



Town of Berwick

BOARD OF SELECTMEN/BOARD OF ASSESSORS MINUTES

Tuesday, April 28, 2020

6:30pm

Via Zoom
11 Sullivan Street
Berwick, ME 03901

1. Call to Order

Chair Wright called the meeting to order at 6:30pm.

2. Roll Call

Board Members Present via Zoom: Chair Thomas Wright, Vice Chair Ed Ganiere, Selectman Noah Cobb, Selectman Kenneth Manning, Jr. and Selectman Mark Pendergast

Board Members Absent: None

Staff Members Present via Zoom: Town Manager Stephen Eldridge and Town Clerk Patricia Murray

3. Pledge of Allegiance

Chair Wright led the Pledge of Allegiance.

4. Approval of Meeting Minutes

- April 14, 2020

Motion: Selectman Manning moved to accept the April 14, 2020 minutes as written. Selectman Cobb seconded the motion.

The motion carried: 5:0

5. First Public Comment

Chair Wright opened the first public comment. There being no comments, Chair Wright closed the first public comment.

Chair Wright stated the Governor has given new directives today and these will be discussed as soon as possible.

6. Public Hearing

None.

7. Reports of Committees

- **BCTV Committee**

None.

- **Envision Berwick Committee**

None.

Department Reports

None.

8. Appointments/Presentations/Other Guests

None.

9. Unfinished Business

None.

10. Town Manager Report

Town Manager Eldridge reported the following:

- Fire Station Update: windows are in, interior walls are up, roof is being worked, sewer lines are connected, the water line will be run near the sewer line and the water line to the Police Department will be replaced.
- The MSAD 60 budget increase is approximately 3% which is about \$260,000 increase from last year.
- The Town needs evaluation numbers from assessing for the estimated tax rate.
- The Town Manager and Public Works Supervisor inspected roads today.

Selectman Pendergast asked if there have been savings at the school since the closing in March. Town Manager Eldridge stated he has not seen the revenue or reserve figures yet.

11. Selectmen Communications

None.

12. Approval of Warrants

04-16-2020	Payroll Warrant #2042	\$ 120,681.69
04-23-2020	A/P Warrant #2043	\$ 506,472.79
04-23-2020	Payroll Warrant #2043	\$ 54,048.73

Motion: Chair Wright made a motion to accept the Accounts Payable Warrants as presented and on the condition of the inspection of a majority of the Board of Selectmen. Vice Chair Ganiere seconded the motion.

The motion carried: 5:0

13. New Business

- Paving Bid award

Town Manager Eldridge reported one bid was received from Libby Scott and was within budget at roughly \$600,000.00.

The roads scheduled for work are: Long Swamp Road (from Wood Lily Lane to Ali Pond Road), Little River Road before Diamond Hill, Pine Hill Road to Worster Road, Cemetery Road (all), and Cranberry Meadow Road (between Worster Road and Cemetery Road).

Motion: Selectman Pendergast made a motion to award the paving bid to Libby Scott as presented. Vice Chair Ganiere seconded the motion.

The motion carried: 5:0

- New Critical Dates for the July 14, 2020 Election

May 14, 2020	The following documents due to Town Clerk: 30-A MRSA, Sec 2528(5) (60 days) <ul style="list-style-type: none">• Warrant• Certification of Proposed Ordinance• Order to Post Copies of Ordinance• Return of Warrant• Nomination papers due to the Town Clerk (IF APPLICABLE): 30-A MRSA, Sec 2528(5) (60 days)
May 26, 2020	Selectmen set Public Hearing Date. (June 23, 2020 – regular meeting) (10 days prior)
June 12, 2020	Absentee Ballots Available (30 days prior)
June 9, 2020	Selectmen set polling hours for secret ballot. (TC recommends 8am – 8pm)
June 10, 2020	Post Notice of Public Hearing
June 23, 2020	Public Hearing (during BOS regular meeting)
July 7, 2020	Last day to post Warrant of Town Meeting. 30-A MRSA, Sec 2523(4) (7 days)
July 14, 2020	ELECTION: Polls open 8am to 8pm.

Absentee Ballot information will be available on the Town website and is also available at <https://www.maine.gov/sos/cec/elec/voter-info/absent.html>

- 2nd Amendment to the 2019 Tax Commitment

During this year’s audit by Maine Revenue Services, the auditor noted that the properties in the TIF district with a negative net change between the 2019-20 assessed value and the taxable original assessed value (OAV), should have been a zero net change, and not a negative value in order to collect the maximum amount of funds available for the TIF district.

TIF districts are established to collect the amount that results in the increase from the taxable OAV, and it is not required to subtract negative net changes when the assessed value is lower than the taxable OAV.

