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Town Manager

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TOWN OF GREAT BARRINGTON MASSACHUSETTS

OFFICE OF THE TOWN MANAGER

SELECTBOARD AND FINANCE COMMITTEE JOINT MEETING and SELECTBOARD REGULAR MEETING IMMEDIATELY FOLLOWING

AGENDA

MONDAY, JANUARY 27, 2020, 6:00 PM

TOWN HALL, 334 MAIN STREET

ORDER OF AGENDA

6:00 PM – OPEN MEETING

1. **CALL TO ORDER** – Selectboard and Finance Committee:
2. **Continuation** of Tax Classification Policy and Exemptions. (Discussion/Vote)
3. Finalize FY 2021 Budget Policy. (Discussion/ Vote)
4. Citizen Speak.
5. Adjournment - Finance Committee.

SB – REGULAR MEETING

1. **SB/BOARD OF SEWER COMMISSIONERS:** Sewer Abatements
(January 1, 2019 – June 30, 2019) (Discussion/Vote)
2. **APPROVAL OF MINUTES:**
January 13, 2020 SB Regular Meeting.
January 16, 2020 SB & Pl Bd Joint Meeting.
3. **SELECTBOARD'S ANNOUNCEMENTS/STATEMENTS:**
A. General Comments by the Board.
4. **TOWN MANAGER'S REPORT:**
A. Department Updates
- Council on Aging Director

B. Project Updates

5. PUBLIC HEARINGS:

- A. Application from Cellarbration, Inc., d/b/a Grape Finds, Joseph P. Smegal, Manager for a transfer of All Alcoholic Package Store Liquor License to Table & Vine, Inc., Steven Gigliotti, Manager at 700 Main Street, Suite 2, Great Barrington, MA 01230. (Discussion/Vote)
 - a. Open Public Hearing
 - b. Explanation of Project
 - c. Speak in Favor/Opposition
 - d. Motion to Close Public Hearing
 - e. Motion re: Findings
 - f. Motion re: Approval/Denial/Table

6. LICENSES OR PERMITS:

- A. Robin Vickery/Great Barrington Fish and Game for One Day Beer and Wine Liquor License for February 2, 2020 from 2:00 am 10:00 pm at 338 Long Pond Road. (Discussion/Vote)
- B. Robin Vickery/Great Barrington Fish and Game for One Day Beer and Wine Liquor License for February 8, 2020 (rain date February 15, 2020) from 11:00 am – 7:00 pm at 338 Long Pond Road. (Discussion/Vote)
- C. Robin Vickery/Great Barrington Fish and Game for Eight (8) One Day Beer and Wine Liquor Licenses for every Sunday from February 16 – April 5, 2020 from 11:00 am – 7:00 pm at 338 Long Pond Road. (Discussion/Vote)

7. NEW BUSINESS:

- A. SB – Appointment of two (2) members to serve on the Commission on Disability. (Discussion/Vote)
- B. Historic District Commission and Historical Commission – Updates.
- C. SB – Continuation - Right of First Refusal Waiver of Ch 61A land of Abigail Haupt, LLC, approximately 36 acres on Hurlburt and Alford Roads (Assessor's Map 31, Parcel 12A). (Discussion/Vote)

8. OLD BUSINESS:

- A. SB – Proposed Marijuana Article(s) from Public Forum. (Discussion/Vote)
- B. SB – Housatonic School Re-Development Options for Moving Forward. (Discussion/Vote)

9. CITIZEN SPEAK TIME:

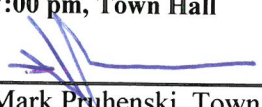
Citizen Speak Time is simply an opportunity for the Selectboard to listen to residents. Topics of particular concern or importance may be placed on a future agenda for discussion. This time is reserved for town residents only unless otherwise permitted by the chair and speakers are limited to 3 minutes each.

10. SELECTBOARD'S TIME:

11. MEDIA TIME:

12. ADJOURNMENT:

NEXT SELECTBOARD MEETINGS: SB & Fin Com Joint Budget Meetings - January 28, 2020, 6:00 pm and February 4, 2020, 6:00 pm, Town Hall; SB Regular Meeting - February 10, 2020, 7:00 pm, Town Hall



Mark Pruhenski, Town Manager

Pursuant to MGL. 7c. 30A sec. 20 (f), after notifying the chair of the public body, any person may make a video or audio recording of an open session of a meeting of a public body, or may transmit the meeting through any medium. At the beginning of the meeting, the chair shall inform other attendees of any such recordings. Any member of the public wishing to speak at the meeting must receive permission of the chair. The listings of agenda items are those reasonably anticipated by the chair which may be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

Year 1 Estimated Cost to Implement the Residential Exemption

Personnel:

Additional 19 hour/week employee for one year @ \$20/hr. **\$19,760**
Job responsibilities to include assisting in processing of
potentially 2,300 applications from property owners seeking
the Residential Exemption. All applicants must prove residency
in order to qualify and to qualify they must apply.

