Governor's Crossing LLC

v.

City of Laconia

Docket No.: 24885-09PT

INTERIM ORDER AND NOTICE OF REOPENED HEARING

On July 11, 1012, the board held a noticed hearing of this tax year 2009 abatement appeal regarding seven house lots owned by the "Taxpayer." At the hearing, the Taxpayer and the "City" agreed house construction was complete (as of the April 1, 2009 assessment date) on three of the lots,[1] but was not complete on the following four "Incomplete Lots":

Map/Lot	Street Address	Reference
Map 170/Lot 497-14.4	33 Sterling Drive	"Lot 4"
Map 170/Lot 497-14.5	35 Sterling Drive	"Lot 5"
Map 170/Lot 497-14.6	37 Sterling Drive	"Lot 6"
Map 170/Lot 497-14.7	39 Sterling Drive	"Lot 7"

[1] Map 165/Lot 497-14.1, 19 Sterling Drive ("Lot 1");
Map 170/Lot 497-14.73, 120 Sterling Drive ("Lot 73"); and
Map 170/Lot 497-14.75, 100 Sterling Drive ("Lot 75").

At the hearing, the Taxpayer's representative, Richard P. Letendre, testified he disagreed with the percentage completion estimated by the City on two of these four lots, as follows:[2]

Percent Complete as of 4/1/09		
Lot #	City's Estimate	Taxpayer's Estimate
Lot 4	35%	35%
Lot 5	55%	40%
Lot 6	60%	40%
Lot 7	35%	35%

During its deliberations, the board reviewed the assessment-record card ("ARC") for each lot and discovered an issue that requires further clarification prior to continuing its deliberations. Specifically, the ARCs indicate the Incomplete Lots were not assessed for the percent the buildings were complete, but instead were assessed for the percent incomplete. Said another way, and as the following chart depicts, it appears the City applied a value equal to 100% minus the percent complete as the "Overall % Cond."

Lot #	Replacement Cost	Building Assessed Value	% Complete (per City's Estimates)	Calculated % Complete ("Overall % Cond")
Lot 4	$188,809	$122,700	35%	65%
Lot 5	$233,546	$105,100	55%	45%
Lot 6	$206,114	$82,400	60%	40%
Lot 7	$179,955	$117,000	35%	65%

[2] Mr. Letendre testified to the percentages quoted above, which vary somewhat from the "percent completed" figures he presented in Taxpayer Exhibit No. 1.

The ARCs raise questions whether the City made the correct calculations to arrive at its building values for the Incomplete Lots. If so, the board questions whether similar miscalculations were systemic throughout the City and affected other parcels with incomplete construction in tax year 2009 or any other tax year.

The board therefore reopens the hearing of this appeal to receive further evidence (in the form of additional documentation and testimony from the City and the Taxpayer) regarding the need for correction with respect to the Incomplete Lots. The board will further hear evidence as to the City's assessment practices on other lots in the City with incomplete construction.[3] The City's assessor and the Taxpayer's representative are requested to attend and present all relevant evidence at the reopened hearing scheduled for **August 21, 2012 at 11:00 a.m.** in the board's offices. Testimony and evidence taken at the reopened hearing shall be limited to the issues discussed in this Interim Order. Based on the evidence received at this reopened hearing, the board will determine whether a separate RSA 71-B:16 investigation is needed.

The board intends to make no further rulings until after this hearing is held.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

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Albert F. Shamash, Esq., Member

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Theresa M. Walker, Member

[3] The board notes the calculation for partially completed houses may be distinct from depreciation estimates on assessment-record cards, where the estimated percentage of depreciation is correctly subtracted from one (100%) in order to estimate the "Overall % Cond."

Certification

I hereby certify a copy of the foregoing order has this date been mailed, postage prepaid, to: Richard P. Letendre, 368 Edgewater Drive, Gilford, NH 03249, representative for Governor's Crossing, LLC, Taxpayer; and Chairman, Board of Assessors, City of Laconia, 45 Beacon Street East, Laconia, NH 03246.

Date: 7/25/12

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Anne M. Stelmach, Clerk