

TOWN COUNCIL AGENDA
February 7, 2022
Moose Hill Council Chambers
7:00 P.M.

A. CALL TO ORDER

B. PUBLIC COMMENT

C. PUBLIC HEARING

D. NEW BUSINESS

- 1.) Discussion of Second Seat on State PFAS Study Commission
Presented by Lisa Drabik
- 2.) Energy Efficiency Task Force Interviews
- 3.) Assessing Practices Presentation
Presented by Steve Hamilton
- 4.) Town Manager Action Items and Next Steps
Presented by Lisa Drabik

E. OLD BUSINESS

F. APPROVAL OF MINUTES

Approval of January 24, 2022 Town Council Minutes

G. APPOINTMENTS/REAPPOINTMENTS

- 1.) **Appointment of Mitch Feig to Full-Time Position on the ZBA**

H. OTHER BUSINESS

1. Liaison Reports
2. Town Manager Report
3. Assistant Town Manager Report

I. ADJOURNMENT

J. MEETING SCHEDULE

- A. Town Council Meeting **02/22/2022**
Moose Hill Council Chambers, 7:00 PM

Assessing Department Presentation

to the

Londonderry Town Council

February 7, 2022

Presentation Goals

- Answer some of the questions raised at the January 25 meeting.
- Provide information to the Town Council regarding concerns expressed by some owners of 55+ unit owners.
- Examine the available sales data over the past several years for this type of property.
- Review the Assessing Department procedures/responses to all taxpayers that express concern over their property assessment.
- Review available tax deferrals for those 65 years or older or disabled.

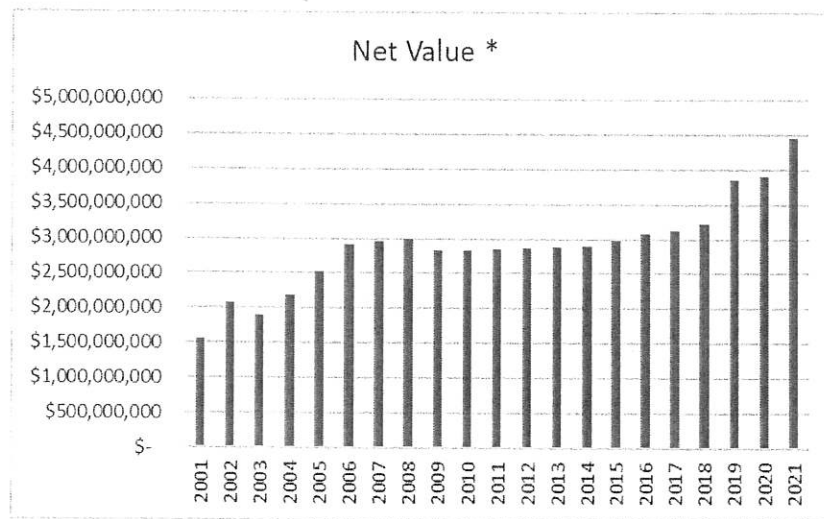
General Assessing/Revaluation Questions

- What are the Guidelines/Formula to assess property?
 - All property with very few exceptions are assessed at their market value. Market value is determined by buyers and sellers in the open marketplace.
 - The standard for market value assessment is a range of assessment/sale ratios of between 90% and 110%, with an average dispersion of less than +/- 20%.
 - This standard of market value applies to 55+ units as well as other property.
 - The exceptions to market value are generally homes located in a commercial/ industrial zone and land that is enrolled in the state "current use" program.
- Why are the assessments of previously constructed units similar to newly constructed units?
 - The interaction between buyers and sellers is the fundamental driving force that establishes value, as they set the prices that all units transact at.
 - While some physical depreciation accumulates, the impact on value is determined by the buyers and sellers and is sensitive to the balance between supply and demand.

