

Town of Concord
Board of Assessors Meeting Minutes
April 2, 2019

Present: Christian Fisher, Chair, Tom Matthews, Andrea Okie and William Herring
Staff: Lane Partridge, Town Assessor

Others: Melissa Koester, Gilbert Roddy, Steven Fusco, Kevin Hurley, Dan Barker, Connie Levine and Angela Romijn

The meeting was called to order at 7:00 P.M.

ABATEMENTS

Mr. Fisher explained the abatement application review procedure followed by the Board. The Town Assessor will present the application to the Board along with his recommendation. If the applicant is present they will be invited to the table to sit with the Board and present their case. They will have 5 minutes to speak with the Board. After that the applicant will be asked to return to their seat in the audience so that the Board may deliberate in regards to the application. After deliberations the Board will vote on the application.

67 COOLIDGE RD

Mr. Partridge stated that he had visited the property and the property value is in line with other similar properties. This property is on the river which is a desirable location. The property was purchased in 2009 for \$1,000,000 and the assessment has only increased by 28.7% over 10 years. This assessment is appropriate for river front property. Mr. Partridge is recommending to deny the application or abatement.

Ms. Koester, the homeowner, stated that she thinks her property is overvalued because as many homes are being torn down and rebuilt in town, her home cannot be torn down. There are restrictions on further development of her property because her property is built on a cliff and is in the flood plain. While she does not question the building value of her property she is questioning the land value. She believes the value of her property should be \$891,647 based on a price per square foot.

The Board stated that all river front property is valued similarly. The property next door to this one is being sold for \$2,000,000 but it hasn't closed yet. The Board asked Ms. Koester if she has documentation that states that the land is restricted as to what can be built on it. Ms. Koester stated that she did not have any documentation. The Board stated that the valuation methodology is not based on a per square foot basis. The base lot is 80,000 square feet and everything over that is considered excess land.

On a **MOTION** made by Mr. Matthews, seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **DENY** the request for abatement as recommended by staff.

39 BARNES HILL RD

Mr. Partridge stated that he had visited the property and it has been gutted since it was purchased for \$850,000 in 2017. The sale was not considered an arms-length sale because it was a sale from an estate and was sold using a 20 year old right of first refusal. The sale was not used in the analysis for Fiscal Year 2019 property values. Mr. Partridge is recommending a reduction to 25% of the building value which results in an abatement of \$185,100 for a new value of \$1,069,800.

Mr. Roddy, the homeowner, stated that the sale was negotiated through an executrix of the estate and he had right of first refusal. The executrix had a fiduciary duty to get the highest price for the house. He believes because the house is gutted it does not have any value. His lot is also non-conforming and he is limited to building a home that is 150% larger than the current gross floor area. The Board asked Mr. Roddy, if the house has no value why haven't you torn it down? He did not comment.

The Board stated that until the building is no longer there it still has value and we have to assess it. Mr. Partridge has placed a 25% factor on the building due to the fact that it is gutted. Mr. Roddy stated that he is currently drawing up a plan to rebuild the house and he will be using it as a rental property. Because the home was not offered on the open market it is considered a non-arms length sale. Mr. Roddy stated he believes the sale price represents the true market value of the property. The Board did not agree.

On a **MOTION** made by Mr. Matthews seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff.

11 WOODLAND RD

Mr. Partridge stated that he had visited the property. The property sold in July 2018 for \$690,000. The value for Fiscal Year 2019 is \$700,000. He stated that if the homeowners come back next year for an abatement the Board will most likely abate the value down to their sale price. Mr. Partridge is recommending to deny the application for abatement.

Mr. Fusco, the homeowner, stated that he understands the Board's position and will file for abatement in Fiscal Year 2020.

On a **MOTION** made by Ms. Okie, seconded by Mr. Herring, it was **UNANIMOUSLY VOTED** to **DENY** the request for abatement as recommended by staff.

