

Town of Cromwell
Board of Assessment Appeals
Special Meeting
Thursday March 15, 2018
5:00 pm
Assessor's Office

- A. Call to Order: The meeting was called to order at 5:05 pm by Mr. Vincenzi.
- B. Roll Call: Present Board members Matthew Long, William Vincenzi and Alternate Jay Polke.
Also Present: Assessor Shawna Baron and members of the Public. Member Roy Roland and Alternate Julie Ritter absent.

A **motion** made by Matthew Long **seconded** by William Vincenzi, to seat Alternate Jay Polke. All in favor; **motion passed**.

Mr. Vincenzi left the meeting at 5:07pm

- C. Old Business:

1. Possible Actions on Decisions

NO ACTION.

2. Approve Minutes of the March 6th and 12th meetings.

NO ACTION.

- D: New Business:

207 West Street (tower)

Original Assessment: 483,000

Seth Wulsin, on behalf of Stop and Shop, described the property as having a tower and advised the Board that an informal meeting with the revaluation company resulted in a slight reduction in the overall assessment. The tower is rented by T-Mobile and generates approximately \$31,637 in annual rent.

NO ACTION.

207 West Street

Original Assessment: 958,790

Seth Wulsin, on behalf of Stop and Shop, described the property as having a gas station and a car wash and advised the Board that an informal meeting with the revaluation company resulted in a slight reduction in the overall assessment. There was a discussion regarding approaches to value, cap rates and why Stop and Shop paid a high price for the property despite the fact that it was not in an ideal location.

NO ACTION.

665 Main Street

Original Assessment: 319,480

Ray Libera and Attorney Kenneth Slater provided the Board with information regarding the uniqueness of the properties, especially in that a single industrial business (Cromwell Concrete) operates on three separate lots. They questioned how one part of the campus could increase so much more than another; the appellants believed a 4% increase for all properties was fair. There was a lengthy discussion regarding current values not having an effect on previous values.

NO ACTION.

663 Main Street

Original Assessment: 131,320

Ray Libera and Attorney Kenneth Slater provided the Board with information regarding the uniqueness of the properties, especially in that a single industrial business operates on three separate lots. The appellants explained that this piece was a seasonal showroom for Cromwell Concrete and previously had been vacant for 20+ years because they could not find an interested tenant despite their efforts. They questioned how one part of the campus could increase so much more than another; the appellants believed a 4% increase for all properties was fair. There was a lengthy discussion regarding current values not having an effect on previous values.

NO ACTION.

663R Main Street

Original Assessment: 170,030

Ray Libera and Attorney Kenneth Slater provided the Board with information regarding the uniqueness of the properties, especially in that a single industrial business operates on three separate lots. They questioned how one part of the campus could increase so much more than another; the appellants believed a 4% increase for all properties was fair. There was a lengthy discussion regarding current values not having an effect on previous values. The appellants explained that this piece was residentially zoned and landlocked and that it was previously treated as excess land. Ms. Baron and Mr. Polke discussed variances and access to this land.

NO ACTION.

423 Main Street

Original Assessment: 308,420

Joe Cubeta presented a market analysis from 3 different agents as well as an amended appraisal. He compared his property to 6 Doering Drive before 6 Doering Drive was improved. His 7 furnaces were over 30 years old, 60 windows needed replacing, and the roof was 20 years old. He presented the Board with some estimates. Ms. Baron explained that no analytical work was done by the appraiser and that a market analysis was not an appraisal. There was a discussion regarding the approaches to value.

NO ACTION.

201 Main Street

Original Assessment: 529,830

Howard Russ, an appraiser, along with Arthur Sibley, explained that they felt the land was overvalued; the property is in a flood hazard zone, you must cross an active railroad track to access the property and it is across from a sewage treatment plant. Ms. Baron explained the approach used to determine the value and there was a discussion of actual rent vs market rent; she advised the Board that she supported the reduced value presented by the appellants.

A **motion** was made by Mr. Long, **seconded** by Mr. Polke, to reduce the value to **\$650,000** (455,000 assessment). All were in favor; **motion passed**.

24 Shunpike Road

Original Assessment: 820,190

Stanley Gniazdowski, appraiser, presented the Board with his appraisal and provided insight regarding the variables Dunkin Donuts' franchisee's face with respect to Dunkin Donuts' properties. There was a discussion of traffic count and cap rates. Once Ms. Baron had a chance to review the appraisal, she would give the Board her opinion.

NO ACTION.

48 Nooks Hill Road

Original Assessment: 198,170

William Charmut presented photos of the 150+ year old building and advised the Board that the building is gutted and has very limited use and is currently used for storage. Purchased from the Town for taxes owed, the property is on the State's Brownfield Site list as a result of its environmental issues. In addition, despite attempts to have the Town correct the problem, the pond across the street floods and the water comes into the building, further limiting its use. He was very concerned that the revaluation company had the wrong photo on the property record card and they did not do a walk thru as requested. Ms. Baron explained that the photo error was more than likely a system conversion issue and that the details on the property record card were accurate. Ms. Baron explained that the property has been consistently undervalued, but also believed the current value was too high. There was a discussion regarding the different approaches to value. Mr. Charmut was going to discuss a more realistic value with his partner and advise the Board. Mr. Polke commented that although the property didn't seem like you could give it away given all of the issues, it does still generate income.

