

**Minutes of the Board of Assessors  
Meeting of October 17, 2019**

A meeting of the Board of Assessors was held on Thursday, October 17, 2019 in the Auditorium of City Hall. The meeting was called to order at 8:20 AM by Chair Daniel Hansberry.

**Members Present:**

Daniel Hansberry

Robert Earley

Paul Bergeron

**Assessing Staff Present:**

Greg Turgiss

Lynn Cameron

Louise Brown

Amanda Mazerolle

**Other City of Nashua Staff Present:**

Administrative Services Director Kimberly Kleiner, Corporation Counsel Steve Bolton and Deputy Corporation Counsel Celia Leonard

**Mr. Hansberry**

Good Morning, I'll call the Board of Assessors meeting for Thursday October 17, 2019 to order at 8:20. I want to welcome everybody to the Board of Assessors meeting. I serve as Chairman of the board. My name is Daniel Hansberry and to introduce people at the table with me, to my extreme right, your left, is our clerk and coordinator Lynn Cameron. Moving towards me is the board member Robert Earley, to my immediate right is board member Paul Bergeron, to my immediate left, your right, is Deputy City Cooperation Council Celia Leonard and to her left is Director of Administrative Services Kim Kleiner and part of her responsibility is oversight of the Assessing Department. This meeting is recorded by a written transcript and audio tape. Please direct all testimony into a microphone and only one person should speak at a time. If you do not already have a copy of today's agenda, please feel free to get a copy located at the entrance to this room.

Today we will be hearing various requests as listed on the agenda. Please note the discussions may be taken under advisement and involved parties will be notified at a later date. Per the City of Nashua bylaws, a minimum of two or more affirmative votes are required to approve any application. In addition, this board will hear any and all scheduled cases as long as quorums of two voting board members are present at this meeting. Any citizen has the right to contest a decision that the board makes. To appeal a municipality's decision on an abatement application a taxpayer may appeal to either the Board of Tax and Land Appeals or to the Superior Court, but not to both. Please contact the Assessing Department for more information.

Please direct all testimony to this board and not to anyone in the audience. If you have questions they are to be directed to the board and we will do our best to get them answered. When directing testimony to this board please announce your name and address clearly for the record. Please silence or turn off your cell phones. If you need to have a conversation please feel free to step out into the hallway. Ms. Cameron, are there any changes to today's agenda?

Ms. Cameron

No.

Mr. Hansberry

Thank you. Does anyone have any questions before we begin?

Is there a motion to approve the minutes of the Board of Assessors meeting held on October 3, 2019.

Mr. Earley

So moved.

Mr. Bergeron

I'll second

Mr. Hansberry

Are there any errors or corrections?

Mr. Bergeron

No.

Mr. Earley

Seeing none, all those in favor of approving the minutes as presented signifying by saying aye.

Mr. Bergeron

Aye.

Mr. Earley

Aye.

Mr. Hansberry

Aye.

Opposed? Ayes have it, motion carries.

Ms. Kleiner.

Ms. Kleiner

Good morning. I've given you a brief memo and attached to that is the MS-1 that was submitted to the NH DRA last Friday. I'd like to thank all the assessing staff for their hard work. I've noted a few changes and of course the memo is over there next to the agendas. A few value changes from 2018 to 2019 but the net of it is a change in increase in value of 57,577,293. A copy of the MS-1 will be going to the Board of Aldermen in their packet tomorrow afternoon. The Assessing Department, with members of our IT staff continue to work on the upgrade from AssessPro Classic to AP5. We continue to do that in close collaboration with Patriot Properties, meeting several times a week. The committee formed to review the four proposals submitted in response to the RFP for the full measure and list conducted interviews with each firm on October 16<sup>th</sup> and will be making a recommendation to the Mayor shortly. The assessors concentrated on inspections of the building permits, both commercial and residential, in preparation for last week's submission of the MS-1. The city entered into a contract, a contract approved by the NH DRA, with KRT Appraisal on October 9<sup>th</sup> to assist with permit capture after lack of a response to the city's advertisement for temporary assessing help. KRT captured permits on 157 commercial parcels and 19 residential parcels, which greatly assisted in us preparing ourselves for filing of the MS-1 last Friday. The total building permits closed from January 1, 2019 to current is approximately 3,066, both residential and commercial. Permits continue to be reviewed and may be closed prior to file capture. In January we'll give you a final number but we wanted you to know that number may be different than the 3,066 just for that reason we continue to review them. As always, my office is open for any questions and I've given you my direct line.

