

Minutes of 2/1/22
Revenue Ideation Committee

Members Present: Jane Biering, Paul Green, Kara Minar, Charles Oliver, Bob O'Shea, SusanMary Redinger

Absent: Dan Daly

Meeting was called to order at 4:11pm by the chair, Kara Minar

Kara updated the committee on input from Stu Sklar about a bill being proposed that would include a tax on new buildings. SB members discussed the addition of a Home Rule Petition to make it more amenable to our farmers. Doing so could go to a split tax rate with commercial being charged a higher rate without adversely affecting agricultural properties.

Paul Green suggested creating a new tax code to protect farmers in Harvard instead of depending on the legislation.

Charles Oliver updated the committee on his findings re: solar installations. Putting one on top of the public safety building could result in significant cost savings for the town as well as being a move towards green energy. Expectations for that array would be 50kw/AC the first year production, with some degradation over time. 115,000 kw hrs per year. Cost of the system \$235,000 savings over time. Could just use CPIC funds \$130,800 total cost. Break-even point is around 10 years of a projected 25 year lifetime. 20 year term for SMART tariff credits (block 10 out of a total of 16). Cost estimates come from New England Clean Energy.

Members discussed other possible installations including school parking lots, DPW building roof, transfer station land.

Kara updated the committee on her findings re: uncollected property taxes. Going back to 1991 there is a potential of over \$1M in possible revenues. At some point the fees and taxes are higher than the value of the land which would result in abandoned property. Some of the properties could also go into Open Space. Select Board will be discussing at their meeting this evening. Paul Green recommended at the very least making that information public as it costs nothing to the town and could incentivize people to pay up. Most of the parcels are undeveloped land.

SusanMary Redinger reported that she was unable to find obvious sources of revenues that Harvard is missing by looking through data on the DOR website for other similar sized towns. She suggested that asking the town's finance manager might yield better results.

Jane Biering indicated that she would be working with Dan Daly this week to look at tax compliance and parcels of land. Kara reported that while no liens have been filed, people who are behind on payments are refused issuance of other town items (e.g. dog licenses).

Members discussed the concept of a Land Bank Fee. There is a Land Bank established in Martha's Vineyard on all property transfers with the first \$595,000 exempt. Charles Oliver calculated from reporting in the Press that there is approximately \$65M in annual house transfers in Harvard. A 1% fee realized upon closing – could equal \$650k in annual revenues to the town with a 2% fee bringing in \$1.3M.

Kara will look into how this would differ from the CPC funding revenues. The CPC is funded by an annual surcharge of 1.1% on property taxes. The surcharge could be as high as 3% but the idea of increasing it was not favorable at a past ATM.

Revenues obtained from sales of properties (i.e. Land Bank Fee) could go towards open space acquisition, trails, recreational land improvements. Members agreed that it would be important to provide a narrative on the use of these revenues.

Kara covered the other “buckets” that were part of the original charge:

- Sale of surplus land/equipment
- Leasing of cell towers is being discussed at the select board meeting this evening
- Securing corporate sponsorships
- Work with state reps to develop state aid and develop home rule petition to create a commercial tax rate that would not increase taxes for farms
- Other opportunities identified
 - An Air BnB Tax (a few houses in town would be impacted and revenues regular tax is 6.25%) A house rented at \$1,050/nt for 150/nts year will pull in approximately \$11k in annual revenues.
 - Employing a grant writer to take advantage of grants on behalf of all town departments
 - Revenues from conservation land that is leased – not a large amount of money, but could be used toward land maintenance
 - Cannabis Community Host Agreement (was Harvard supposed to receive monies from this - \$100k?)
 - Getting more value for the money we are spending/gaining efficiencies across town departments (e.g. DPW hours managed more efficiently instead of a 9 hour day M-Th with a short day on Fridays).

Action Items

- Kara will look with Jane at Land Banks
- Kara will look at the farm tax (talk to Jamie/Dan about that)
- Kara to work with Paul and maybe Peter Dorward on reviewing the open space parcels/delinquent properties

Meeting was adjourned at 5:30pm