



October 8th, 2020

Dear Neighbor,

This year you may have noticed your property taxes changed. This is because all of the properties in Harding were revalued last year for tax purposes and the change is reflected in your latest tax bill. Revaluations are typically done once every ten years.

As we speak to residents, we have come to realize that a lack of communication from the Township Committee about this revaluation has led to confusion about the process and result. We wanted to share with you what we know, and what we talked about at the Meet the Candidates night last Monday night.

The appraisal was conducted by ASI, a firm that has been used by other surrounding towns. However, unlike in other towns, no public meetings were held in Harding with the firm to answer questions. Further, in response to requests for a post-revaluation meeting, Mayor Yates has said he plans to wait until the Township Committee can hold an in-person presentation. Residents have been asking for a meeting since January of this year, when in-person meetings were still possible.

The results of revaluation show that:

- the majority of lots where taxes went up were less than 3 acres
- the majority of lots where taxes went down were more than 3 acres
- the greatest percentage increases in taxes occurred in lots with less than 3 acres
- lots of 1 acre or less were hit the hardest
- the greatest percentage decreases in taxes occurred in lots with more than 5 acres
- on a per acre basis, the tax assessment was significantly higher for smaller lots as compared to large lots

The net effect is that the tax burden within Harding shifted from larger lots to smaller lots.

There are a lot of unanswered questions, which we outline in the attached.

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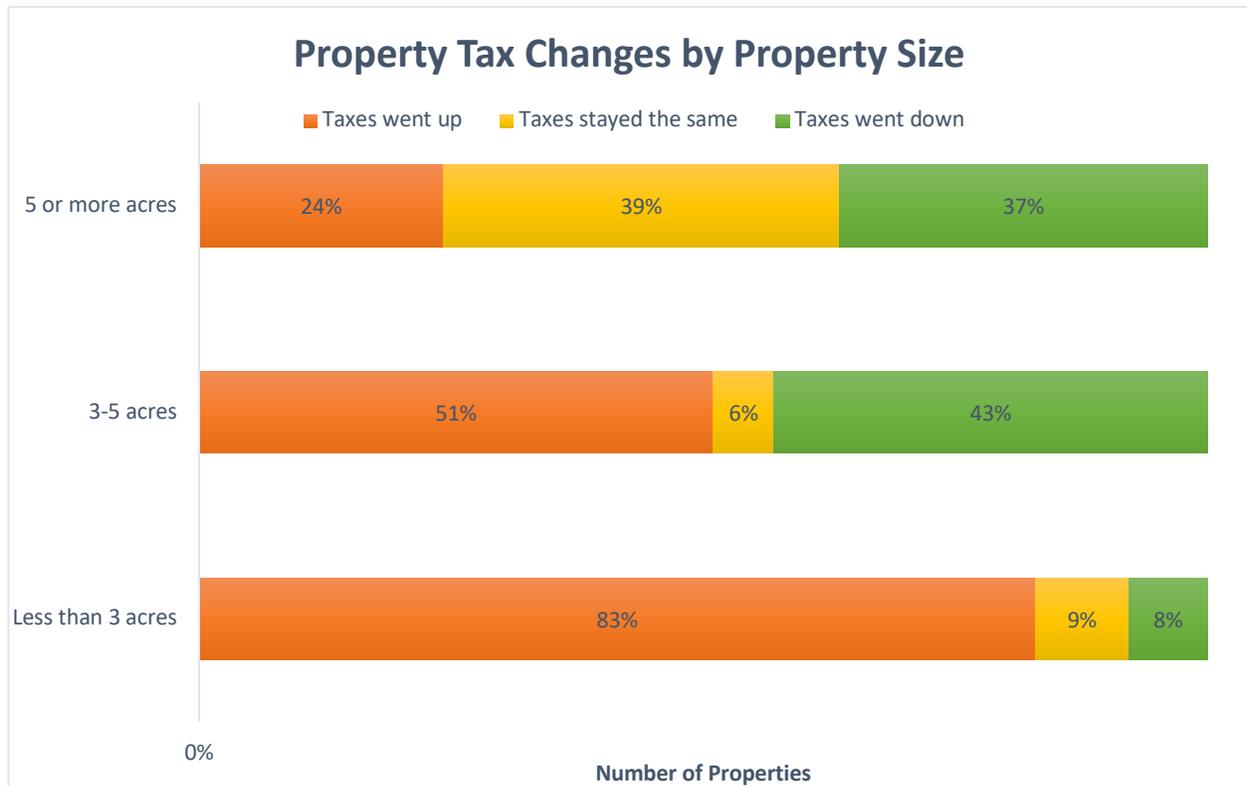
If we were your elected representatives on the Township Committee, we would have approached the revaluation and its aftermath quite differently. We would have proactively communicated with residents through multiple channels: the Thumbnail, letters to residents, press releases, and public meetings. Prior to the revaluation, we would have hosted a public meeting with the outside appraiser to ensure that residents were educated about the methodology and able to ask questions. During and after the appraisal, we would have asked the appraiser to explain how they clustered neighborhoods and applied our in-depth knowledge of the town, as long-time residents, to ensure that the results made sense.

Finally, we would have used modern and convenient technology to host online webinars and to share data and other information with Harding residents.

Please don't hesitate to reach out to us with any questions or concerns. We will continue to seek answers to residents' questions and keep you informed as we learn more.

Best,

Amanda Richardson and Kate Barry



THE APPRAISAL APPROACH

ASI clustered properties into “Neighborhoods” and then assessed a per-lot minimum site fee on homes by Neighborhood.

Some Neighborhoods mixed higher acreage properties with much smaller lot sizes. It also placed homes that were streets apart in the same cluster.

Unanswered questions about how properties were clustered for similar tax treatment:

- How were homes clustered?
- What and whose judgment was applied to place homes streets apart in the same cluster?
- Was it simply that ASI was an outside firm with little or no knowledge about our town?
- Do you think lots on Millbrook Road carry the same characteristics as lots on Village Road? Or Blue Mill Road and Van Beuren Road? The appraisal firm did.

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Then, applying a per-lot minimum site fee by neighborhood compounded the problem:

- For example, on a 1.9 acre lot on Blue Mill Road, the per-site minimum fee appears to be the same as the per-site minimum fee on a 7 acre lot on Van Beuren. Obviously, this causes a much lower value-per-acre on the 7 acre lot, and a dramatically higher value-per-acre on the 1.9 acre lot.
- In addition to the per-site fee, each property valuation also includes a further assessment based on market price.
- The net result is that % increase on the smaller lots in the same neighborhood is much higher than the % increase on the larger lots in the same neighborhood.

Unanswered questions about the per-lot site tax fee:

- How was the minimum per-site lot fee determined?
- Did ASI consider the relative impact on smaller lots as compared to larger lots?
- Was there a decision made to spread the tax burden from larger properties to smaller properties, or was that just the net effect?