Mr. Hansberry

Are there any questions for Ms. Kleiner?

Mr. Earley

No.

Mr. Bergeron

No.

Mr. Hansberry

Next item on the agenda is communications. There are no communications and then we go to appointments. Is Mr. Thomas M Goins from Dartmouth Hitchcock Medical Center here? Would you come forward please?

Mr. Goins

Good morning. Tom Goins from Dartmouth Hitchcock Health Vice President of Facilities Operations and with me is Craig Beck Vice President of Operations for the Southern Region. In the audience is John Kacavas our Chief Legal Counsel. We're here today in regards to our PILOT Agreement, our Payment in Lieu of Taxes agreement which was originally negotiated in 2012 and extended through 2018. We were informed that for tax year 2019, the PILOT had been canceled. We are here to identify the fact that we've had no substantive change in the benefits we provide to the community, in fact those community benefits have continually increased and we would like those to continue going forward. We are requesting the continuation of the previously negotiated PILOT agreement .

Mr. Hansberry

Are there questions?

Mr. Bergeron

I don't have any.

Mr. Earley

How much additional square footage is, have you added in the last 10 years?

Mr. Gonis

Craig? I don't think we've actually added anything from the original structure.

Mr. Earley

So it's essentially the same?

Mr. Gonis

It's the same, correct.

Mr. Hansberry

Mr. Bergeron.

Mr. Bergeron

Thank you. You mentioned the contract was cancelled, was a reason given to you as to why?

Mr. Gonis

No, it just stated that per the agreement that it was the assessor's privilege, in the contract, to notify us if they were not extending that PILOT. We received that notice and were not exactly sure why.

Mr. Bergeron

Thank you.

Mr. Hansberry

What was the status prior to the agreement?

Mr. Gonis

I think there was a discussion revolving around our tax exempt status and I think the negotiated PILOT was an effort to ensure that we kept the city whole, that we continued to provide the community benefit and that the city doesn't lose any tax revenue as a consequence but they didn't necessarily see us as a private industry, or a for profit industry. We continue to be a non-profit system.

Mr. Hansberry

The properties house medical practices, is that correct?

Mr. Gonis

That's correct.

Mr. Hansberry

Are there any other questions?

Mr. Earley

No.

Mr. Bergeron

No.

Mr. Hansberry

We'll be taking this under advisement and we thank you for coming in.

Mr. Gonis

Thank you. I would like to not that we have filed previously our A-9's and community benefits report that highlights the ongoing community benefits we provide.

Mr. Hansberry

Thank you. Mr. Greg Turgiss.

Mr. Turgiss

Good morning. The property I have is 11 Bellaire Ave, it's an in-house correction. Does the board have any questions?

Mr. Hansberry

Does anybody have any questions?

Mr. Earley

This is a residential property, correct?

Mr. Turgiss

Correct, correct.

Mr. Earley

I don't have any questions.

Mr. Hansberry

Can you just go through the deductions?

Mr. Turgiss

As far as...

Mr. Hansberry

The garage is oversized, correct. So that would be a rather sizable reduction in the price since it no longer exists, correct?

Mr. Turgiss

Correct. It was actually listed on the wrong property. The garage does exist, it's the neighbor's garage. The reduction would be the amount of the actual structure itself being removed from the property.

Mr. Hansberry

Okay, a typical two car garage is 400-450 feet?

Mr. Turgiss

Generally yes, 24 X 24 is a standard two car garage.

Mr. Hansberry

This is close to 50% larger?

Mr. Turgiss

Yes, this is larger, detached.

Mr. Hansberry

The shed would have little value, it was a very small shed.

Mr. Turgiss

Yes, it was small, very minimal

Mr. Hansberry

The size of the front patio was corrected. Was that reduced in size too?

Mr. Turgiss

Yes, very minimal. They actually put in a set of stairs, oversize set of stairs on the patio, so we reduced the size of the patio to encompass the staircase 'cause we don't tax the staircase.