Overlay Account: Additional allowance for abatements & exemptions resulting from
owners of high dollar valued homes who will challenge their
assessment as a result of shifting the tax burden & higher tax bills.

\$31,400

Legal: Legal counsel to assist in possible complex, high dollar value ATB cases
elevated to formal procedure

\$10,000

Consulting: Retention of professional appraisal services as rebuttal witnesses
for ATB cases of homes valued at \$1M or greater

\$5,000

Outreach, Education & PR: Collateral materials, printing & postage

\$2,500

Miscellaneous: Document storage, inspection mileage, office supplies, etc.

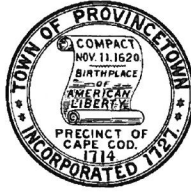
\$1,500

Total estimated cost to implement:

\$70,160

Residential Exemption

The *Residential Exemption* grants an exemption to property that is the principal residence or domicile of a taxpayer. Under M.G.L c.59, § 5C the exemption amount may not exceed 35% (\$139,564) of the average assessed value (\$398,754) of all residential class properties. Granting the exemption increases the residential tax rate as it shifts the tax burden, within the entire residential class, away from lower valued owner occupied dwellings to dwellings valued at greater than the breakeven, multi-family properties, apartment buildings, vacant land and non-domiciled property owners. Properties of domiciled taxpayers valued below the breakeven will pay fewer taxes while those valued higher will pay more. Currently, only thirteen of 351 Massachusetts communities grant Residential Exemptions. These communities typically have a large number of apartment buildings (Boston, Brookline, Cambridge, Somerville & Chelsea) or a disproportionately large number of second homes (Cape Cod & the Island communities).



Residential Exemption-FAQ'S

1. **What is a Residential Exemption?** A Residential Exemption is based on the year-round residency of the taxpayer, rather than one's age or financial situation. **OR:** The year-round rental of a unit to a full time Provincetown resident.
2. **Who is eligible for FY 2020?** A taxpayer who owns and occupies residential property as their legal residence (domicile) as of January 1, 2019 may apply for this exemption.
A domicile is owned and occupied by the applicant on a year-round basis. If the property is co-owned, both owners must qualify. **OR:** a non-domiciled taxpayer who owns residential property as of January 1, 2019 who rents on a year-round basis to a full time Provincetown resident.
3. **How is the exemption amount determined?** Once the Select Board has adopted the exemption and voted the percentage (25 percent for FY 2020), the assessor determines the amount of value to be exempted from those qualifying parcels by calculating the following:
 - The total assessed value for all residential properties, including vacant parcels.
 - The total number of residential parcels.
 - Divide the Total residential valuation by the total number of residential parcels.
 - Multiply the exemption percentage by the average value.
 - The tax dollar value of the exemption is the Exemption amount * tax rate

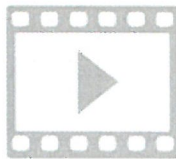
Total Residential Value	# of Parcels	Ave Assessed Res Value	% Adopted	Exemption amount	As Tax Dollars
\$2,893,096,704	4,195	\$689,654	0.25	\$172,413	\$1,141.38

4. **What does the Residential Exemption percentage mean?** The exemption percentage is the percentage of the Average Assessed residential value that will be used as the exemption amount. The percentage used can be from 1-35%. The actual percentage used is determined annually by the Select Board at the annual Tax Classification hearing.
5. **Is the exemption automatic, or is there an application process?** The exemption must be applied for with proper documentation provided (please review applications and cover sheet for details.) The application with cover sheet can be downloaded from the Assessor's web site or picked up at the Assessor's office.
6. **Do I need to reapply for the Exemption annually?** - The traditional Residential Exemption does not need to be refilled unless the property is sold or the ownership changes (the adding of an owner or placing the property into a Trust for example). The Expanded Residential Exemption does need to be applied for annually.
7. **When can I apply for the Exemption?** Applications received between Oct.1st, 2019 and April 1, 2020 will be processed as a standard exemption. Applications can be filled up to 90 days from the date of mailing of the fall tax bill or by April 1, 2020, whichever is later.
8. **Does the Residential Exemption generate additional tax dollars for the Town?** No, the adoption of a Residential exemption is revenue neutral. The tax levy of the residential class is the same whether the exemption is adopted or not.

