

**City of Portsmouth
Portsmouth, New Hampshire
Assessing Department**

**STATISTICAL REVALUATION – RESIDENTIAL & RESIDENTIAL EXEMPT &
NON-TAXABLE PROPERTIES**

REQUEST FOR PROPOSAL

Sealed proposals, **plainly marked**, RFP# 44-17 Statistical Revaluation – RESIDENTIAL PROPERTIES **on the outside of the mailing envelope as well as the sealed envelopes** shall be addressed to the Finance/Purchasing Department, City Hall, 1 Junkins Avenue, Portsmouth, New Hampshire, 03801. Proposals will be accepted until 2:00 p.m. March 1, 2017.

SCOPE OF WORK: The City of Portsmouth Assessing Department seeks proposals from qualified Company's capable of revaluing residential properties throughout the City in accordance with State of New Hampshire and Department of Revenue guidelines. Companies may submit proposals for Utility properties alone.

The Request for Proposal is available at <http://www.cityofportsmouth.com/finance/purchasing.htm> or by contacting the Finance/Purchasing Department at the following number: (603) 610-7227. Questions may be directed to the Finance/Purchasing Department. Addenda to this proposal, if any, including written answers to questions, will be posted on the City's website under the project heading.

The City of Portsmouth reserves the right to reject any or all proposals, to waive technical or legal deficiencies, and to accept any proposal that it may deem to be in its best interest.

REQUEST FOR PROPOSAL

I. INTRODUCTION

The City of Portsmouth, New Hampshire seeks proposals from qualified Companies to revalue residential and, non-taxable and exempt residential properties throughout the City in accordance with State of New Hampshire and Department of Revenue guidelines. By way of background, as of April 1, 2016, the City has approximately 7,160 residential, exempt, non-taxable parcels. The Assessing staff consists of (5) full time assessing positions and (1) contract position.

The Scope of Services to be performed is set forth in Section VII below.

Addenda to this proposal, if any, including written answers to questions, will be posted on the City of Portsmouth website at <http://www.cityofportsmouth.com/finance/purchasing.htm> under the project heading. Addenda and updates will NOT be sent directly to Companies. Companies submitting a proposal should check the web site for addenda and updates after the release date. Companies should print out, sign and return addenda with the proposal. Failure to do so may result in disqualification.

II. SUBMITTAL REQUIREMENTS

Company submission shall consist of two parts; a proposal outlining the Company's qualifications and, in a separate sealed envelope, a price proposal. **Proposals will be accepted until March 1, 2017, at 2:00 p.m.** Proposals received after the time opening of the proposals will be returned to the Company, unopened. Faxed proposals are not acceptable.

Company shall submit three (3) copies of its proposal outlining its qualifications. Each proposal shall consist of the following:

- a) Cover letter with contact information
- b) Proof of Certification. Each Company, corporation, partnership, or individual must hold from the time of submission of the proposal through the completion of all work hereinafter required, written certification of approval by the Department of Revenue Administration pursuant to Part 600, Administrative Rules.
- c) Description of the Company's Qualifications. The Proposal shall include a statement describing the Company's qualifications and experience and identifying the number of years actually engaged as a company, corporation, partnership, or individual specializing in governmental tax revaluation services.
- d) References. Company shall submit a complete client list of municipalities to

which it has rendered services during the last (5) years. At least (3) such projects shall have been performed for a municipality whose assessment list is comparable or larger than the City of Portsmouth.

- e) Assigned Personnel. The Company shall submit the written qualifications of all personnel assigned to this project in the form of a resume.
- f) Proposed schedule.

Company shall submit in a separate sealed envelope a price required to complete the services described in the proposal. The price proposal should include:

- A fee schedule broken down by task.
- Identification of reimbursable expenses.
- Fees and costs that would be charged in the event of an appeal to the Board of Tax and Land Appeals or Superior Court.
- Any sub-consultant fee schedule for work being done in association with this proposal.
- A cover letter must be included which is signed by an authorized owner or agent of the Company, committing the Company's resources to complete the project on time and within the fee.