Mr. Hansberry

Are there any other questions? Is there a motion relative to the property at 11 Bellaire Avenue?

Mr. Earley

I'll make a motion to approve the new assessment for 11 Bellaire Avenue.

Mr. Hansberry

Is there a second?

Mr. Bergeron

I'll second that.

Mr. Hansberry

Any discussion? All those in favor signify by saying aye.

Mr. Earley, Mr. Bergeron, Mr. Hansberry (simultaneously)

Aye.

Mr. Hansberry

Opposed-Nay Ayes have it, motion carries. Does that conclude your report?

Mr. Turgiss

That concludes my report, thank you.

Mr. Hansberry

Thank you. Ms. Brown.

Ms. Brown.

Good morning.

Mr. Hansberry

Good morning. You have a charitable exemption request for us.

Ms. Brown.

Correct, for 2019 this would be a new one. In reviewing the exemptions that were submitted, it was discovered that this one wasn't part of the ones you approved in June so I am bringing it before you with a recommendation of approval. I did send a memo, if there are any questions.

Mr. Hansberry

Any questions? Is there a motion relative to the charitable exemption request for 3 Roedean Drive Unit C103.

Mr. Bergeron

I would move to approve the charitable exemption as presented.

Mr. Hansberry

Is there a second?

Mr. Earley

I'll second that.

Mr. Hansberry

Any discussion? All those in favor signify by saying aye.

Mr. Earley, Mr. Bergeron, Mr. Hansberry (simultaneously)

Aye.

Mr. Hansberry

Opposed-Nay Ayes have it, motion carries. Does that conclude your report?

Ms. Brown

Yes.

Mr. Hansberry

There is no unfinished business. Ms. Ortolano. If you could state your name and address for the record please.

Ms. Ortolano

There is usually a little microphone there but I don't see it.

Ms Cameron

They didn't give us one today.

Ms. Ortolano

Oh they didn't, ok. Laurie Ortolano 41 Berkeley Street. I wanted to put up some of these cards. I just wanted you to take a look at 39 Stark Street. This was a property I emailed you about 6 months ago. There's another property on Amherst Street, it's 7 Amherst Street but the address has been changed to. Is that readable? No, why? It was originally, right? I don't know why it's not readable. Well, there is nothing I can do about it. I don't know how to focus it. Do I go out a little, maybe. Nope, it shut it off. Is that better? I think you're getting there Lynn. Is that better? That's as good as it gets so we'll just talk to the data. This is a property card I asked you to look at on valuation. It's one I asked Jon Duhamel to send his assessors out to create a valuation on a fully rebuilt property. There's another property over on Amherst Street, 7, which is renamed Abbott Street, that falls into this category as well. This property was fully rebuilt and the assessors valued it prior to the, no, yes, prior to the KRT evaluation. No, KRT valued it first. KRT took this property from, it was dropped in-between here and 2017 it was dropped to around 200,000 or 175,000 because it was being demoed and rebuilt, which I question the move to do that because it affects building up the value. KRT came along and set it at 284, because the property hadn't been completed. Once it was completed, very shortly after KRT did their review, the assessors went out and valued it at 509. They actually valued it twice. They valued it around, I believe, 560. Which, I looked at it and said I hope it would come in around 600. They put it at 560 then went back and they dropped it to 509 for reason I don't know because I can't find the paper trail. I have a card that shows it higher and I have a card that shows it lower. Then the house sold, the house sold for 732. They can't do anything with this house. They can't raise it, they had already maxed it out. They maxed out the condition, they maxed out the EYB, they put things in as excellent, very good, it had new construction. That card is done. And that valuation will never get to 737, even in the next evaluation and I could tell you more about that. This is happening with other properties as well, and it's because, I believe, how we're starting at the baseline to build our model and I think it's something you should look at. Because they're able to take other houses like ours that are sitting at 469 and put it to 707. But they can't move this house. Now, an assessment like this tells

