

FINAL

**LEBANON BOARD OF ASSESSORS
MAY 2, 2024-12:00 PM
REMOTE VIA MICROSOFT TEAMS
LEBANONNH.GOV/LIVE**

MEMBERS PRESENT: Jay Hutchins (Chair), Brian Ware, Falguni Mehta,

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MEMBERS ABSENT:

STAFF PRESENT: Kimberlee Burkhamer, Mike Pelletier,
Assessor Ed Tinker attended remotely.

GUESTS:

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1. CALL TO ORDER – Jay Hutchins (Chair) called the meeting to order at 12:15 PM.

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2. APPROVAL OF MINUTES:

5

A. February 29, 2024

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The Chairman asked if there were any questions, comments, or corrections to the minutes.

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Brian Ware stated he had one question regarding the Westboro Railyard, and it has been adequately answered by Kimberlee and Mike.

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9

MOTION by Brian Ware to approve the February 29, 2024, minutes. Seconded by Falguni Mehta.

10

***Motion** approved (3-0).

11

12

3. OLD BUSINESS

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A. None

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3. NEW BUSINESS

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A. Abatements

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List # 1 - *It is recommended that the following Abatements be Granted.*

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19

Tax Map 48 Lot 11-603 – Odame – Poddar

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Property is a Condominium at Quarry Hill. The applicant believes the physical data is overstated. My associate inspected the property and noted: minor corrections to the property sketch and adjusted the overall grade of the kitchen and baths. After correction the assessment reduced \$39,700 from \$416,100 to \$376,400. It is recommended that an abatement of \$963.92 be granted plus applicable interest and fees.

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1 Chairman Hutchins asked for comment from the Board on the Abatement request.

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3 Brian Ware commented that he had looked over the request and recommendations and he was
4 astonished that the condominiums were selling for so much money.

5
6 Falguni Mehta said the market does not seem to be slowing down.

7
8 Michael Pelletier stated that these are the prices they are selling for, and the market is still
9 growing.

10
11 Brian Ware addressed the Board and said that he looked into some prices of other condos and
12 while this one seems to be a little larger, he finds the abatement reasonable based on the findings
13 of the inspection.

14
15 The Chairman asked if Mr. Ware would make a motion regarding this abatement request.

16
17 **MOTION** by Brian Ware to accept the Assessor's recommendations for the abatement on Map 48
18 Lot 11-603. Seconded by Falguni Mehta.

19 ***MOTION** approved (3-0).

20
21 *It is recommended that the following Abatements be Granted.*

22
23 **Tax Map 163 Lot 32 – Seaver**

24
25 The property is a Cape dwelling on a .55-acre site. During a phone conversation with the
26 applicant, I discovered that the property sketch did not come over correctly during the database
27 conversion. My associate inspected the property. I instructed the applicant to file an
28 abatement. After correction the assessment reduced \$82,400 from \$300,800 to \$218,400. It is
29 recommended that an abatement be granted of \$2,000.67 plus applicable interest and fees.

30
31 Chairman Hutchins asked for comments and/or questions from the Board.

32
33 Brian Ware asked to have a discussion on the abatement. He said that he used to live in this area,
34 and it is a very nice area with cottage-type homes. But as I am looking at an assessment of
35 \$218,000 and I think this must be a really ramshackle place, because the lots up there are very
36 nice. One question is, does this parcel have city water and sewer?

37 Assessor Pelletier answered that it has a well and septic system.

38 Brian Ware stated that the lot is only ½ an acre; I thought that there needed to be more land to
39 have a septic and a well?

40 Assessor Pelletier answered that no, the parcel could contain the home, septic and well on ½ an
41 acre.

1 Brian Ware asked about other improvements that had been made to the home. He was looking at
2 the MLS listings which the applicant provided with the abatement and saw that there had been
3 work done on the home.

4 Assessor Pelletier explained to the Board that the issue with this parcel is that during the
5 conversion to the new CAMA (Computer Automated Mass Appraisal) system, this sketch came
6 over doubled. So, the living area was doubled for the 2023 tax year. It was like having two of
7 the same houses being assessed on the parcel. We had to correct this physical data error, so I
8 instructed the applicant to file for an abatement. There were no other issues to adjust value due to
9 the improvements made.

10 Falguni Mehta said the lot, the land only in that area with a well and septic might be worth
11 \$200,000 in today's market.

12 Assessor Pelletier stated that this is not the current market. This is to correct a physical data error
13 and must use the date of April 1, 2023, and then you should apply the ratio.

14 Brian Ware asked the assessor, I keep going back to the listings (MLS Listings) and see the
15 pictures of the inside and I realize, we are not allowed to go inside the homes anymore, is that
16 correct? Brian Ware stated, I was looking at those listing pictures and say, wow – this place is
17 beautiful, so why the low assessment?