ON LINE

Residential Exemption

PROVINCETOWN RESIDENTIAL EXEMPTION OVERVIEW



Residential Exemption Narrated Video

In the Town of Provincetown there are two ways in which property may qualify for a Residential Exemption. This exemption is based on the residency status of the taxpayer or, as newly adopted, the residency status of a year-round renter. Residential taxpayers who are domiciled in a community or non-domiciled taxpayers who rent on a year-round basis to qualified renters, receive a reduction to the assessed value of their property and a corresponding reduction in their real estate tax. The exemption amount is based on the average assessed residential value times a percentage voted by the Select Board at the annual Classification hearing not to exceed 35%. The adoption of a Residential Exemption is revenue neutral for the Town. The Provincetown Select Board has adopted the exemption and, for FY' 2020, voted the percentage at 25%. The exemption amount for Fiscal Year (FY) 20 is \$172,414.

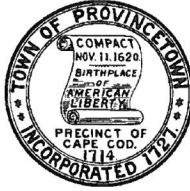
Here is an example of how the exemption works:

Property A with residential exemption

- Assessed value of \$500,000
- Residential exemption of (\$172,414)
- Taxable Valuation of \$327,586

Property A no residential exemption

- Assessed value of \$500,000
- Residential exemption of (\$0)
- Taxable Valuation of \$500,000



9. **Why is the Residential tax rate now higher than the commercial rate?** There is a loss of value based on the exemption, which must be offset by a higher Residential tax rate. The total tax dollars (tax levy) generated from the residential class must remain the same per Mass. Dept. of Revenue.
10. **If I receive other exemptions, can I still receive the Residential Exemption?** Yes, provided that the taxable valuation of such property is not reduced below 10 percent of its full and fair cash value.
11. **How does the Residential Exemption affect my tax bill if I am a Seasonal Resident? – See Example Below:**

PERMANENT RESIDENT		SEASONAL RESIDENT	
Property A with residential exemption		Property A no residential exemption	
Assessed value of	\$500,000	Assessed value of	\$500,000
Residential exemption of	(\$172,414)	Residential exemption of	(\$0)
Taxable Valuation of	\$327,586	Taxable Valuation of	\$500,000
Tax rate per thousand of	<u>\$6.62</u>	Tax rate per thousand of	<u>\$6.62</u>
Property Tax =	\$2,168.62	Property Tax =	\$3,310.00

FISCAL YEAR 2020 EXPANDED RESIDENTIAL EXEMPTION

THE COMMONWEALTH OF MASSACHUSETTS

PROVINCETOWN

All information on this form must be completed in full and required documentation must be attached in order the application to be considered complete. Under statute, the application for residential exemption must be filed no later than April 1, 2020 or 3 months after the date the actual tax bill is issued, whichever is later.

The undersigned being aggrieved by the failure to receive a residential exemption on real estate situated at

_____ for fiscal year 2020 hereby applies for such an exemption.
Number Street

STATEMENT OF FACTS

- 1) Name(s) of record owner/taxpayers(s) _____
- 2) Name of Resident/Renter(s) _____
- 3) Date Property Acquired _____
- 4) Was the parcel **owned** by you and was a year round rental agreement in place as of January 1, 2019? YES ____ NO ____

NOTE: If no, then you do not qualify for the exemption.

3. 5) Please provide the required verification documentation: a current Rental Certificate, a signed (landlord and tenant) year-round lease beginning on or before January 1, 2019 and a copy of the first page of your renters 2018 Federal 1040 and State income tax Form 1 filings listing the above parcel as the mailing address. Inclusion of the tax forms is for residency verification only. All financial information can and should be redacted. **OR:** a current Rental Certificate, a signed (landlord and tenant) year-round lease beginning on or before January 1, 2019 and a copy of your tenant's Driver's License listing the rental property address. Additionally your tenant must have two of the following: a year round parking permit; be registered to vote in Provincetown; be on the Town Census or provide a copy of a December 2018 Utility bill in the tenant's name for the rental address.

If the tax return shows a PO Box, please provide a copy of both sides of current driver's license along with the above verification information.

PLEASE READ THE FOLLOWING INFORMATION CAREFULLY!