General Assessing/Revaluation Questions

- Is it standard practice to assess property without an inspection visit?
 - In some revaluations a full inspection of every property is completed.
 - Most revaluations are completed as statistical updates without an inspection of every property.
 - Most communities have a cyclical inspection program that has all properties inspected over a reasonable period of time. Here in Londonderry we have a program that inspects all property over a five year period (20% per year).
- What was the average assessment rate over the last 5-years?
 - Revaluations and the assessments they reveal are tied to the performance of the real estate market at that time.
 - The chart on the following page shows that overall the town Net Value is \$1.5 Billion higher now than in 2016, approximately 45% higher overall.
- What was the average assessment rate over the last 2-years?
 - The chart on the following page shows that overall the town Net Value is \$.588 Billion higher now than in 2019, a little more than 15% higher overall.

20 Year Net Assessment Performance



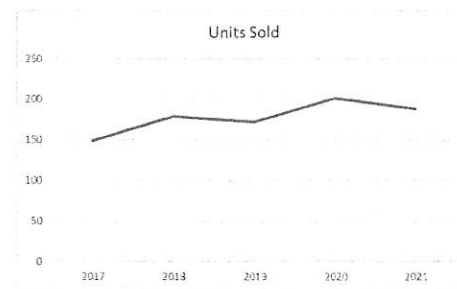
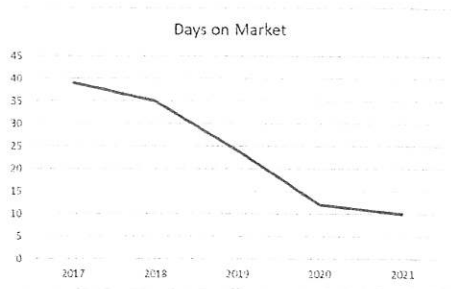
* Local Assessed Value Less Exemptions and Utility Value. Sourced from Londonderry town reports.

General Assessing/Revaluation Questions

- Why did the schedule of revaluation change from 5 years to 2 years?
 - In response to the significant increase of assessed values in 2019, the Town Council decided that it would be better to make more incremental changes on a more regular basis than to wait for 5-years to elapse.
 - Many cities and towns have adopted this more advanced schedule, as market value changes can be more readily implemented.
 - These would include increases or decreases depending on market activity.
- What impact did increased material costs have in the revaluation?
 - There is a minor cost adjustment for increased component costs.
 - The overwhelming increase in value is due to the significant demand for property, including 55+ units.
- Could the property value increase be spread over two years?
 - When the town undertakes a revaluation, there can only be an effective date of April 1 of that tax year. The full impact of that revaluation is realized with the final notice of tax for that year (the December tax bill).

Performance of Market for 55+ Units

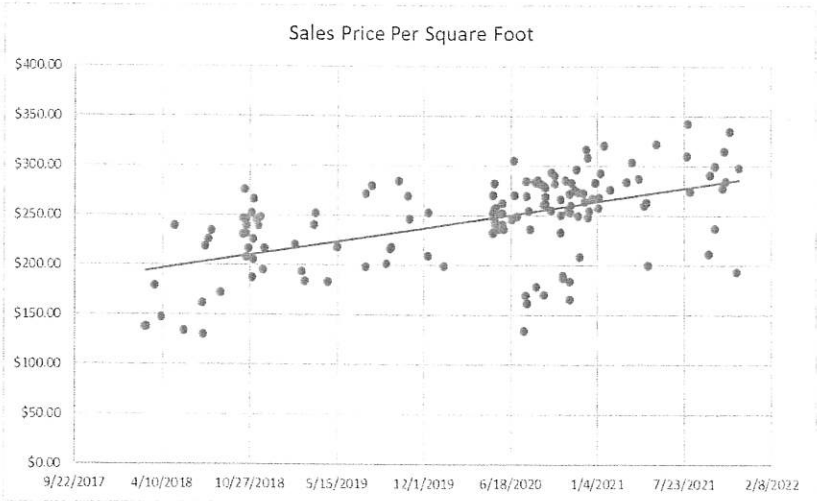
- There has been a very significant increase in the demand for all residential housing units in Southern New Hampshire generally and Londonderry specifically.
- This increase is not exclusive to 55+ unit developments, but importantly includes that subset of property.
- Days on Market is an important gauge of demand. Below are condo average days on market in Londonderry and total condo units sold in the last 4 calendar years.
- Demand trends were established prior to current Pandemic.



