to seek recourse for demolition costs

Future Uses

It was agreed that we would add **Peter's** suggestion of "revenue positive forestry management" as a future option. The ratings were completed for the alternative. **Tom** will add the information and resort the spreadsheets are distribute to members.

Next Meetings

It was agreed that the next meetings for the committee will begin at 6:30pm in the Town Hall meeting room and be held on the following dates:

- September 18th
- October 2nd
- October 16th

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Public Survey

There was brief discussion of conducting a town-wide survey regarding the extension of leases. **Eddie** suggested that there was not enough time and there would likely be too few respondents.

Eddie moved, seconded by Kevin, to adjourn; Voted Yes 8-0.

Meeting adjourned at 8:33pm.

Minutes submitted by Tad Putney.