- **You must file your Expanded Residential Exemption application each year as we need to verify the lease and rental certificate information each year.**
- **Failure to do so will result in loss of the exemption.**

Signing this form under the penalties of perjury has the legal effect of swearing under oath to the truthfulness of the information contained herein. All items on this form must be completed as indicated. In addition to other sanctions provided by law, intentional misrepresentation of facts in this application may result in disqualification of this exemption and the subsequent issuance of an omitted bill for the exempted value involved for the current fiscal year. Verification of the truthfulness of the information contained herein may include visitation of the rental property and include an interview with the renters.

9) Signature of Applicant: _____

10) Mailing Address): _____

Email Address: _____ Phone Number: _____

KEY# _____ (Assessor's Use)



Provincetown Residential Exemption – Application and Requirements

As part of the Fiscal Year 2020 Tax Rate setting process, the Provincetown Select Board voted to adopt a Residential Exemption as they did last year.. This exemption will adjust the taxes of qualified, domiciled residents of Provincetown. The exemption is revenue neutral; no additional revenue is raised by this action.

To receive this exemption for FY 2020, your domicile must be Provincetown as of **January 1, 2019**. Domicile is a legally defined term, while you can have multiple residences, you can only have one domicile. Your domicile is normally your principal residence, the residence in which the taxpayer lives; that is, the owner's fixed place of habitation, permanent home or legal residence. If the property is owned jointly, both owners must qualify for the exemption, meaning both must claim Provincetown as their domicile.

Because you have a mailing address of Provincetown, you have received this letter along with an application for the exemption. **This exemption is not automatic and you must complete the application in order to receive the Residential Exemption. Please complete the enclosed application and supply the required verification, so that you can receive the exemption.**

If qualified under the exemption, a property's taxable value, **before** the tax rate is applied, will be lowered by a fixed amount. This year, the amount is \$172,413. Here is an example of how the exemption works:

Property A with residential exemption		Property A no residential exemption	
Assessed value of	\$500,000	Assessed value of	\$500,000
Residential exemption of	(\$172,413)	Residential exemption of	(\$0)
Taxable Valuation of	\$327,587	Taxable Valuation of	\$500,000
Tax rate per thousand of	\$6.62	Tax rate per thousand of	\$6.62
Property Tax =	\$2,168.63	Property Tax =	\$3,310.00

In addition to a completed, signed application form you must include a copy of the first page of your **2018 Federal and State income tax filings**. **Please understand there can be no exceptions, except as otherwise provided below to ensure everyone is treated fairly and equally.** Any financial information included can and should be blacked out. All that is required is that the tax form shows the real estate address from which the tax returns were mailed. If you use a post office box as your primary mailing address, you must submit the tax return page showing the PO Box, along with two additional pieces of supporting documentation – a copy of both sides of your driver's license and a December 2018 utility bill showing Provincetown as the mailing address. If no tax return was filed for 2018, the Board of Assessors will need a written explanation as to why and will require three additional pieces of supporting documentation as determined by the Board of Assessors. Properties in a Trust must provide a copy of recorded Trust or Trustee's certificate and Schedule of Beneficiaries.

Qualified residents will be notified and will see the exemption applied to the fall 2019 tax bill only if they return the application complete with required back-up to the Assessor's office either by mail, E mail, or hand delivery. by August 29, 2019.

Qualifying applications received **after** that date will be handled as a standard exemption with the 1st half bill (October 2019) tax amount required up front and any adjustment due will be applied to the 2nd half tax bill.

If you have any questions, please call the Assessors' office at 508-487-7017 or email sfahle@provincetown-ma.gov.

FISCAL YEAR 2020 RESIDENTIAL EXEMPTION

THE COMMONWEALTH OF MASSACHUSETTS

PROVINCETOWN

All information on this form must be completed in full and required documentation must be attached in order the application to be considered complete. Under statute, the application for residential exemption must be filed no later than April 1, 2020 or 3 months after the date the actual tax bill is issued, whichever is later. HOWEVER, FOR THE EXEMPTION TO BE APPLIED TO THE Fall 2019 TAX BILL, THE COMPLETED APPLICATION ALONG WITH ANY REQUIRED BACKUP MUST BE RECEIVED BY AUGUST 29, 2019.

The undersigned being aggrieved by the failure to receive a residential exemption on real estate situated at

_____ for fiscal year 2020 hereby applies for such an exemption.
Number Street

STATEMENT OF FACTS

- 1) Name(s) of record owner(s) _____
- 2) Name of Applicant(s) _____
- 3) Date Property Acquired _____
- 4) Was parcel *owned and occupied* by you as your *principal residence* as of January 1, 2019? YES _____ NO _____

NOTE: If no, then you do not qualify for the exemption.