149 STOW ST

Mr. Partridge stated that he had visited the property and the property is in a great location on Stow Street which has the highest land factor in town. The house is still viable and is adding value to the land. It overlooks Emerson Park and the sales in the area indicate that the value is correct. Mr. Partridge is recommending to deny the application for abatement.

Ms. Levine, the homeowner, stated that the home is very small and will most likely be a tear down when it is sold. A home with extensive renovations near her was just torn down and she believes that is what will happen to her home. She questioned how land values are being assessed when a

smaller lot is valued more than a larger lot. The Board stated that there is a minimum building lot size of 80,000 square feet. If a property has less than that square footage but has a building on it then it is still considered a building lot and will be valued as such. She stated that the land values on Laurel Street are much lower than hers. The Board stated that Laurel Street is in a different Market Area than her property on Stow Street. She noted that 195 Stow Street has ¼ of an acre as does her property and is across from Alcott School. The Board stated that 195 Stow Street is valued in the Laurel Street Market Area and that is why the land value is different. She also stated that her home is an Acorn built home and is out of style with the neighborhood.

The Board stated that the increase to her property value was 9.7% as opposed to the 5% increase for the town. They agreed that the Laurel Street area property values are low and they will need to review them again for Fiscal Year 2020. Ms. Levine's home is in one of the most desirable neighborhoods in town. It is a unique home with a great lot in a great location. They believe her value of \$1,186,100 is appropriate for the area.

On a **MOTION** made by Mr. Matthews, seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **DENY** the request for abatement as recommended by staff.

201 OLD PICKARD RD

Mr. Partridge stated that he had visited the property and everything in the house is original to the building date. He reduced the condition of the property from Good to Fair. Mr. Partridge is recommending an abatement of \$58,500 for a new value of \$858,000.

Mr. Barker, the homeowner, stated that he has done analysis of similar homes in the area where he lives. Old Pickard Road is a heavily traveled road and is dangerous for children and people when pollutants are released into the air. He believes he should be valued similar to Indian Pipe Lane and Deer Grass Lane. He stated that the algorithm we use does not take into account busy streets when determining value. The Board stated that they don't see the busy street as impacting value. Properties on Bedford Street, a heavily traveled road, are selling for \$1.6M. Mr. Barker stated his property has an unusual floor plan with a large fireplace in the middle of the house. His property value has increased 772% over a period of time while others have increased 553%. Using a price per square foot methodology he believes his property is overvalued.

The Board stated that out of 4 sales he used in his analysis 2 of them cannot be used because one is from 2016 and one is from 2018. We cannot base his value on just 2 sales. Properties on Deer Grass Lane and Indian Pipe Lane are selling for 10% - 20% higher than their assessed value. Smaller homes have an increased price per square foot based on their selling price. If you are using price per square foot for your analysis you have to use at least 10 – 15 sales. The home has original bathrooms and furnace and has an effective area of 3,426 square feet. The Board has never given an adjustment for a busy street because the market is not reflecting that it is a deterrent to buying a home. When the market is desirable there is a tolerance for being on a busy street.

On a **MOTION** made by Mr. Matthews, seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff.

57 LOWELL RD

Mr. Partridge stated that he had visited the home. This home is reported to be the oldest home in Concord and is next door to the new Concord Market. In the past the Board has not adjusted property values that are next door to a commercial parcel. Mr. Partridge is recommending changing the grade of the property from good to average resulting in an abatement of \$46,800 for a new value of \$1,348,100.

Ms. Romijn, the homeowner, stated that she had tried to find properties which were comparable to her property and found 2 properties with similar square footage to hers. She believes there are no properties that are comparable to her property. The property at 383 Cambridge Turnpike sold in 2017 for \$1,900,000. A property on Lang Street, which was built in 2006, sold for \$1,500,000. She stated that her property is close to the river and therefore there are limitations to what can be built on it. Her garage cannot be rebuilt so it stands as is. She is in the wetlands so she cannot plant a tree or do any landscaping.

