



TOWN OF ELLINGTON

55 MAIN STREET – PO BOX 187
ELLINGTON, CONNECTICUT 06029-0187

www.ellington-ct.gov

TEL. (860) 870-3120 TOWN PLANNER'S OFFICE FAX (860) 870-3122

ECONOMIC DEVELOPMENT COMMISSION REGULAR MEETING MINUTES WEDNESDAY, JANUARY 10, 2024, 7:00 PM ZOOM MEETING

PRESENT: Chairman Sean Kelly, Vice Chairman Donna Resutec, Regular Members Chris Todd, Jim Fay and David Hurley, and Alternate Amos Smith

ABSENT: Alternates Sam Chang and Michael Swanson

STAFF

PRESENT: Lisa M. Houlihan, Town Planner and Nathaniel Trask, Recording Clerk

OTHERS

PRESENT: None

I. CALL TO ORDER: Chairman Sean Kelly called the Economic Development Commission meeting to order at 7:01 PM.

II. PUBLIC COMMENTS (on non-agenda items): None

III. ACTIVE BUSINESS:

1. Tax Incentive/Abatement Programs – Discuss CGS §12-81m Municipal Option to Abate up to 50% of Property Tax for Farming Operations.
 - a. Farm Building Exemption List dated November 11, 2023.

Commissioners were given a list of the farms that would be eligible for the potential new property tax abatement program, which would allow eligible farms to abate up to 50% of property tax on farm buildings used for farm operations. According to the list, under the criteria currently being discussed by the commission, three properties are eligible for the program: 11 Jobs Hill Road, 33 Jobs Hill Road, and 115 Meadow Brook Road. All three of these properties are owned and operated by Oakridge Dairy LLC. Vice Chairman Resutec noted that Oakridge Dairy LLC is the farm that approached the Economic Development Commission to advocate for the property tax abatement program.

Ms. Houlihan felt if a new program were put in place if it would encourage other farmers that have 10 or more acres to invest in new structures on their properties. She added later, when asked by Commissioner Hurley, that she did not know if programs like this in other towns incentivized farmers to invest in new structures. Chairman Kelly said there are currently three properties that could file for the 50% abatement. The property that Seth Bahler, owner of Oakridge Dairy LLC, is most concerned about is the new barn and Chairman Kelly believes that the Modern Milkman bottling facility will increase in assessed value in the future, which will increase property taxes on that facility. He added

that the new program is an opportunity to do something for an important business in town without negatively impacting other taxpayers.

Vice Chairman Resutek asked why the tobacco farm Seventy-One Abbott Road LLC at 78 Abbott Road did not qualify for the abatement program. Chairman Kelly said it is because the property does not meet the required building value and acreage being discussed. Commissioner Hurley asked why a farm business that has multiple properties does not qualify. Chairman Kelly said it is because the taxes are assessed by the parcel, not as a part of the corporation. Commissioner Todd asked why Seventy-One Abbott Road LLC does not qualify even though it's included on the farm building exemption list. Ms. Houlihan pointed out at the bottom of the spreadsheet list, John Rainaldi, the town assessor who compiled the list, noted that "There are three properties on this list that exceed the \$100,000 MFB exemption cap," and then listed 11 Jobs Hill Road, 33 Jobs Hill Road, and 115 Meadow Brook Road. She believed 78 Abbott Road, which is Line 17 on the list, also exceeded the \$100,000 MFB exemption cap by \$29,000 because property taxes are only being abated on buildings, not land. She then realized that the spreadsheet noted that the property was already exempt for \$122,960, so it would not qualify for the program based on the exemptions it already has. Commissioner Hurley said farms often have multiple parcels, so they should be assessed and determined if they qualify for the exemption program based on all their properties, not based on each individual parcel that a farm owns. Ms. Houlihan said she believed the law enabled the ordinance to be written as per property only, but Commissioner Hurley added that if properties that a single farm owned were bundled together and determined if they qualified for this program as a whole, then that could qualify more farmers for the program, especially if they have parcels that are individually under the 10-acre threshold, but, when bundled together, meet the minimum criteria for land. Chairman Kelly said this would help farms that have buildings located on one parcel but house equipment that supports another parcel, only that language would have to be developed so that buildings could qualify for the program if they are located on actively farmed parcels to avoid possible loopholes. Commissioner Todd said if the definitions are written differently, then Mr. Rainaldi can create a different list, but Commissioner Hurley said the commission might be wasting its time if the enabling legislation says parcels, not farms, are the only ones that qualify.

Ms. Houlihan read some of the legislation, saying the legislation enables towns to "abate up to 50% of property taxes of dairy farm, fruit orchard, vegetable nursery, non-traditional or tobacco farm or commercial lobstering business operated on maritime heritage land." The legislation does not say that only individual parcels are to be considered, so Chairman Kelly noted that Commissioner Hurley's proposal could make sense and that it would not be difficult to keep track of the land each farm has when they apply for the abatement. Commissioner Hurley said the assessor may already have acreage information on file due to the abatement program on land. Ms. Houlihan said they have that data, but Chairman Kelly was unsure how many farms in town will qualify for the program based on combined acreage.