55+ Unit Sale Performance Per Square Foot

- Sale price divided by square feet of living area is displayed over time:
 - Shows a large increase in activity in 2020.
 - Shows a large increase in prices per square foot.
 - Identifies a significant trend to higher values.
- Pricing varies from development to development.
- Shows an overall trend toward higher pricing per square foot.

All 55+ Unit Sales 1/1/18 to Present



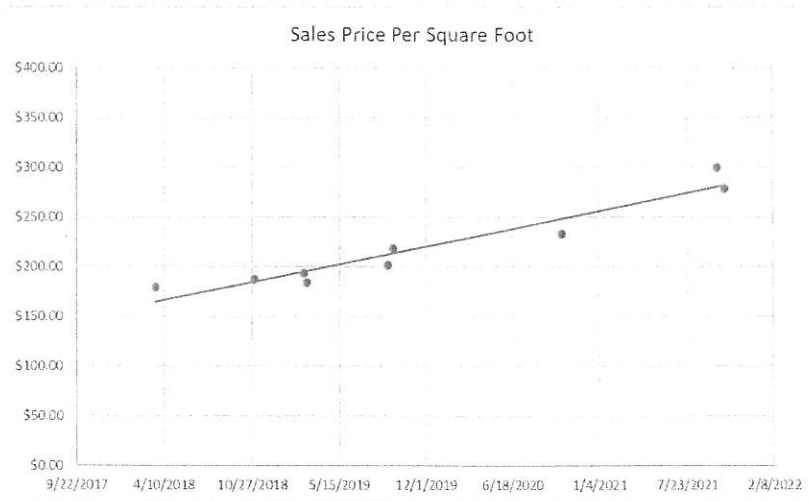
Sale Performance in Complexes

- The following slides show the sales within individual complexes.
- Each slide shows a fairly consistent increase in value and activity.
- Complexes with few sales have less reliable indications.
- The eight sales occurring in Forest Hills are shown on slide 17.
- The three smaller complexes of Sugar Plum, Forest Hills and Parish Hills have been combined on slide 18 to show the most reliable indication of performance.