With the opening of Concord Market next door she is subject to trucks loading and unloading at all hours of the day and night. The large refrigeration unit is right next to her property and is very loud. She had contacted the town and has had it tested. It has to be at 10 decibels before the commercial property owner has to do something to quiet the unit. It is currently at 8.8 decibels. She stated that Rite Aid is not able to make deliveries after 10 p.m. but the current market does not seem to have the same restrictions.

The Board stated that the comparable properties she used are not relevant because they are in different market areas than her property. One room on the 2nd floor has a low ceiling height. This property has been added on to over the years. The Board discussed whether being next door to Concord Market impacted the value of the property. Mr. Partridge stated that a property owner who lived next door to Zoots Dry Cleaning applied for an abatement a few years back for the same reason and the Board denied their application. The Board believes that the large compressor unit right next to her property impacts the value of her property. They are proposing a 5% discount on the land. This would bring the total abatement to \$80,000 for a new value of \$1,314,100.

On a **MOTION** made by Mr. Matthews, seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff and the Board of Assessors.

17 MUSTERFIELD RD

Mr. Partridge stated that he had visited the property and the property has been gutted since it was purchased for \$1,600,000 in January 2019. Since the property has been gutted there is no way for him to determine if the property was listed correctly. Mr. Partridge is recommending to deny the application for abatement.

Mr. Hurley, the homeowner, stated that the home has 3,002 square feet of living space and is currently assessed at \$2,130,000. He presented the Board with comparable properties on Monument Street, Lowell Road and Nashawtuc Road. The property was built in 1982 and no improvements have been made since then. There is 1 bedroom on the first floor and 3

bedrooms in the basement. It was listed on the market for \$2.2M and he believes the value in 2017 was less than \$1.6M. Land Vest was the listing agent and they did not get any offers on the property.

The Board stated that the sale price of \$1,600,000 will not be used in the market analysis for Fiscal Year 2021 because the property has been gutted and will be rebuilt. The Board looked at pictures of the property and agreed that it was a nice property and was inhabitable at the time of purchase. Mr. Hurley stated that the property was very nice but was outdated. Since the sale price is so far from the assessed value the Board is recommending splitting the difference in half resulting in an abatement of \$265,000 for a new value of \$1,865,000.

On a **MOTION** made by Mr. Matthews, seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as agreed upon by the Board of Assessors.

135 NORTH BRANCH RD

Mr. Partridge stated that he had visited the property and it is very dated and the quality of construction is not high. The comparable property sales the homeowner used in their application are not relevant to the time period for Fiscal Year 2019. He is recommending lowering the grade of the house from 5 to 4 and removing a hot tub that is not there anymore. This will result in an abatement of \$41,700 for a new value of \$769,800.

On a **MOTION** made by Mr. Herring, seconded by Ms. Okie, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff.

1128 OLD MARLBORO RD

Mr. Partridge stated that the owner of the property, Vivian Tseng, contacted the office and requested to withdraw her application for abatement. He had visited the property and a large portion of the property is gutted. The Board is still required to act on the application be either denying the request for abatement or deeming the request denied as of the date the 3 month period expires. In this case that would be May 1, 2019. Mr. Partridge has made changes to the property record card for Fiscal Year 2020 based on what he saw during his inspection. The Board decided to table the discussion on this property.

24 RIDGE RD

Mr. Partridge stated that this abatement application had previously been discussed at a prior meeting and the application was tabled because the homeowner wanted to present new information to the Board in support of the application. They provided us with listings for properties that they thought were comparable to their property. The property had been for sale and is currently under agreement for \$1,350,000. The assessed value of the property for Fiscal Year 2019 is \$1,332,300. Mr. Partridge removed a shed and hot tub from the property record card because they were no longer there and this resulted in an abatement of \$4,600 for a new value of \$1,327,700. He is recommending to grant the request for abatement in the amount of \$4,600.

On a **MOTION** made by Mr. Matthews, seconded by Mr. Herring, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff.

COOPERATIVE ELDER SERVICES INC.

Mr. Partridge stated that we have consulted with Real Estate Research Consultants, our Personal Property Vendor, and have confirmed that this company is tax exempt. He is recommending granting an abatement in the amount of \$15,760 for a new value of \$0.