you, well the properties' overbought, it's 200,000 overbought. I'm ok with that, if that's what you say and I do think that went for a rich price. That went for a very rich price. But it's a half acer lot with a large barn attached to it that is pretty nice space if you have a hobby or a craft business you want to run out of that barn. Who knows what the circumstances were for the buyer. But you have properties like this that you're not able to use sales pictures and adjust them to get them anywhere close to sales data and KRT couldn't do it either and I just want you to be aware of that. These would be good properties to get an answer to why this is happening. Next I wanted to talk to you a little bit about the adjustments that were made on properties during the second view by KRT. You know I raise certain properties, I brought you the information on the 24 million dollar adjustment to reduce property values on October 10<sup>th</sup>. I addressed three other properties that were changed when our property was changed on October 8<sup>th</sup>. We received a \$12,000 reduction, a 2% reduction, and the houses that the assessor went out the same assessor went out that day and the next day received 30% reductions without filing abatements. What I didn't realize, when I went back to look at the audit report, that assessor made some other very large cuts on properties that didn't come in for an abatement, but they were recorded under Mike Mandile's account. So, when those audit reports are run, there should be a field that shows who did the correction. Who went and did the inspection and made the determination the value is coming down because they got credited to another assessor's account who didn't do the work. But there were some big adjustments and a lot of the reasons were deferred maintenance. What's interesting to me, there were another 8 or 10 properties, one of them was actually done by Mike and it applied the same technique the supervisory assessor used. Went out looked at a property, said oop there is a crack in the foundation and the brick veneer is peeling away. So this is a property at 38 Farmington Road, nice street. KRT put it at 493,100. They asked for a second review, it was inspected on 9/24, during the second review process by Mike and it was dropped 37,200 which is a big reduction. That was a 8% reduction to the property without an abatement and why was it dropped, because there was an observed crack in the foundation and the brick veneer was falling away. And because of that the property received a 10% depreciation discount on the total value of the property. I have a concern with this because, you know, this is very inconsistent practicing and just because you have a crack in the foundation, there's no noted water coming in. When we bought our house in Litchfield we had a crack in the foundation and water would flood in every rain storm. We never went to the assessing office and said give us a discount. We dug the foundation out about 5 feet, we bow-tied chiseled a groove out of that foundation by hand, we filled it with cement, we filled the inside with cement, we tarred it, we filled it in and we never had water in the basement again and that to me was called maintenance. And we took care of it. This is a 2000, 1998 home, newer home, a nice home 2,600 square feet, on Farmington Ave, and it received a very substantial reduction for maintenance issues. You know, I don't mind you telling the Ortolano's that any issues with your brick don't count but then issues with this brick don't count either. And that's not what's happening here. Also, this gentleman came in from 29 Monica and this one was a adjusted by Gary, the rest of them were by Greg. This property received an 11% discount. It was valued by KRT at 387,600 and it was reduced 43,000. That's a big reduction, an 11% reduction. And the reasoning is, you know we change the influence factor from 5% to 50 and from, to -50. From 5% to -

50 to 25% and then we depreciated another 8% to 20% and we added the fact that the heat, the house is only heated by solar and wood. Which has been the case, the assessors been out there repeatedly. That's been the case on the property, this is a very unique property, for years. This property didn't have to abate. Came in got all of these depreciation factors, which weigh heavily in dropping the assessment. It's not just the characteristics issue, it's a depreciation factor. This one on Autumn Leaf was a condo, I believe. It was assessed by KRT at 115,800 and it was dropped 15% by Greg. Almost 17,000 with, it says observed deferred maintenance, and they gave a 15% discount in the depreciation column. Well that gave them on 100 grand, the, on 115 grand that gave them the 16,900 with a few other factors. No abatement filed there. 1080 West Hollis Street received a 7% reduction. Went from 205,400 and was dropped 14,000, again by the same assessor and it was observed 60% due to overall poor condition ongoing repairs. They had ongoing repairs so they dropped and put a depreciation factor of 60% on this property. That's huge, that's absolutely huge. This one on Donna Street, same assessor again, dropped 4% and it's 12.2. It was 326,500 and it went down 12,200 and again the reasoning is they gave a noise correction because it's close to a highway. I could pick out a lot of homes that I've pointed out that have Daniel Webster Highway right behind them. We're not giving any noise correction to those properties. And maybe that needs to be discussed. What roads do you want to put 5% or 10% on. Because you're not doing it on some of the roads. Actually, if you're going to give it to this house the ones next to it ought to get it to. If that's what your going to do. 6 Woodward was assessed for 297 by KRT, it received a 5.7% reduction, 17,000 again by the same assessor based on condition changes. Everything went from very good down to good. So they looked at the house and said we're gong to drop the grading on everything. Very questionable to me, that's very questionable. This one is 70-72 Blossom, I believe it's a duplex, a two unit. It was assessed for 339, it received an 11% reduction of 36,000. And the reasoning on this one was observed deferred maintenance and they put a 20% factor into depreciation to drop the value. That's huge, at 20% on that generated 36,000 of valuation drop. That's awesome if it's being done for everyone. 22 Burnett Street had a KRT value of 267,200 it got a 16% reduction and was dropped 42,000. That's a big reduction without abating. What did they get if for, grade changes and physical condition, they dropped it on the property across the board. You look at 1 Berkeley Street, that I walked in here and showed you that you could stick your arm through the header board in that house. You got small animals running in the roofline. You have a house whose envelope was completely breached and KRT came down the street and said that's good, good condition. Assessed at 400,000. On the corner of Laton and Berkeley, the first one, didn't touch that. Wouldn't give any discount for the condition of that property. So those are concerns I have because...