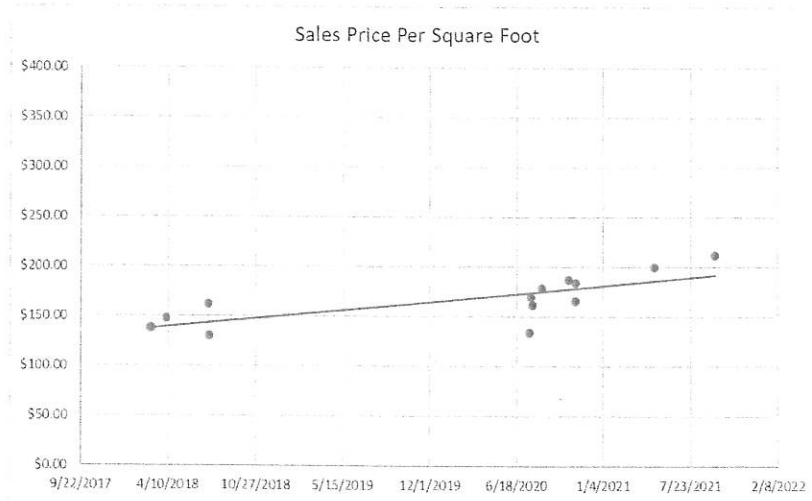
Buttrick Village



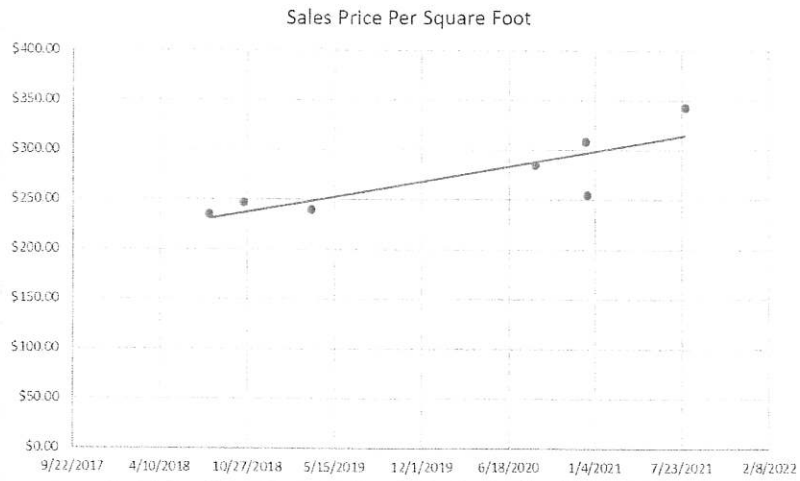
Harvest Village



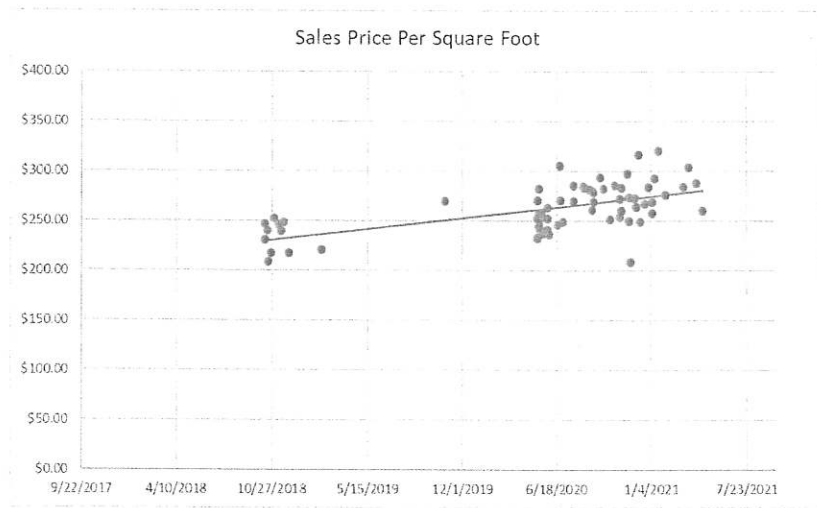
Whittemore Estates I & II



Hickory Woods



Cross Farms



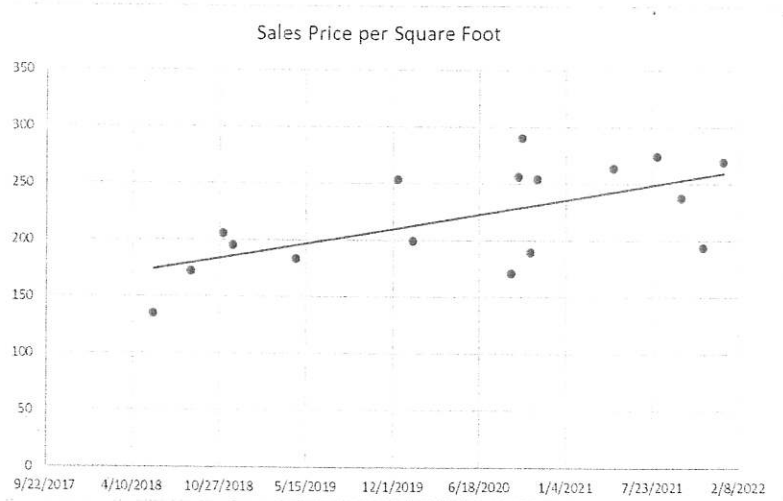
The Nevins



Forest Hills



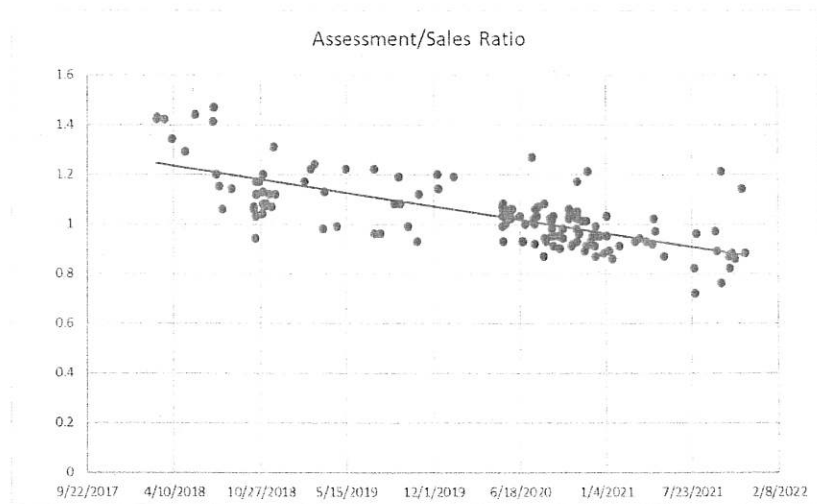
Sugar Plum, Forest Hills & Parish Hills



Assessment Performance 55+ Units

- The following page shows the performance of the assessments of 55+ units over the last several months, plotting the assessment/sales ratio for each sold unit.
- Ratios are a way to measure how closely the value estimate is to market value:
 - 1.00 means the assessment is equal to market value.
 - Over 1.00 means the assessment is higher than market value.
 - Less than 1.00 means the assessment is lower than market value.
- There is always dispersion of the resulting ratios, with the goal of having it be less than +/- 20%.
- Goal is that median overall ratio should be between .90 and 1.10.

Ratio Study Results 55+ Units



Assessment Performance 55+ Units

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Assessing Department Procedures

- We provided notices to every taxpayer in August of 2021 informing them of the revaluation result for their property.
- We invited them to participate in informal hearings, providing extensive opportunity for all taxpayers to get answers to property value questions and correcting data errors resulting in many revisions/corrections.
- After tax billing the remedy for taxpayer concerns is the abatement process, allowing for a close examination of concerns raised.
- Processing abatements includes examination of physical description information on each property, and may involve a property inspection.
- When receiving any question from taxpayers they are encouraged to submit an abatement request, and we offer assistance as well.

Assessing Department Procedures

- Abatement requests need to be made in writing, signed by the taxpayer, and either presented to the Assessing Department or mailed first class postage by March 1, 2022
