

https://www.caledonianrecord.com/news/local/bethlehem-selectmen-look-at-enlisting-appraiser-to-assess-complex-problems/article_6871b4ba-6f85-5db3-b159-d8b72849393f.html

Bethlehem Selectmen Look At Enlisting Appraiser To Assess Complex Problems

Robert Blechl
Jul 5, 2020



John McIver hits an approach shot at The Maplewood Golf Club in Bethlehem on May 12, 2020. (File Photo by Paul Hayes)

In Bethlehem, several major commercial development projects have been completed or are nearing completion and others are being planned.

The upside is that they constitute millions of dollars in valuation that will add to the municipal tax base and generate much property tax revenue for the town.

At the same time, they are unique and complex properties that can require a specialized appraiser to ensure they are assessed accurately and that the town is receiving its fair share of property tax revenue and is protecting its tax base.

To prevent problems with valuing complex properties, selectmen are considering enlisting Skip Sansoucy, of Lancaster, who for decades has assessed special purpose properties in New Hampshire and across New England and elsewhere — properties that include utilities and landfills — and has provided expert testimony in court cases on behalf of municipalities.

On Monday, Bethlehem Board of Selectmen Chairman Gabe Boisseau said Sansoucy has identified some properties in town that at present might not be assessed appropriately.

Sansoucy, who runs George E. Sansoucy Engineers and Appraisers, with offices in Lancaster and Portsmouth and in Greenville, S.C., met with the board on June 15 and again on June 29, and selectmen are expected to make a decision on whether to bring him on through a contract at their next meeting.

Sansoucy's proposal includes working with the town for the next three tax years, 2020 through 2022, to help bring Bethlehem into its next town-wide revaluation with all major properties complete.

Those properties include the new Bretton Woods ski lift and conference center located in Bethlehem; the Maplewood golf course; Wayside Inn; Chandler at the White Mountains (formerly the Arlington Hotel); Dollar General; Presidential Mountain Resort that could see more cabins, as well as a possible Hilton hotel; the Pinetree Power biomass plant; Eversource Energy utility properties; and the Casella Waste Systems landfill and the gas-to-energy plant being developed on the landfill.

The gas-to-energy plant is being developed by RUDARPA, which will lease several acres on the landfill property from Casella for the plant that will convert landfill methane into a clean form of natural gas that RUDARPA will sell.

"We value gas-to-energy plants and did the first one in New Hampshire in the 1980s," said Sansoucy, whose firm also values the energy plant owned by the Washington Electric Cooperative at the Casella landfill in Coventry, Vt.

Before the energy conversion plants, landfill gas was used to burn off leachate, but now, with the plants, the gas is much more valuable and is a significant asset for the town, he said.

“They are good properties for the town and have the ability to replace Pinetree Power [the biomass plant that could be closing], for all intents and purposes,” he said. “They generate power with it for a long time and it’s a stable asset for the company.”

Sansoucy gave selectmen a warning when it comes time for the landfill gas-to-energy plant to come online.

“You have to be careful about signing up with any PILOTS [payment in lieu of taxes agreement] early,” he said. “They don’t have to have a PILOT agreement no matter what they say ... You want all of your options open when you start dealing with the owners and developers of gas plants because their value has a higher probability of going up over time than it does of being stable or going down.”

Such enterprises also receive renewable energy credits that can add 30 or 40 percent more revenue for the gas plant than just the electricity, and the town has to be careful not to get locked into a PILOT or similar agreement, said Sansoucy.

Because the landfill is such a special purpose property, he also suggested that the town, through its municipal attorney, Walter Mitchell, enter in a contract with Casella for Casella to reimburse the town’s costs to work through various issues related to the landfill, whether negotiating tipping fees or managing the landfill as an ad valorem property, and issues related to the gas-to-energy plant.

“I believe there should be a reimbursement mechanism because that is an especially complex facility over 40 or 50 years and it’s a permanent facility,” said Sansoucy. “They will ask a lot of questions and take a lot of energy and oxygen out of the room in order to get what they want from you. And you’re going to push back.”

Selectman Chris Jensen asked about the possibility of the gas-to-energy plant seeking a large reduction in its property taxes.

“Would you be surprised if RUDARPA ... seeks a pollution control exemption?” asked Jensen.

“I fully expect a pollution control exemption and fully expect the threat and I fully expect to be able to defend the town of Bethlehem, with Walter Mitchell, against the pollution exemption,” said Sansoucy. “I completely expect the pollution exemption fight and have no problem guiding you through that fight and being an expert witness with Walter. There will be some pollution exemption with a landfill, but that plant should not be exempt.”

As for the Bretton Woods project, Sansoucy said the conference center, which is nearing completion, is sitting on a value of about \$2.5 million and the ski area land a value of \$1.4 million, both independent of the other, and the goal is to not get them mixed up in a future tax abatement appeal.

Also, the ski lifts, or gondolas, are taxable as are their infrastructure, he said.

As for the Pinetree Power biomass plant, which went online about 30 years ago and is currently valued at \$1.056 million, Sansoucy said the valuation is a management valuation as the plant is being phased down.

Pinetree Power is closed and is at risk of permanent closure after the governor vetoed a bill that would have required Eversource to purchase renewable energy credits from Pinetree and the five other biomass plants in New Hampshire that would have kept the plants in operation.