Although the Town is not required to collect all funds that are available in the TIF district, it is recommended that the Select Board approve this correction so that the Town may collect the full amount of funds for the TIF district that resulted from only the increases in the net value change. As a result of this correction, the overlay is decreased and the TIF financing plan amount is increased by \$7,359.10.

The Assessor has prepared the Affidavit Correct Local Government Record to reflect this correction. The Assessor has also prepared the Amended Assessors’ Certification of Assessment and the Certificate of Assessment to be Returned to Municipal Treasurer to be signed by the Assessors.

Motion: Vice Chair Ganiere made a motion to accept the Second Amendment to the 2019 Tax Commitment as presented. Selectman Pendergast seconded the motion.

The motion carried: 5:0

14. Quitclaim Deeds and/or Installment Contracts

None.

15. Abatements/Supplements

- Abatements:
 - 104 Knox Lane; Map R045 Lot 38

The subject is a 4-acre vacant parcel that transferred ownership November 3, 2017 per Deed Book 17956 Page 766. The Deed however was not recorded in the York County Registry of Deeds until July 2, 2019, and as a result, the transfer of ownership from Jamie M. Miller to John L. Corliss was not processed for fiscal year 2019-2020.

Therefore, it is recommended that an abatement be granted in the amount of \$1,400.65.

Motion: Vice Chair Ganiere made a motion to accept the abatement in the amount of \$1,400.65 for 104 Knox Lane; Map R045 Lot 38 as presented. Selectman Pendergast seconded the motion.

The motion carried: 5:0.

- 380 Portland St; Acct 805

The personal property declaration form and Business Equipment Tax Exemption (BETE) application for this business were emailed to Assessing, however, it did not get processed. As a result, the property owner was assessed \$77,707 for the ATM machine when it should have been exempt from taxation under the BETE program.

Therefore, it is recommended that an abatement in the amount of \$1,257.02 be granted.

Motion: Vice Chair Ganiere made a motion to accept the abatement in the amount of \$1,257.02 for 380 Portland St; Acct 805 as presented. Selectman Cobb seconded the motion.

The motion carried: 5:0.

- 8 Allen St; Map U001 Lot 36

The subject property is a two-family unit built in 1920 situated on a 0.124-acre parcel located across the street from Cumberland Farms. The owner purchased the property 3-29-2017 for \$117,500 in an arms-length sale. Cosmetic improvements were made after the sale such as updated kitchen cabinets, fresh paint, etc. The owner is requesting a reduction of \$50,000 in the assessed value of \$226,100 due to interior structural damage resulting from a foundation wall bowing inward excessively, and poor condition of the attached garage.

Assessing conducted an interior and exterior inspection and found that the driveway-side foundation wall bowed inward excessively. The garage is in poor condition with noted evidence of rot. However, the overall interior condition of the building is considered average with both units being rented at fair market rent. An adjustment is warranted due in part to the noted condition being more adverse than the typical multi-family unit of this age, and the potential loss of income in the future if repairs are not done.

Therefore, it is recommended that the assessed value be reduced by \$27,100 from \$226,100 to \$199,000, and that an abatement be granted for in the amount of \$475.06.

Motion: Vice Chair Ganiere made a motion to accept the abatement in the amount of \$475.06 for 8 Allen Street; Map U001 Lot 36 as presented. Selectman Manning seconded the motion.

The motion carried: 5:0.

- 560 Portland St; Map R072 Lot 10

The subject property is a 31.70-acre parcel consisting of self-storage buildings, office space, an apartment and garage. The primary business use is self-storage with 506 rentable units. The most reliable approach to value for this type of property is the income approach.

The owner is concerned that the property is over-valued and is requesting a reduction in the assessed value of \$1,063,000 from \$4,022,000 to \$2,959,000. The owner provided 2019 income and expense data, and vacancy rates which were used in support of the owner's indicated value. However, the income analysis uses potential gross income which is an estimated value, and not actual income and expenses.

The Assessor's agent used actual data from the calendar year 2018 provided by the owner to calculate the assessed value as of April 1, 2019. The actual income in 2018 was \$226,764 greater, vacancy rate was 6% greater, and the operating expenses were 3% less than the owner's estimate. As a result, the net operating income was \$413,548 and using a cap rate of 10%, the estimated value based on the income approach is \$4,135,480. The assessed value for Fiscal Year 2019-2020 is \$4,022,000. Furthermore, the owner purchased the property on January 15, 2016 for \$4,280,000. The Assessor's agent concludes that the assessment for fiscal year 2019-2020 is valid.