18 Assessor Pelletier answered that we can go into homes to do inspections if the owners allow us
19 inside. But I received a phone call from this applicant. She called to talk about her increase in
20 value and the change in her living area, that's when I noticed the problem with the sketch and
21 instructed her to file an abatement application. She did not have to provide all the rest of the
22 comparable properties and the MLS Listings. She was following the directions on the application
23 and doing her due diligence.

24 Brian Ware and Falguni Mehta stated that they both believe that the assessed value is too low for
25 Lebanon in the current market. They do not want to grant this abatement.

26 Assessor Pelletier spoke up and addressed the Board. You would be denying that I made a
27 physical change in the system. I did not make an adjustment to the overall value of the property.
28 So, if you deny this abatement, you will be denying that the sketch or physical data was incorrect.

29 Chairman Hutchins addressed the Board. The city made a technical error, and we had the
30 applicant file a request that we correct the error, now we are going to penalize her by increasing
31 her taxes because she filed to have our error corrected? That is another way of looking at this
32 situation.

33 Chairman Hutchins asked the Assessor to give the Board the equalized value of the property.

34 Assessor Pelletier said you would take the sales price and multiply it by the ratio of 76% and that
35 brings you to \$227,000 so at \$218,000 we are right about there. We did correct the sketch, so we
36 are not far off, less than five percent.

37 Brian Ware stated it is a beautiful small home. I want to be sure that we are adequately assessing
38 the entire area. I wish it could be something a City of Lebanon employee could afford and live
39 in, but I feel better about it now.

40 Assessor Pelletier stated we are adequately assessing the area. Assessments are not made on a
41 sale after a revaluation for a purchase price that was more than likely higher than market value.
42 We get the ratio each year that you must use in the calculation and looking at the ratio it is kind of
43 what you are saying that the properties are under assessed, because we are at seventy-six percent

1 of market value. Well, as of April 1st of 2023 we were at seventy-six percent, now, we are
2 probably even lower, which is why we have a revaluation on the docket for 2025.

3 Brian Ware said thank you. That will be good to go through another revaluation and get it
4 updated again.

5 Falguni Mehta also thanked the assessor for the explanation.

6 Assessor Pelletier stated it's good to address your issue and questions, but the thing is you are
7 going to see people filing abatements and we will have to apply the ratio based off what the
8 Department of Revenue requires. If that ratio is within a certain percentage of the market value
9 of what that property is going to be, then that is what you have, you cannot deny it. You cannot
10 deny her application because the actual data is wrong. She can go to the Board of Land and Tax
11 Appeals and all she has to do is say the data was wrong, and they will grant her abatement.

12 So, if the assessed value is \$218,000 and you divide that amount by our ratio, you get \$283,000.
13 So that's what we consider to be fair market value.

14 Falguni Mehta asked, so if we go to the assessor's database, we are going to see the number
15 \$283,000 appear as the assessment?

16 Assessor Pelletier said, no, that is not the assessment. All homes in Lebanon are assessed at
17 seventy-six percent below the fair market value. When we get our new ratio in 2024, it will be
18 even lower. That is just where we are at. The market keeps increasing faster than cities and
19 towns can keep up with. It's not just Lebanon, its everywhere. In Jaffrey, the ratio is fifty
20 percent.

21 Brian Ware stated well, we have kicked this around enough and made our opinions known. So, I
22 think I can accept this abatement recommendation.

23 Falguni Mehta stated she was fine with accepting the recommendation.

24 Chairman Hutchins asked if there were no further questions or discussion, that Mr. Ware make a
25 Motion to accept the recommendation.

26
27 **MOTION** by Brian Ware to accept the Assessor's recommendations for the abatement on Map 163
28 Lot 32. Seconded by Falguni Mehta.

29 ***MOTION** approved (3-0).

30
31 **Tax Map 128 Lot 6 & 6-70200 – Korpela-BJ's Wholesale**

32
33 Assessor Ed Tinker presented this recommendation to the Board remotely.

34 The owners through their tax rep have filed this 2023 abatement request indicating a fair market
35 value of \$15,690,800 broken down as follows: \$10,494,300 (Land) & \$4,196,500 (Building).
36 Additionally, the tax representative included an income and expense analysis supporting their
37 value opinion of the land only. As for the building, it appears they utilized a cost analysis from
38 Marshall & Swift Valuation Services dated April 2020. In reviewing their submitted
39 information as well as a review of additional market data including recent sales of similar big
40 box retailers, the 2023 assessed value appears to be relative to the properties fair market value
41 as of April 1, 2023. However, it was agreed that I would recommend to the Board that the 2023
42 assessment be revised based on a fair market value of \$16,500,000 which when equalized
43 would result in a 2023 assessment of \$12,688,500 (\$16,500,000 x 0.769%). Additionally, the