Ms. Houlihan will ask the assessor, Mr. Rainaldi, to run the report again and include farms that have multiple parcels that, when combined, their acreage adds up to more than 10 acres. Chairman Kelly asked that when the report is completed if the assessor can include the farm, total acreage among all the parcels, and total assessment with the number of buildings. Commissioners were confused with some of the numbers on the spreadsheet, so Ms. Houlihan said she would ask if Mr. Rainaldi can be present for a future meeting. Commissioner Smith asked how long a farm must wait after an abatement expires before they can apply for another one. Chairman Kelly said the town's current abatement program only applies to new construction or improvements to an

existing property. He added that the land that the Ellington Racquet Club will be constructed on is agricultural land and is taxed as such. Even with the 90% abatement on the building that the business will receive in the first two years of business, the town will receive more revenue in property taxes from that lot than it currently does.

Ms. Houlihan said the town has a separate program exempting assessment for farm buildings of at least \$100,000 in value that are exclusively used for farming.

Chairman Kelly asked Commissioner Fay if he knew how much the town relies on revenue from farm property taxes. He said that it was not a key revenue source.

Report: Tolland County Chamber of Commerce

Nothing new to report.

2. Agricultural Initiatives

Nothing new to report.

3. Review Economic Development Sections from the 2023 Sustainable Connecticut Certification Action Overview Worksheet.

a. Section 2.3 Inventory and Promote Local Products and Services – Ellington Business List

Commissioners were given a five-page report of the incorporated businesses in town. Ms. Houlihan said she removed home occupations from the report. Part of the initiative is to take the report on incorporated businesses and create a map for an extra five points from Sustainable CT, so she said she would talk with the GIS consultant about the cost to create a separate layer on the GIS map for the town's businesses. This report fulfilled what is needed for Section 2.3.1 for the Sustainable CT certification. The next submission deadline for certification is in April.

Section 2.4 Provide Resources and Supports to Local Businesses.

Chairman Kelly asked if Shop Ellington would meet the criteria. Ms. Houlihan confirmed that it would.

4. Connecticut Economic Development Association Best Practices – Customer Service Satisfaction Survey Results

There have been no new surveys received recently. Commissioner Smith asked if the surveys were self-administered. Chairman Kelly said that it was. Ms. Houlihan explained the survey is only intended to critique Planning Department staff and many customer interactions involve staff from the building and fire marshal department.

5. Report: Current Economic Activity

Chairman Kelly said there is a development proposal for the lot just south of Country Pure Foods. There will be some commercial use along the road with industrial use in the back of the lot.

The owner of the other undeveloped parcel in the Big Y Plaza is looking to develop it. Chairman Kelly said he met with the people responsible for the property and that they are looking to do something meaningful on the property.

Chairman Kelly reported that the resolution for the tax abatement for the Ellington Racquet Club was approved almost unanimously. One resident voted against it, but there was otherwise a lot of support for it.

IV. ADMINISTRATIVE BUSINESS:

1. Fiscal Year 2023-2024 Budget & Expenditures Update.

BY CONSENSUS, THIS AGENDA ITEM WAS TABLED UNTIL THE NEXT MEETING.

2. Approval of the November 8, 2023, and December 13, 2023, Regular Meeting Minutes.

MOVED (RESUTEK) SECONDED (SMITH) AND PASSED UNANIMOUSLY TO APPROVE THE NOVEMBER 8, 2023, REGULAR MEETING MINUTES AS WRITTEN.

MOVED (TODD) SECONDED (HURLEY) AND PASSED UNANIMOUSLY TO APPROVE THE DECEMBER 13, 2023, REGULAR MEETING MINUTES AS WRITTEN.

3. Election of Officers.

CHAIRMAN POSITION:

MOVED (TODD) SECONDED (HURLEY) AND PASSED UNANIMOUSLY TO NOMINATE COMMISSIONER (KELLY) FOR CHAIRMAN OF THE ECONOMIC DEVELOPMENT COMMISSION FOR 2024.

COMMISSIONER (KELLY) ACCEPTED THE NOMINATION. HEARING NO FURTHER NOMINATIONS, NOMINATIONS WERE CLOSED AND COMMISSIONER (KELLY) WAS ELECTED FOR CHAIRMAN OF THE ECONOMIC DEVELOPMENT COMMISSION FOR 2024.

VICE CHAIRMAN POSITION:

MOVED (KELLY) SECONDED (TODD) TO NOMINATE COMMISSIONER (RESUTEK) FOR VICE CHAIRMAN OF THE ECONOMIC DEVELOPMENT COMMISSION FOR 2024.

COMMISSIONER (RESUTEK) ACCEPTED THE NOMINATION. HEARING NO FURTHER NOMINATIONS, NOMINATIONS WERE CLOSED AND COMMISSIONER (RESUTEK) WAS ELECTED FOR VICE CHAIRMAN OF THE ECONOMIC DEVELOPMENT COMMISSION FOR 2024.

4. Correspondence/Discussion:
a. Shop Ellington 2023 Newsletter article

There was a letter from the Planning Department in the January newsletter. Chairman Kelly said he thought the businesses saw some positive results and he is excited to see what happens next year.

- b. 2022 Grand List Summary Memo & Brochure

Chairman Kelly said he thought Eversource was the town's biggest taxpayer since they pay property taxes on telephone poles. Commissioner Smith also said he believed Dymotek was on the leaderboard. Ms. Houlihan noted that the top three taxpayers are all multi-family developments.

Ms. Houlihan said the solar farm on Middle Road was approved by the Connecticut Siting Council.

V. ADJOURNMENT:

MOVED (SMITH) SECONDED (RESUTEK) AND PASSED UNANIMOUSLY TO ADJOURN THE ECONOMIC DEVELOPMENT COMMISSION MEETING AT 8:04 PM.

Respectfully submitted,

Nathaniel Trask, Recording Clerk