Mr. Hansberry

Ms. Ortolano can I ask you a question? Who's the owner on Farmington Road? It was back towards the very beginning.

Ms. Ortolano

I never put that out, because I'm not singling out just people. Just looking at properties but here is, Autumn Leaf, West Hollis, sorry getting there, here it is, Curran, Curran.

Mr. Hansberry

Okay, thank you

Ms. Ortolano

C-u-r-r-a-n. The other thing I've noticed and I put in a right to know, I have a few responses, I don't know if the city denied it. This EYB issue is pretty huge and what I'm seeing in the data I'm looking at is there are properties that the EYB was changed, I believe by KRT. I'm starting to print the cards from 17 & 18, where, when our assessors change the EYB, I have found, it seems to be documented. Okay, in the comments section, EYB changed. Now what I've seen happen with our assessors is they write in the comments section I'm going to move the EYB from 70 to 80 or 92 and they don't change it. That I've seen. But I've seen it documented. What I'm seeing for 2018 are cards where the EYB is changed and there is no documentation, and it got me thinking about who made those changes. On sales data, used for the KRT model I had Louise print a 2017 card for Glasgow Road or Street that showed that in 17 the EYB was 74 and in 18, after KRT did the review on the sales data, it was changed to 1990. There's no documentation, the assessor who did the MLS sales review on the property and looked at the pictures to make changes to the property, appropriate. Never noted that he was making a depreciation change or an EYB change. Wasn't on there. I don't think it was done, that was Mike that noted it and I do have to say that when I see his documentation, it's usually pretty thorough. I won't say that for everyone, but his is. So when I see the card in 2018 changed to 1990 somebody made the change. Now it concerns me if KRT made data changes and EYB and didn't tell us. I've got to call the state today and have a talk about this because I'm not certain they documented that is the USPAP. But the other thing is if they changed data, they didn't document it on our cards, which I have a huge problem with if they were making data changes other than to put in the activity section, we did a field review. If you're changing our sales data because you saw a problem, then why aren't you in the comments section writing what you saw and documenting our cards the way they should be. The only way I can tell what KRT did to these EYB's is to get a printout of the EYB, we save our database every night, get the printout before they ran the numbers and list the EYB before that date and list the EYB after. I will have a list generated of EYB changes. My guess is that it's not going to be extensive; it's not going to be a big list. And I could at least crosscheck it with the property cards to see who documented it. But actually, if the change, if they did 17 and 18 before KRT adjusted data and 18 after KRT adjusted the data, the data. I would very quickly be able to see if KRT made these changes. But I'm concerned because the paper trail is messy and these EYB changes have such a dramatic affect on the property values. Remember our property went up 160,000 when they adjusted the EYB. That was a major factor and it is, even in these changes that are being made. They're able to take 40, 30, 50 off when they change the EYB. So when

they change depreciation or they put these influence factors on, those are the big movers. Changing the grade from fair to good and good to excellent, 1,000 bucks. This is where the movement is.

Mr. Hansberry

I'm going to give you a couple of minutes to finish up Mrs. Ortolano.