1 parties have agreed that no 2023 appeal to either the BTLA or Superior Court would be filed
2 and that would be the case for 2024 if the assessment remain at the equalized value of
3 \$12,688,500 unless any substantial changes take place which would cause the assessment to
4 change. (a copy of that email is attached). Based on the 2023 equalization ratio of 76.9% the
5 \$16,500,000 fair market value would result in a revised 2023 assessment of \$12,688,500, a
6 reduction of \$2,770,800 and a proposed refund of \$67,275.02 (\$2,770,800 x \$0.02428) 2023
7 tax rate)) plus any statutory interest
8

9 Chairman Hutchins spoke to Assessor Ed Tinker, this is for the BJ's Wholesale and the gas
10 station on the lot?

11 Assessor Tinker replied, yes, it is for the entire property.

12 Chairman Hutchins stated, I see that you have done quite a bit of communication with the tax
13 representative, are you satisfied with the dialogue that's been going on?

14 Assessor Tinker addressed the Board, yes, we have had a bit of a discussion, as you can tell by
15 the agreed upon fair market value which is significantly higher than what they were arguing
16 and this agreement also protects the City this coming year in case the ratio does drop down
17 again, because this entity is famous for re-filing and this agreement would stop them from doing
18 that. If we agree to this number for the two years leading up to the revaluation.

19 Brian Ware asked don't we consistently get an abatement request from the Korpela's regarding
20 the BJ's property? Haven't we seen them two or three times over the last couple of years?

21 Assessor Tinker replied that he is not sure if it is this property every year because they do have
22 a couple other large commercial properties in that area.

23 Brian Ware replied, yes that is correct, it is either Walmart or BJ's every other year. I don't see
24 that taking this to court is going to be a winning situation for us. The court fees would probably
25 be more than what the abatement will be. Honestly, it's not far from what we have for an
26 assessment.

27 Assessor Tinker replied, yes, the value is higher, but as Mike says, the ratio is the killer, it's not
28 the value. It's the best way to go and unfortunately that will be the case for all three of these
29 commercial abatements today; it's the ratio.

30 Brian Ware said, yes, the ratio. The ratio is not necessarily the value that we have on it, it is
31 because the city's ratio is why it's so low. I just don't see a lot of upside for us to continue
32 fighting this particular re-issue, maybe in two years' time after the revaluation.

33 Assessor Tinker said, well you have the cost, the cost associated with fighting it and the
34 potential of opening up for another abatement next year. You just never know.

35 Brian Ware asked Assessor Tinker if he had argued many cases before the Board of Land and
36 Tax Appeals.

37 Assessor Tinker replied that he had argued quite a few with a fairly good record, but he went
38 further to say that when you do go before the Board of Land and Tax Appeals, you want to
39 have the ability to have a good shot of winning.

40 Brian Ware said he was satisfied with this abatement request.
41
42

43 **MOTION** by Brian Ware to accept the Assessor's recommendations for the abatement on Map 128
44 Lot 6 and Map 129 Lot 6-70200. Seconded by Falguni Mehta.

1 *MOTION approved (3-0).

2
3 **Tax Map 10 Lot 11-1302 – MHH Lebanon Holdings**

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5 Assessor Ed Tinker presented this recommendation to the Board remotely.

6 The owners through their tax rep have filed this 2023 abatement request indicating a fair market
7 value of \$15,733,100 the same as the 2022 assessed value. As part of this abatement request
8 the party included an income and expense analysis indicating a FMV of \$15,650,000. As part
9 of my review, I not only reviewed the submitted analysis, but reviewed additional market data
10 as well as additional assessment data which supported a similar but slightly higher indicated
11 market value. As a result, it was agreed upon that I would recommend to the Board that the
12 2023 assessment should be revised utilizing a fair market value of \$15,900,000 representative
13 of the property's value as of 4/1/2023. Additionally, the parties have agreed that no 2023
14 appeal to either the BTLA or Superior Court would be filed and that would be the case for 2024
15 if the assessment remain at the equalized value of \$12,227,100 (\$15,900,000 x 0.769%) unless
16 any substantial changes take place which would cause the assessment to change. (a copy of that
17 email is attached). Based on the 2023 equalization ratio of 76.9% the \$15,900,000 fair market
18 value would result in a revised 2023 assessment of \$12,227,100 (15,900,000 x 0.769) a
19 reduction of \$3,506,000 and a proposed refund of \$85,125.68 (\$3,506,000 x \$0.02428) 2023
20 tax rate)) plus any statutory interest

21
22 Chairman Hutchins stated, that is the Marriot Courtyard, I believe?

23 Falguni Mehta asked Assessor Tinker if the values of hotels in the Upper Valley have been
24 appreciating in the last couple of years?