- The town must answer each abatement request, and there is a deadline for that answer of July 1, 2022. We strive to provide answers as quickly as possible and have already begun processing.
- After analysis of each individual abatement claim, a recommendation is presented to the Town Council for action.
- If denied or if granted but at a value higher than taxpayer believes is correct, appeal may be made to either NH Board of Tax and Land Appeals, or Rockingham County Superior Court, but not both.
- Appeal deadline of abatement decisions is September 1, 2022.

RSA 72:38-a Tax Deferral

- I. Any resident property owner may apply for a tax deferral if the person:
 - (a) Is either at least 65 years old or eligible under Title II or Title XVI of the federal Social Security Act for benefits for the disabled; and
 - (b) Has owned the homestead for at least 5 consecutive years if the person qualifies as an elderly applicant, or has owned the homestead for at least one year if the person qualifies as a disabled applicant; and
 - (c) Is living in the home.
- The assessing officials may annually grant a person qualified under this paragraph a tax deferral for all or part of the taxes due, plus annual interest at 5 percent, if in their opinion the tax liability causes the taxpayer an undue hardship or possible loss of the property. The total of tax deferrals on a particular property shall not be more than 85 percent of its equity value.

RSA 72:38-a Tax Deferral

- The application and instructions for requesting deferral are available online at the Assessing Department webpage.
- The process may require additional information to assure that sufficient equity exists to defer taxes. Information regarding ability to pay may be requested to confirm that the applicant meets the statutory standards.
- Some or all of the taxes may be deferred, but only on the home in which they reside.
- Designed by legislature to allow taxpayers access to the equity in their homes in order to meet potentially increasing tax burdens.
- May be paid anytime, but usually when sold or when estate is settled.
- Can be used for balances after elderly or disable exemption applied.