III. SELECTION CRITERIA AND CONTRACT PROCESS

All responsive submittals shall be reviewed. The City may conduct interviews of short-listed Companies. Each Company shall be evaluated initially based on the following criteria:

- Company's qualifications including experience of personnel, competence, ability to interact positively with the public, reputation for timeliness, sufficient equipment and other resources for the work, and licensing status;
- Company's proposed personnel assigned to this project;
- Company's successful experience with similar projects of scope and size;
- Proposed Schedule; and
- Responsiveness and completeness of the proposal.

Upon review of the non-price proposals, and after conducting interviews, if so used, the City shall rate the Companies in order of preference. The City will then open the price proposals of the three top Companies which may result in re-ranking based on price. The top-rated Company shall be notified of its standing and invited to enter into contract negotiations. If the City is unsuccessful in reaching a satisfactory contract with the top-rated Company, it may terminate the negotiations without prejudice and commence negotiations with the second-rated Company. If no agreement can be reached with the second-rated Company, the City shall move to the third, and so forth. Once negotiations are terminated with a Company, they may not be reopened.

IV. RESERVATION OF RIGHTS

The City of Portsmouth reserves the right to reject any, or any part of, or all proposals; to waive informalities and technicalities; and to accept that proposal which the City deems to be in its best interest.

The City reserves the right to undertake such investigation of the Company as it deems necessary to evaluate qualifications. The Company may be asked to execute releases to facilitate reference checks. Failure to execute a release if requested may result in disqualification

V. DISQUALIFICATION OF PROPOSERS

Any of the following reason may be considered as being sufficient for the disqualification of a proposer and the rejection of the proposal:

- (a) More than one proposal for the same work from an individual, company, or corporation under the same or different name.
- (b) Evidence of collusion among proposers.
- (c) Failure to submit all required information as requested.

VI. DEFINITIONS

Abatement Review means to make an assessment recommendation to the municipal assessing officials or to make a change to an assessment that is in response to an abatement request from a taxpayer. **Rev 601.01**

Appraisal means the act or process of developing a market value estimate of property which will be used as the basis for valuation, fulfilling a municipality's statutory duties relative to property tax administration including, but not limited to those pursuant to RSA 75:1. **Rev 601.02**

Assessing Services means the making of appraisals, reappraisals, assessments, or providing other services on behalf of municipal assessing officials for the statutory administration of property valuation and assessment including, but not limited to those pursuant to RSA 75:1. **Rev 601.05**

Assessing Standards Board (ASB) means the State of New Hampshire assessing standards board as established pursuant to RSA 21-J:14-a. **Rev 601.06**

Assessment means an estimate of the quality, amount, size, features, or worth of real estate which is used as a basis for a municipalities' valuation in accordance with statutory requirements including, but not limited to those pursuant to RSA 75:1. **Rev 601.07**

Base Year means the tax year in which the municipality performed a revaluation of all properties. **Rev 601.08**

BTLA Reassessment means an order by the State of New Hampshire board of tax and land appeals for a revaluation or partial update of a municipality's property assessments. **Rev 601.09**

Calibration means the process of ensuring the predictive accuracy of the CAMA model(s), through testing, which may include but not be limited to; determining the variable rates and adjustments from market analysis for land and land factors, costs and depreciation for a cost model, valuation rates and adjustments for a sales comparison model, and market rents and capitalization rates for an income model. **Rev 601.10**

Computer Assisted Mass Appraisal System (CAMA) means a system of appraising property that incorporates computer-supported tables, automated valuation models and statistical analysis to assist the appraiser in estimating value for a revaluation, assessment data maintenance and valuation update. **Rev 601.11**

Contract means any agreement between the municipality and the contractor for making appraisals, reappraisals, assessments, or for appraisal work on behalf of a municipality with the State of New Hampshire. **Rev 601.13**

Contractor means the person, firm, company, or corporation with which the municipality has executed a contract or agreement for assessing services. **Rev 601.14**