On a **MOTION** made by Ms. Okie, seconded by Mr. Herring, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff.

KONICA MINOLTA BUSINESS SERVICE

Mr. Partridge stated that Personal Property Tax Bill #400469 is a duplicate with Bill #400318. He is recommending to grant the request for abatement for Bill #400469 in the amount of \$23,010 for a new value of \$0.

On a **MOTION** made by Ms. Okie, seconded by Mr. Matthews, it was **UNANIMOUSLY VOTED** to **GRANT** the request for abatement as recommended by staff.

MOTOR VEHICLE END OF MONTH REPORTS

Mr. Partridge presented End of Month Reports for Motor Vehicle Excise Tax Abatements for **March 2019** with the following amounts:

2019 - \$8,941.98
2018 - \$2,323.04

On a **MOTION** made by Mr. Herring, seconded by Mr. Matthews, it was **UNANIMOUSLY VOTED** to **APPROVE** the motor vehicle excise tax abatements for **2018** and **2019** as designated in the End of the Month Reports for **March 2019** and as listed above.

TOWN ASSESSOR

Mr. Partridge stated the abatement applications are complete and we do not need to meet as a Board on April 25, 2019. The Appellate Tax Board case for 349 Harrington Avenue, Romaine Randall will be heard on June 4, 2019. Ms. Randall has requested time at a future Board Meeting to speak with the Board as she has done her own statistical analysis and concludes that we are showing favoritism to the higher end homes.

The Department of Revenue does their own analysis and requires that the PRD, Price Related Differential has to be between .96 to 1.05 and ours is at 1.01. Ms. Randall is analyzing the data in a different way and getting results that do not meet DOR standards. The Board agreed to allow her 10 minutes to speak with the Board at their meeting on May 16, 2019. We will notify her of that meeting.

BOARD COMMENTS

Mr. Fisher read a statement he had prepared concerning the transfer tax. The Board discussed whether they should take a position on whether they believe Article 25 should be passed or not or should they remain neutral. Mr. Matthews stated that he is not in favor of a transfer tax being implemented in Concord. Affordable Housing is a town wide crisis and should be dealt with on a town wide basis. It is unfair to strip equity from sales for a small segment of the population. This tax is not helping the affordability problem in Concord it is making Concord less affordable.

An attorney in Concord surveyed the Town of Nantucket on what effect the transfer tax has had on their town. They stated it has not had a large impact on homeowners whose primary home is in Nantucket because the burden of the tax is being borne by homeowners with a second home in Nantucket. This type of tax only works in second home communities. In Concord 95% of the homes are primary homes. Residents do not understand the impact this tax will have on the equity in their home. The Transfer Tax will be devastating to new families moving into town.

It was suggested that the Board stay neutral but further educate the public on how this tax will hinder the affordability of Concord. There are many factors forcing the median home buyer out of Concord and this would just add another factor. The Board can decide not to take a position on Article 25 and wait until Town Meeting votes. An alternative solution is to increase the amount of money collected under the Community Preservation Act. By doing this the town could potentially raise \$1.2M per year. If the values in town begin to decrease the tax rate will increase which will be an additional hurdle for new buyers. The indirect impact will potentially serve as an added burden borne by new buyers which reduces the affordability for all buyers.

It was noted that someone will be introducing an amendment on the floor of Town Meeting to reduce the transfer tax percentage from 1% to 0.5%. The Board may speak on behalf of themselves at Town Meeting but not as a collective group.

On a **MOTION** made by Mr. Herring, seconded by Ms. Okie it was **VOTED** to **TAKE NO ACTION** on their position regarding Town Meeting Article 25, implementing a transfer tax in Concord. Mr. Matthews voted **AGAINST** the Board's position to take no action.

NEXT MEETING

The next meeting was scheduled for May 16, 2019.

The meeting was adjourned at 9:20 P.M.

Respectfully submitted,

Carolyn Dee
Sr. Administrative Assistant