Questions?

LONDONDERRY TOWN COUNCIL MEETING MINUTES

1 January 24, 2022

2
3 The meeting took place in the Moose Hill Council Chambers, 268B Mammoth Rd,
4 Londonderry, NH 03053.

5
6 Present: Chairman John Farrell; Vice Chairman Joe Green; Councilor Jim Butler, Tom
7 Dolan, and Deb Paul; Town Manager Kevin Smith; Assistant Town Manager Lisa Drabik;
8 Assistant Town Solicitor Mike Malaguti; Executive Assistant Kirby Brown.

9
10 CALL TO ORDER

11
12 Chairman Farrell called the Town Council meeting to order at 7:10 PM. This was followed
13 by the Pledge of Allegiance. This was followed by a moment of silence for the three police
14 officers that were shot over the weekend and the one that passed. Chairman Farrell held a
15 moment of silence for all first responders and their safety.

16
17 PUBLIC COMMENT

18
19 Bob Pitre, 61 Sawgrass Circle, spoke on behalf of a member of the Forest Hill 55+
20 community, and asked the Council the below questions regarding the reassessment of the
21 55+ communities.

- 22
23 1.) What guidelines or formula does the town use to assess property?
24 2.) Are the guidelines the same for the over 55 developments as other residential
25 properties with acres of land?
26 3.) Why are we (the people) being assessed exactly the same as other over 55
27 properties that were built last year?
28 4.) Is it standard practice to assess property without an inspection visit?
29 5.) What was the average assessment rate over the 5-year time frame?
30 6.) What was the average assessment rate over the 2-year time frame?
31 7.) Why was it changed from 5 years to 2 years?
32 8.) Who made that decision to change it from 5 years to 2-year assessments?
33 9.) Was any consideration given to the fact that building material costs were very high
34 in the first quarter of 2021 due to shortage of lumber, plumbing supplies, etc. that
35 would impact assessments?

LONDONDERRY TOWN COUNCIL MEETING MINUTES

36 10.) Could the property taxes be split over two years go lessen the impact on
37 homeowners; especially homeowners on fixed incomes?
38

39 Chairman Farrell stated that the Town Assessor will be coming in at the next meetings
40 with a presentation to help everyone understand this. Chairman Farrell stated that the
41 questions will be addressed during the presentation.
42

43 Brian Eagen, 19 St Andrews Way, also in Forest Hills. Eagen asked if the company who
44 did the assessment was hired by the town or the state. Chairman Farrell stated that they were
45 hired by the town. The town used to have an in-house Assessor who did all of this and now
46 the town uses a contractor because it reduced the expenses and they brought a lot more
47 expertise then what could be done in-house. Eagen stated that his taxes went up 40%. Egan
48 asked how the Council would let this happen.
49

50 Pete Lison, 38 Sawgrass Cr, stated that he feels bad for neighbors who can't afford these
51 taxes. Are he assessments based on not just market value, but replacement value. It seems
52 like they're being compared to some of the other neighborhoods that are brand new. These
53 houses are sixteen years old. Chairman Farrell stated that he will get everyone answers but
54 he doesn't know what they are tonight.
55

56 The Council discussed the tax rate. Chairman Farrell told Malaguti that he would like an
57 update as to why the assessing system doesn't reflect sales and reassessments.
58

PUBLIC HEARING

61 NONE

NEW BUSINESS

64
65 Chairman Farrell introduced the appointment to the PFAS Study Commission. Assistant
66 Town Manager Lisa Drabik gave an update. Drabik stated that this is a Commission to study
67 the environmental and public health impacts of PFAS chemicals. It is a state legislatively
68 created commission that was created back in 2019 and has representative from Merrimack,
69 Bedford and Litchfield and since then have added two from Londonderry. One appointment
70 can be a Town Councilor and second needs to be a resident who is a member of a drinking

LONDONDERRY TOWN COUNCIL MEETING MINUTES

71 water relative advocacy organization. That person is not appointed by the Town Council,
72 but recommended by the Town Council, an appointed by the Senate President. Drabik stated
73 that Councilor Dolan had been recommended. The Commission meeting remotely the
74 second Friday of every month at 9 AM. Drabik asked the Council how they would like to
75 proceed. Councilor Paul stated that this is the committee that focuses on health and the
76 health effects/testing with cancers related to PFOA's and the town has not done their study
77 yet when other towns already have.