NO ACTION.

604 Main Street

Original Assessment: 473,550

Attorney Lawrence Garfinkel explained that the property owner paid \$1,020,000 for the 2 parcels (600 and 604 Main Street) and the property owner treats them as one parcel. At the time of purchase, (11/2016), the combined parcels were appraised for \$1.2 million. Ms. Baron said that merging the lots would help to reduce the value and that she explained this to the previous owner as well. Ms. Baron would review the presented appraisal and give the Board her opinion.

NO ACTION.

600 Main Street

Original Assessment: 521,591

Attorney Lawrence Garfinkel explained that the property owner paid \$1,020,000 for the 2 parcels (600 and 604 Main Street) and that the property owner treats them as one parcel. At the time of purchase, 11/2016, the combined parcels were appraised for \$1.2 million. Ms. Baron said that merging the lots would help to reduce the value and that she explained this to the previous owner as well. Ms. Baron would review the presented appraisal and give the Board her opinion.

NO ACTION.

134 Berlin Road

Original Assessment: 763,000

Trevor Davis, Brenda Reilly and Carol Reilly presented to the Board. Mr. Davis provided information to the Board regarding other restaurants and their cost per square foot. He explained that capital repairs (roof and asphalt) were needed. Brenda Reilly told the Board that Baci (the restaurant on the parcel) just celebrated its 19th anniversary, employs 42 people (20 of which are Cromwell residents) and that they do their best to be a good neighbor and do good things for the community; however it is becoming more and more difficult to sustain the business with the increase in taxes over the years. There was a discussion regarding the square footage of the building and the subsequent cost per square foot. It was determined that the Assessor's Office had the correct square footage because the converted, enclosed porch is part of the restaurant; all were in agreement.

NO ACTION.

51 Shunpike Road (tower)

Original Assessment: 490,000

Attorney Rita Steinberger acknowledged which of the related parcels were denied because their assessments exceeded \$1 million. She explained that the parcel being heard tonight was 126 square feet and the tower on it was leased to Cingular Wireless. She gave a general breakdown of the lease terms and determined that the tower provided approximately \$41,000 in rent per year. There was a lengthy discussion of approaches to value and the cap rate. In response to Attorney Steinberger's comment that the site had limited use, Ms. Baron explained that's why she breaks it out. Attorney Steinberger said she would forward the income statement for the Board.

NO ACTION.

131 Berlin Road

Original Assessment: 353,900

Sam Carr, and Richard and Sharon Bishop described other similar buildings in town that had values less than theirs. Mr. Long reminded the Board that present values cannot be compared to the prior revaluation values. The Bishops described the below average condition of the building and Ms. Baron agreed with their summation. There was a lengthy discussion on the unique, triangle shape of the lot and the difficulties they would have finding a potential buyer because of the zoning restrictions a new building would have, despite the great location. Mr. Polke added that he is aware of a similar unique property that has been on the market for over 10 years.

NO ACTION.

20 Sebeth Drive

Original Assessment: 787,850

Judd Malin described the circumstances behind his purchase of the building and that he did not purchase as a foreclosure. Mr. Malin described the location as less than ideal and that the tenant is WOW gym and is also the previous owner of the building. There was a discussion of market vs actual rent and that Mr. Malin maintains more than what the lease calls for financially in order to retain the tenant; it's a difficult market. Mr. Malin explained that he owns other properties in town, but felt 20 Sebeth Drive was overvalued as a result of the revaluation. Mr. Polke explained that competition was fierce for gyms (WOW is very inexpensive to join) and that Mr. Malin would like to retain his tenant. Mr. Malin would provide the Board the lease agreement.

NO ACTION.

191 Shunpike Road

Original Assessment: 429,660

Attorney Julie Morgan explained to the Board that this was the oldest car wash in town and that it was listed for sale for 3 years for \$450,000 and no offers were received. The property owner is considering tearing the building down because it is not practical to retrofit the old car wash; it also generates very little money. Attorney Morgan will provide more information regarding Jimmy's Car Wash which may or may not pay rent for the space in the building. She also advised the Board that there are zoning restrictions which limit the use of the site. Mr. Polke expressed concern for the viability of the business with the larger, chain car washes in town.

NO ACTION.

- E: Staff Comments: Ms. Baron advised the Board that 231 Shunpike and 11 Mystique withdrew their appeals as well as the steps taken to arrive at reduced assessment agreements. Ms. Baron thanked Mr. Polke for agreeing to be an Alternate to the BAA, not only for his expertise, but also to help to insure the meetings went on as planned as there were some rescheduling issues due to the weather. Mr. Long reminded the Board that the minutes of the previous meetings still needed to be approved and that he wanted the March 12th minutes amended to strike *"In addition, he wanted the record to reflect that he did not want to hear any characterization or variation of the word "freaking" used by an elected member of this Board"*. He also was working on presenting information to help improve the flow of future meetings and to solidify the previous meeting's decision to revert to the previous policy for the Assessor to honor the BAA decision on cars for 2 years.
- F: Adjourn: A **motion** was made by Mr. Long, **seconded** by Mr. Polke, to adjourn the meeting at 9:05pm. All in favor; **motion passed**.

Lisa A. Ruggiero
Board of Assessment Appeals Clerk