25 Assessor Tinker replied yes, and the income data that he received from MHH indicated a large
26 increase in value over the prior two years. However, the new value for the income that they
27 submitted was for 2022 which is what we would use as of April 1, 2023, and we would look at
28 2022 income to come up with a fair market value for 2023. The tax representative came up a
29 little bit lower than I did, but he agreed to go with my figure.

30 Brian Ware questioned the verification of the data that is given for the abatement request.

31 Assessor Tinker replied, you cap out the net income and remove furniture, fixtures, equipment
32 and personal items. You look at the line items and be sure that they are reasonable numbers
33 relative to prior years, and that the items are normal expense items with increases relative to each
34 year going forward. After 2022, each year had an increase.

35 Brian Ware stated that it looks reasonable, Falguni Mehta agreed.

36 Chairman Hutchins asked if there were no further questions or discussion, that Mr. Ware make a
37 Motion to accept the recommendation.

38
39 **MOTION** by Brian Ware to accept the Assessor's recommendations for the abatement on Map 10
40 Lot 11-1302. Seconded by Falguni Mehta.

41 *MOTION approved (3-0).

42
43 **Tax Map 50 Lot 32 – CBYW Lebanon Propco LLC**

44

1 Assessor Ed Tinker presented this recommendation to the Board remotely.
2 The owners through their tax rep have filed this 2023 abatement request indicating a fair market
3 value of \$8,109,000, slightly higher than the 2023 assessment and as support the representative
4 included an income and expense analysis supporting their indicating Fair Market Value. As
5 part of my review, I not only reviewed the submitted analysis, but reviewed additional market
6 data as well as additional assessment data which supported a similar but slightly higher
7 indicated market value. As a result, it was agreed by both parties that I would recommend to
8 the Board that the 2023 assessment be revised to \$6,539,000 ($\$8,503,300 \times 0.769$) which would
9 represent the properties equalized fair market value as of 4/1/2023. Additionally, the parties
10 have agreed that no 2023 appeal to either the BTLA or Superior Court would be filed and that
11 would be the case for 2024 if the assessment remain at the equalized value of \$6,539,000 unless
12 any substantial changes take place which would cause the assessment to change. (a copy of that
13 email is attached). Based on the 2023 equalization ratio of 76.9% the \$8,603,300 fair market
14 value would result in a revised 2023 assessment of \$6,539,000, a reduction of \$1,079,900 and a
15 proposed refund of \$26,147.13 ($\$1,079,900 \times 0.02428$ 2023 tax rate)) plus any statutory
16 interest

17
18 Falguni Mehta asked if this was the Gensis Health Care center?

19 Brian Ware answered yes, it has 110 beds, I believe and sold at one point for a little over \$36
20 million.

21 Assessor Tinker asked Brian Ware when this property sold for that amount of money?

22 Brian Ware stated he thought it was maybe ten years ago.

23 Assessor Tinker replied, typically those types of sales include the business name, all equipment,
24 existing financial arrangements, it's a business arrangement, they just hand a key over to each
25 other. That is not really the value of the property. I had a similar sale in Hampton, however there
26 was a lot of business value and personal property built into the price, so it is not a fair market
27 value sale.

28 Brian Ware said he thought this was an end-of-life facility and asked if Assessor Tinker had any
29 experience with valuing those types of property?

30 Assessor Tinker stated he had just finished a settlement on a Gensis facility in Exeter, similar
31 property, and value, and another one in Hampton which was a little larger as it had a sister living
32 facility next to the nursing home facility. These are all similar properties and this number for
33 Lebanon seems reasonable given those other properties.

34 Brian Ware stated that he is agreeable to this abatement request, Falguni Mehta agreed.

35 Chairman Hutchins asked if there were no further questions or discussion, that Mr. Ware make a
36 Motion to accept the recommendation.

37
38 **MOTION** by Brian Ware to accept the Assessor's recommendations for the abatement on Map 50
39 Lot 32. Seconded by Falguni Mehta.

40 ***MOTION** approved (3-0).

41 Chairman Hutchins asked the Assessing Clerk if we are through the list of abatement and ready to
42 move onto the signature items?

43 The Assessing Clerk replied that is correct.

1 Chairman Hutchins asked if anyone had any other business to bring before the Board?

2

3 **5. Other Business – None**

4 As there was no other business, Chairman Hutchins asked for a Motion to Adjourn and then the
5 Board will sign the signature items.

6 Assessor Tinker said good-bye and signed off.

7

8 **6. ADJOURNMENT:**

9 **MOTION** by Falguni Mehta to adjourn the meeting and sign the documents.

10 Seconded by Brian Ware.

11 ***MOTION approved (3-0).**

12

13 **Meeting was adjourned at 12:55 p.m.**

14

15 Respectfully submitted,

16 Kimberlee Burkhamer

17 Assessing Clerk