78

79 Drabik went over the new program through NHDES where people who install filtration
80 systems can get up to a \$1500 rebate. Drabik stated that all of the information is on the
81 front page of our website, including how to apply.

82

83 The Council made a motion to appoint Councilor Dolan to the PFAS Study Commission.
84 Motion made by Vice Chairman Green and second by Councilor Butler. Chair votes 5-0-0.

85

86 Malaguti gave an update on the Energy Committee Task Force and explained that the
87 deadline will be extended for application until February 7th.

88

89 Malaguti gave a updated on the state taking two pieces of property down off of Trolley Car
90 Lane, to facilitate the Exit 4A project and the sound barrier. Malaguti stated that the Council
91 had agreed by census that in order for the sound wall to get installed and to expedite the
92 process, and all parties involved don't have any opposition to the project. Malaguti stated
93 that he is looking for the Councils formal approval to cooperate with the takings process of
94 51 Rear Trolley Car Lane, which is .55 acres and a 725 sq. ft. drainage easement. And 4
95 Trolley Car, which is .04 acres, to be taken. No one from Trolley Car Lane contacted us or
96 opposed it. Motion to authorize the town to move forward with the conveyance of 51 Rear
97 Trolley Car Lane and 4 Trolley Car, to the state of New Hampshire, made by Vice Chairman
98 Green and second by Councilor Dolan. Chair votes 5-0-0.

99

100 Chairman Farrell introduced Order #2022-01, an order relative to the expenditure of
101 Maintenance trust Fund for various projects. Dave Wholley presented. Wholley stated that
102 he is looking for a second allocation of \$17,000.00 for winter maintenance. Motion to
103 approves Order #2022-01 made by Vice Chairman Green and second by Councilor Butler.
104 Chair votes 5-0-0.

105

LONDONDERRY TOWN COUNCIL MEETING MINUTES

106 Wholley Discussed Order #2022-02, an Order relative to winter maintenance. Motion to
107 approve Order #2022-02 made by Vice Chairman Green and second by Councilor Butler.
108 Chair voted 5-0-0.

109

110 Fire Chief Darren O'Brien asked the Councils permission to amend his request from a prior
111 meeting for the SAFER Grant. Chief O'Brien stated that he originally requested one
112 firefighter. Chief O'Brien stated that the department has now promoted a deputy chief,
113 which hasn't happened since 2004. This was taken from an operational position on the floor
114 and the direction of the town throughout the last few budget seasons. The best opportunity
115 to refill the position, if the department gets the Grant. Chief O'Brien asked for an
116 amendment from the past request from four personnel to five. The Council gave consensus.

117

118

OLD BUSINESS

119

120

NONE

121

122

APPROVAL OF MINUTES

123

124 Motion to approve the Town Council minutes from January 10, 2022 made by Vice
125 Chairman Green and second by Councilor Dolan. Chair votes 5-0-0.

126

127

APPOINTMENTS & REAPPOINTMENTS

128

129 Motion to reappoint Mike Spetz to an alternate position on the Conservation Commission
130 made by Councilor Dolan and second by Councilor Butler. Chair votes 5-0-0.

131

132 Motion to reappoint Gene Harrington as a member on the Conservation Commission made
133 by Councilor Dolan and second by Councilor Butler. Chair votes 5-0-0.

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LONDONDERRY TOWN COUNCIL MEETING MINUTES

ADJOURNMENT

139

140

141 Motion to adjourn made by Vice Chairman Green and second by Councilor Dolan. Chair
142 votes 5-0-0.

143

144 Notes and Tapes by: Kirby Brown Date: 1/24/2022

145 Minutes Typed by: Kirby Brown Date: 1/28/2022

146 Approved by: Town Council Date: 2/07/2022