

Heniger Park Points Outline

- October 1943 - Upon his death, Jacob Heniger's Will gave the property to be known as Heniger Park to Otisfield . This property consists of approximately 117 acres with frontage on pleasant Lake
- November 1952 - Probate proceeding of Jacob Heniger's Will
- August 1953 - Special Town Meeting to vote on accepting Heniger Park subject to the conditions stated in the will
- 1965 - Selectmen started leasing lots for ten years with four additional terms of ten years each. Access was provided by the town from Route 121 to the lots via Jacobs Way
 - + Lease options to be exercised, with written notice 60 days prior to current lease expiration, with the same terms
 - + Building were taxed at the property tax rate
 - + Lot leases ranged from 0-\$50 per year
 - + Or quit and deliver premise at the end of the term (Lessee may remove any buildings and improvements placed on premise but must rough grade the surface of the ground)
- 1991 - Based upon a court settlement agreement lake front lots were to be leased at a rate of the current mil rate based upon \$30,000 value and back lots at \$15,000 starting in April 1992
- Over the years timber has been harvested with the funds going into a Timber Reserve Account
- 2007-2013 - Trails developed, maintained, and identified for recreation. Parking areas were also blocked off

- September 2007 - A letter was sent to each lessee stating that there was no guarantee of a lease being renewed when the final lease expired. The same information was attached to any building permit

- January 2013 - Heniger Park Reassessment Committee formed
 - + Nine members
 - + January 10, 2013 initial meeting with no minutes
 - + February 23 - site walk followed by meeting
 - + Additional meetings on March 25, April 25, July 18, September, November 21, 2013 and January 16, February 20, March 20, April 8, 2014
 - + Audience participation during all meetings
 - + Approved minutes documented on town web site

- Meeting highlights and recommendations
 - + Town Attorney determined that it would not be wise to pursue selling any portion of Heniger Park
 - + Town Assessor provided assessed values of lots were they not under current Heniger Park lease agreements (\$206,783-213,005 front/ \$44,340 back lots)
 - + Two realtors provided estimated values of lots (\$180,000-200,000 front/ \$30,000-\$60,000 back lots)
 - + Daniel Dwyer real estate appraiser/consultant provided lease information based upon current recommended market pricing of approximately \$150,000 for front lots and \$31,000 for back lots at a land capitalization rate of 2.1%
 - + Recommendation that all current lot leases will expire at the end of the current lease period or be terminated in writing by the owner. A new lease will then be offered to last owner of the land lease

- + Recommendation to use current town assessed valuations for all lots using a land capitalization value of 2.2% to determine the lease on each lot
- + Recommendation that lease fee increases be adjusted based upon any changes in the assessed value or mil rate at the same percentage of increase
- + Recommendation that any current lease holder that terminates their lease in writing between January 1 and June 30, 2015 with an effective date of June 30, 2015 will be offered the new lease on July 1, 2015 for ninety-nine years at the new lease rate
- + Recommendation that any lease holders that do not terminate their lease and sign up for a July 1, 2015 lease have their new lease expiration date be June 30, 2040
- + Town attorney has reviewed the proposed committee recommendations
- + A lot inspection for environmental evaluation will be necessary prior to any new lease

An example of two lots using the committee recommendations

*FY14 mil rate of 11.55 per \$1,000 used
Capitalization Rate of 2.2 percent used*

*Example for lot #20 (front lot) .
Current lease (land lease charge only)
30 x \$11.55 = \$346.50 for this fiscal year.
Building property taxes only
91.238 x \$11.55 = \$1,053.80
Total of \$1,400.30*

Proposed by the committee (land lease charge only)

$213,005 \times 2.2\% = \$4,686.11$

Building property taxes only

$91.238 \times \$11.55 = \$1,053.80$

Total of \$5,739.91

Example for lot #20B (back lot)

Current lease (land lease charge only)

$15 \times \$11.55 = \173.25 for this fiscal year.

Building property taxes only

$47.457 \times \$11.55 = \548.13

Total of \$721.38

Proposed by the committee (land lease charge only)

$44,340 \times 2.2\% = \$975.48$

Building property taxes only

$47.457 \times \$11.55 = \548.13

Total of \$1,523.61

Lot owners also pay an additional lease fee of from 0-\$50 each year depending on the lease

- The total lease payments for the town for FY14 would be \$9,528.75 under the current lease arrangement. That same figure, if all 37 lots were currently under this proposed lease arrangement, would be \$100,551.35

- Prior to the Otisfield Town Meeting in June, 2014 committee recommendations will be presented at an informational hearing

- Final committee recommendations will be documented in an article to be voted upon by the townspeople at the Otisfield Town Meeting in June 2014. This is a non binding vote to assist selectmen in their analysis upcoming lease expirations

- Upon Heniger Park Lease approval the Otisfield Selectmen will forward the applicable information to the town attorney for final legal approval and the development of the new lease and lease termination documents

- The lease agreement will be the new lease used for leasing lots when the current lease agreements expire or the termination of leases for those using the July 1, 2015 option

- Current lease expirations:

2015 - 13

2016 - 2

2017 - 4

2018 - 3

2019 - 3

2020 - 9

2025 - 1

2032 - 1

36

One lot is not currently leased and there are also two beach lots for a total of thirty-nine lots

Lot 4 is currently not leased with a shell of a building on it. Current plan is to make it available and lease it in 2014 once a lease amount has been finalized