



TOWN OF NEW LONDON, NEW HAMPSHIRE

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BOARD OF SELECTMEN MEETING MINUTES July 22, 2011

PRESENT:

Mark Kaplan, Chair, Board of Selectmen
Peter Bianchi, Selectman
Tina Helm, Selectman
Kimberly Hallquist, Town Administrator

ALSO PRESENT:

Norman Bernaiche, Town Assessor
John and Rosa Vernalia, New London Residents
Deborah Hoover, New London Resident
Robert Cole, New London Resident

Chair Kaplan called the meeting to order at 8:30 AM.

Peter Bianchi moved to enter nonpublic session pursuant to RSA 91-A:3, II(b): the hiring of a public employee. Tina Helm seconded the motion.

Roll call vote: Chair Kaplan – yes, Mr. Bianchi – yes; Ms. Helm – yes.

The Board went into nonpublic session at 8:30 AM.

The Board re-entered the public session at 8:45AM.

Mr. Bianchi noted that the Board received a letter from John Vernalia that referred to other property owners on Murray Pond Road and questioned whether Mr. Vernalia had the authority to speak on behalf of the other owners. Mr. Vernalia noted that he did not have the authority to speak for the other owners he was just pointing out that all of the properties increased by 53%.

Mr. Bianchi announced that because he did work for the Murray Pond Association in the past, he was recusing himself from any discussion or voting on the abatement requests from Murray Pond Road currently under consideration by the Board.

Chairman Kaplan asked Norm Bernaiche, Town Assessor, to address his abatement recommendations. Mr. Bernaiche noted that he reviewed Mr. Vernalia's July 11, 2011 document as submitted to the Board that requested that the eight Murray Pond Road homes be assessed at the 2009 assessed values. He noted that he does not agree with Mr. Vernalia's assertion that the comparables used to determine values in the area were not qualified comparables nor did he agree with the conclusion that the properties should be returned to their 2009 values. He noted that on further review of the property an apartment over a garage was missed in earlier reviews

and has now been added and the factor used for the property was reduced from 2.2 to 2.0, resulting in a \$27,600 decrease in value.

Addressing the Hoover property at 39 S. Cove Road, Mr. Bernaiche noted that the property owner had their own appraisal done and that appraisal, using different comps, came within 5% of the town's assessment. Mr. Bernaiche noted that a private appraisal within 10% is considered good and this one is within 5%, which is even better. He noted that his current review of the abatement application revealed that the land value was slightly over-stated and thus he recommends lowering the assessment by \$14,100.

Chair Kaplan asked if those present had questions.

Ms. Hoover addressed the Board noting that she appreciated all of the hard work done during this process. She noted that she did have an appraisal done of her property which stated the property to be worth \$295,000. She pointed out that her property is on a corner and as a result it is noisier than some of the other properties and she wonders if this fact was taken into consideration when Mr. Bernaiche reviewed her property. She concluded that she believes that the appraisal she had done on her property, which showed a value of \$295,000 was the correct value of her property. Mr. Bernaiche noted that he did not factor in noise for the property as he did not notice significant noise when he visited the property. Ms. Hoover noted that she has been told by real estate agents that road noise is a factor in property values. She concluded by pointing out that the noise is significant enough that she must sleep with a noise machine on so that she won't be woken up by the road noise. Chair Kaplan thanked her for her comments.

Mr. Vernalia, 566 Newport Road, addressed the Board. He suggested that the comparable used by Mr. Bernaiche at 46 Wallula Road sale of \$275,000 was not appropriate because it was sold in 2009 and should be decreased to account for the general decline in that area, pointing out that values are in "free fall." He pointed out that the property had moorings, floats while the pond his property is on is not useable for swimming, but is used for fishing. The pond is only 3.5 acres in size. Mr. Vernalia pointed out that the 8 properties on Murray Pond don't have any views of Little Lake Sunapee however their values went up by 49%.

Mr. Vernalia noted that when a parent sells to a child it is not considered an "arms length" transaction. Such a sale is done for a variety of reasons such as estate planning. He stressed that the comps used by Mr. Bernaiche were not applicable, noting that real estate listing values are not applicable – they are "dart board" figures placed on by the owner looking to sell. Mr. Vernalia presented a worksheet comparing the property at 46 Wallula which sold in 2009 for \$275,000 to his own property, making adjustments for location, building, waterfront and age of sale, which indicated that his property's value is \$258,000.

Mr. Vernalia, referring to some of the other properties in his neighborhood, noted that there were significant increases in those properties when property values are decreasing. He pointed out that his own home is a kit house that cannot be occupied in the winter and concluded his remarks by stressing that he felt the property owners in his area were being treated unfairly.

Mr. Cole, owner of four lots, addressed the Board by noting that his calculations show increases of 132.9%, 133%, 141.3% and 50% for his house property. He noted that he reviewed the information on town assessments that was available on-line assessment and the majority of increases were small and he questioned why his properties were raises so dramatically, when that does not seem to be the case within the town overall. He noted that he has since merged his lots in order to save on taxes. He questioned why he was “singled out” for such huge increases. Mr. Cole pointed out that he has made no improvements to his property between assessment date and wonders if the other assessors were so terribly wrong that the new assessments went up so much.

Mr. Bernaiche responded by noting that the land values went up and explained that when a property has no building on it, increases look like a lot percentage-wise because the entire increase is the land. He also explained that the neighborhood in question was “missed” during the last assessment and the increases that should have applied then, were not applied, amplifying the increase now. Addressing points raised earlier, he responded that Mr. Vernalia neglected to take into consideration that the home on 46 Wallula was essentially torn down and replaced with a new one. With respect to the use of real estate listings as a means to arrive at value, he noted that it is common practice and provides relevant information and Fannie Mae forms actually includes such information.

Chair Kaplan informed those present that he would like to take the matter under advisement until the Board’s next meeting, on Monday July 25th.

Ms. Helm excused herself from the meeting at 9:15 AM as she had another engagement to attend.

Mr. Bianchi suggested that the Board consider the Council on Aging (COA) Chapin Senior Center issue whereby they (COA) wanted to install a roll-off container at their property for the temporary storage of books for their annual book sale. Mr. Bianchi noted that the current zoning ordinance does not allow for such temporary uses now, but that the town could amend the zoning ordinance to allow it in certain situations, like the COA’s recent request. The Board will keep this suggestion in mind as the date for zoning amendments to be considered by the planning board draws near.

Mr. Bianchi moved to adjourn the meeting at 9:25 AM and Chair Kaplan seconded the motion. All were in favor, the meeting was adjourned.

Respectfully submitted,

Kimberly Hallquist
Town Administrator