- 5) Attach a copy of the front page of your 2018 Federal and State Income Tax Return showing the above parcel address.

- If return shows a PO Box, attach a copy of tax returns & a copy of both sides of current driver's license and a copy of either a December 2018 utility bill or 2018 water bill showing owner's name with Provincetown address.
- If you weren't required to file a tax return in 2018, submit a short written explanation why and include any pertinent documentation such a SSI return, a copy of both sides of a current driver's license, a copy of a December 2018 utility bill and a 2018 water bill showing owner's name with Provincetown address.
- Properties in a Trust must provide a copy of recorded Trust or Trustee's certificate stating you are a Trustee and have a beneficial interest in the Trust and / or include a Schedule of Beneficiaries.

- 6) List the location and type of **any other residential real estate** owned by you: _____

- 7) Have you received or applied for **any other residential exemption and/or homestead exemption** in any other state, city or town in this fiscal year (7/1/19 to 6/30/20)? ☐ NO ☐ YES If yes, what city/state? _____

Signing this form under the penalties of perjury has the legal effect of swearing under oath to the truthfulness of the information contained herein. All items on this form must be completed as indicated. In addition to other sanctions provided by law, intentional misrepresentation of facts in this application may result in cancellation of this exemption and the subsequent issuance of an omitted bill for the exempted value involved for the current fiscal year.

- 9) Signature of Applicant: _____

- 10) Mailing Address (if different than property location): _____

Email Address: _____ Phone Number: _____

KEY# _____ (Assessor's Use)



Expanded Provincetown Residential Exemption – Requirements and Application

Exemption for taxpayers renting year-round to Provincetown Residents

In February 2018, the Provincetown Residential Exemption was expanded to include: “a residential parcel occupied by a resident of the Town of Provincetown, other than the taxpayer, occupied on a year-round basis and used as his or her principal residence for income tax purposes.” This exemption will adjust the taxes of owners who rent on a year -round basis to residents of Provincetown who use the rental as their principal residence for income tax purposes.

The Select Board must vote to adopt a Residential Exemption as part of the Tax Rate setting process. Acceptance by the Select Board enables both versions of the Exemption. The exemption is revenue neutral; no additional revenue is raised by this action.

To qualify under the expanded version of the exemption for FY 2020, the applicant must provide either

1. a current Rental Certificate, a signed (landlord and tenant) year-round lease beginning on or before **January 1, 2019 and** a copy of the first page of your renters **2018 Federal 1040 and State income tax Form 1 filings listing Provincetown as the mailing address**. Inclusion of the tax forms is for residency verification only. All financial information can and should be redacted. **OR:**
2. a current Rental Certificate, a signed (landlord and tenant) year-round lease beginning on or before **January 1, 2019 and** a copy of your tenant’s Driver’s License listing the rental property address. Additionally your tenant must satisfy **two** of the following: a year round parking permit; be registered to vote in Provincetown; be on the Town Census or provide a copy of a December 2018 Utility bill in the tenant’s name for the rental address.

As with a traditional Residential Exemption, if you qualify under the Expanded Residential Exemption, a property's taxable value will be lowered by a fixed amount, **before** the tax rate is applied. For FY 2020, the amount was \$172,413. Here is an example of how the exemption works:

Property A with residential exemption		Property A no residential exemption	
Assessed value of	\$500,000	Assessed value of	\$500,000
Residential exemption of	(\$172,413)	Residential exemption of	(\$0)
Taxable Valuation of	\$327,587	Taxable Valuation of	\$500,000
Tax rate per thousand of	\$6.62	Tax rate per thousand of	\$6.62
Property Tax =	\$2,168.63	Property Tax =	\$3,310.00

In addition to a completed, signed application form you must include the required supporting documentation as listed above. **Please understand there can be no exceptions, except as otherwise provided below to ensure everyone is treated fairly and equally.** If you use your tenant’s tax returns as supporting documentation and they use a post office box as their primary mailing address, you must submit the tax return page showing the PO Box, along with a copy of both sides of their driver’s license. **This exemption is not automatic; you must complete the application in order to receive the expanded Residential Exemption. Please complete the enclosed application and supply the required verification in order to receive the exemption.**

The fall 2019 tax bill should be paid as assessed. Qualifying applications will be handled as a standard exemption. Qualifying applications will have their adjustment applied to the Spring 2020 Tax Bill.

If you have any questions, please call the Assessors' office at 508-487-7017 or email sfahle@provincetown-ma.gov.