Ms. Ortolano

Okay, so that's really important to me. The other thing is I really hope, as the city is moving forward to do the measure and list, that you will not vote to support that until we have a Chief hired and we have competent staff brought in here. We have serious staffing issues that have not been addressed and I don't know if you listened at the last board meeting, but I received the Mayor's letter when asked for the audit to be done by Ms. Kleiner and Mr. Griffin. One of the parts of that audit was to do a staffing review, well that was never really done. I didn't understand why we never looked at staffing or addressed workload. So, the staffing review was never done and we haven't addressed staffing in a way I think it should be addressed, based on the workload. And just for the record I want to let you know when I listened to the Mayor and Ms. Kleiner at the budget review hearing on or about the end of September, commenting on the fact that they have to bring in consultants because of right to know requests, that's bologna. You know, to deal with permits, this permit data was known by the city for months and months. They had 400 abatements and this continuation of laying blame on citizens who are trying to understand what is going on with valuation and not taking responsibility for managing the office appropriately with these permits does not fall on the citizens. I pulled a mileage expense report and I wanted to see all of our assessors, where they were going and what they were doing. One of our assessors isn't even leaving the office to grab permits. So you got one assessor who is being warehoused in the basement, not going out to do any of the work the mayor says would create thousands, tens, millions of dollars of value. That's not a priority and my right to know requests that are taking two to four hours a week are knocking out the 36 hours to go grab permits. This is ridiculous; it's totally out of control. You have built a wall that is very tall between the public and yourselves and the continuation of laying blame of the people who come forward is the wrong solution to create trust. You know I will actively campaign against any kind of measure and list in this city until you bring in the right people and the right management to do this. And the list and measure or measure and list, whatever you want to call it, is not going to fix our problems because our problem is how we're managing the data and the people in the office doing that. And we seem to not want to address that. I don't want to give the Mayor an out, which he is already using actively, to say a measure and list will solve all our problems. No it won't. Thank you.

Mr. Hansberry

Thank you very much. Next, is Ms. Mazerolle going to be joining us? Is there a motion to go into, let me get that wording... Is there a motion to go into non-public session for matters which if discussed in public would likely affect adversely the reputation of any

persons other than a member of this board unless such person requests an open meeting? This exemption shall extend to include any application for assistance or tax abatement or waiver of a fee fine or other levy if based on inability to pay or poverty of the applicant pursuant to RSA 91-A:3, II(c).

Mr. Earley

So moved.

Mr. Hansberry

Is there a second?

Mr. Bergeron

I'll second it.

Mr. Hansberry

Mr. Earley?

Mr. Early

Yes.

Mr. Hansberry

Mr. Bergeron?

Mr. Bergeron

Yes.

Mr. Hansberry

Mr. Hansberry, yes. So, Ms. Cameron based on my watch we are in non-public at 8:52.

Mr. Hansberry

Is there a motion to seal the non-public session because divulgence of the information would likely affect adversely the reputation of any person other than a member of this public body? Is there a motion?

Mr. Earley

I'll make that motion.

Mr. Hansberry

Is there a second?

Mr. Bergeron

I'll second that

Mr. Hansberry

Mr. Earley?

Mr. Earley

Yes

Mr Hansberry

Mr Bergeron?

Mr. Bergeron

Yes

Mr. Hansberry

Mr. Hansberry. Yes. So we have sealed the minutes.

Any comments by board members?

Mr. Bergeron

None.

Mr. Earley

On the Dartmouth Hitchcock request, isn't that similar to the Hunt Community?

Mr. Hansberry

We are going into a non-meeting on that.

Mr. Earley

Okay.

Mr. Hansberry

Unless you think it's something you feel should be addressed in public.

Mr. Earley

It's another one we should address I guess. It's a similar situation

Mr. Hansberry

We are going to have a non-meeting immediately following this meeting.

Mr. Earley

Okay, I didn't know that.

Mr. Hansberry

Is there a motion to adjourn?

Mr. Earley

So move.

Mr. Hansberry

Is there a second?

Mr. Bergeron

I'll second that.

Mr. Hansberry

All those in favor signify by saying aye.

Mr. Earley, Mr. Bergeron, Mr. Hansberry (simultaneously)

Aye.

Mr. Hansberry

Opposed-Nay. Ayes have it, motion carries. We are adjourned at 9:01.