The owner has failed to prove that the assessment of \$4,022,000 is an over-assessment. Therefore, the assessor's agent recommends that the Select Board deny this abatement request.

Motion: Vice Chair Ganiere made a motion to deny the abatement for 560 Portland Street; Map R072 Lot 10 as presented. Selectman Pendergast seconded the motion.

The motion carried: 5:0.

- 56 Sawmill Hill; Map U001 Lot 107

The subject is a Mansard-Colonial style single family home built in 1876. Based on a recent interior and exterior inspection, the subject has many period features that in its totality are classified as an average +20 grade. Some above-average features are slate roof tiles, period exterior trim and fenestration, crown molding, tin ceiling, 10' ceiling height, cherrywood oversized kitchen cabinets, and modern kitchen and bathroom fixtures. The property owner has owned this property for nearly 35 years, and has restored and renovated the dwelling over this time.

The property owner is concerned that the grade classification which was adjusted from average + 10 to average +20 as part of the revaluation, is not accurate and has resulted in an over-valuation of this property.

In response to the abatement request, the Assessing agents reviewed interior photos of properties that recently sold that are of similar age and grade, and concluded that the subject property is assessed as other similar properties in accordance with market value.

The property owner has not submitted any information such as an appraisal report or other property analysis that supports his belief that the assessment should be \$375,000 or \$380,000, rather than the current assessment of \$414,300. The property owner has failed to show overvaluation compared to other, similar properties on average.

Therefore, it is recommended that this abatement request be denied.

Motion: Vice Chair Ganiere made a motion to deny the abatement for 56 Sawmill Hill Road; Map U001 Lot 107 as presented. Selectman Pendergast seconded the motion.

The motion carried: 5:0.

- Tree Growth Penalty:
 - 193 Route 236; Map R066 Lot 6-A

As of April 1, 2019, this parcel was part of a larger parcel that was classified in the Tree Growth Program. Per Deed Book 18096 Page 158 dated 11-7-2019, this parcel was created from the remaining land of the lot split of that larger parcel. Because this parcel contains less than 10 acres, and therefore, does not meet the minimum standards for classification in the Tree Growth Program, a tree growth penalty must be assessed at the time of withdrawal pursuant to 36 M.R.S.A. § 571-584-A.

Pursuant to 36 MRS §581 2. Withdrawal of portion, “In the case of withdrawal of a portion of a parcel, the resulting portions must be treated after the withdrawal as separate parcels under section 708.

The penalty is the amount equal to 20% of the difference between the just value of the property on the date of withdrawal (80,200), and the 100% valuation of the classified forest land on the assessment date immediately preceding withdrawal (\$1600). ($\$79,700 - \$1,600 = \$78,100 \times 0.20 = \$15,620.$) Please see the attached Tree Growth Penalty calculation.

Therefore, it is recommended that the Tree Growth Penalty be charged in the amount of \$15,620.00 to the current owner, LRB Leasing LLC.

Motion: Vice Chair Ganiere made a motion to accept the Tree Growth Penalty for 193 Route 236; Map R066 Lot 6-A as presented. Selectman Cobb seconded the motion.

The motion carried: 5:0.

- Supplement:
 - 104 Knox Lane; Map R045 Lot 38

The subject is a 4-acre vacant parcel that transferred ownership November 3, 2017 per Deed Book 17956 Page 766. The Deed however was not recorded in the York County Registry of Deeds until July 2, 2019, and as a result, the transfer of ownership from Jamie M. Miller to John L. Corliss was not processed for fiscal year 2019-2020.

Therefore, it is recommended that a supplemental tax be issued to John L. Corliss in the amount of \$1,400.65 ($0.01753 \times \$79,900 = \$1,400.65$).

Motion: Vice Chair Ganiere made a motion to accept the Supplemental Tax Warrant for 104 Knox Lane; Map R045 Lot 38 in the amount of \$1,400.65. Selectman Manning seconded the motion.

The motion carried unanimously: 5:0

16. Second Public Comment

Chair Wright opened the first public comment. There being no comments, Chair Wright closed the first public comment.

17. Executive Session

None.

18. Other Business/Non-Agenda Items

Town Manager Eldridge reminded the public to complete the 2020 Census which determines the Town's eligibility for Federal money.

Vice Chair Ganiere expressed concerns regarding the 2020/2021 Budget. Town Manager Eldridge replied that most Capital Improvement items are being drawn from the undesignated fund balance and will not be tax dependent.

19. Adjournment

The meeting adjourned at 7:05pm.

Respectfully submitted,

**Patricia Murray
Town Clerk**

The April 28, 2020 BOS Meeting Minutes – Signed as approved at the Board of Selectmen’s May 12, 2020 meeting.

On behalf of the Board