Cyclical Inspection means the process of a systematic measure and listing of all properties within a municipality over a specified period of time. The term includes “data collection” and “data verification”. **Rev 601.15**

Cyclical Revaluation means the process of combining a full statistical revaluation of the entire municipality with a cyclical inspection process. **Rev 601.16**

Data Collection means the inspection, measuring, or listing of property within a municipality. The term includes data verification. **Rev 601.17**

DRA-certified means a level of certification attained by a person as set forth by the ASB in Asb 300 pursuant to RSA 21-J:14-f. **Rev 601.20**

Executed means to transact, agree to, carry into effect, sign or act upon a contract or agreement to perform assessing services for a municipality. The term includes “executing”. **Rev 601.22**

Final Monitoring Report means the DRA’s final letter to the municipality for any revaluation or partial update. **Rev 601.23**

Full Revaluation means the revaluation of all taxable and nontaxable properties in a municipality, with a complete measure and listing of all taxable and nontaxable properties to occur at the same time of the establishment of the new base year, to arrive at full and true value as of April 1. The term includes “full reappraisal” and “full reassessment.” **Rev 601.24**

Full Statistical Revaluation means the process of a revaluation of all taxable and nontaxable properties in a municipality, using existing property data, to arrive at full and true value as of April 1. The term includes “statistical update” and “statistical reassessment”. **Rev 601.25**

Highest and Best Use means the physically possible, legally permissible, financially feasible, and maximally productive use of a property, as appraised in accordance with RSA 75:1. **Rev 601.26**

Improvement means any physical change to either land or to buildings that may affect value. **Rev 601.27**

In-house Work Plan means a written set of goals, objectives, processes, and timelines that the municipality intends to rely upon to perform revaluations, partial updates, or cyclical inspections. **Rev 601.29**

Listing means recording a description of the interior, exterior, and attributes of any improvements or the recording of the description of land features and attributes. The term includes “list”. **Rev 601.30**

Market Analysis means the study and processes utilized to determine the response of buyers and sellers of real estate, in a geographic area, to various data elements through the analysis of cost data, income data, and sale transactions in the performance of mass appraisal. **Rev 601.31**

Market Value means the value of a property that:

- (a) Is the most probable price, not the highest, lowest or average price;
- (b) Is expressed in terms of money;
- (c) Implies a reasonable time for exposure to the market;
- (d) Implies that both buyer and seller are informed of the uses to which the property may be put;
- (e) Assumes an arm’s length transaction in the open market;
- (f) Assumes a willing buyer and a willing seller, with no advantage being taken by either buyer or seller; and,
- (g) Recognizes both the present use and the potential use of the property.

The term includes “full and true value”. **Rev 601.32**

Mass Appraisal means the utilization of standard commonly recognized techniques to value a group of properties as of a given date, using standard appraisal methods, employing common data and providing for statistical testing. **Rev 601.33**

Measure means the physical inspection, verification, sketching and recording of the exterior dimensions and attributes of any improvements made to a property. **Rev 601.34**

Municipal Assessing Officials means those charged by law with the duty of assessing taxes and being the:

- (a) Governing body of a municipality;
- (b) Board of assessors or selectmen of a municipality; or
- (c) County commissioners of an unincorporated place.

Rev 601.36

Municipality means a city, City or unincorporated place. **Rev 601.37**

Partial Update means the process of analyzing market sales throughout the entire municipality to identify and implement needed value changes to the affected areas, or classes of property, to bring those properties to the municipality's general level of assessment utilizing the existing base tax year and providing an addendum to the existing USPAP compliant report. The term includes "partial revaluation." **Rev 601.38**

Revaluation means the act of re-estimating the worth of real estate of the entire municipality using standard appraisal methods, calibration of the CAMA tables and models, establishment of a new base year with a USPAP compliant report, and providing for statistical testing whether by either:

- (a) A full revaluation; or,
- (b) A full statistical revaluation.

The term includes "reappraisal," "reassessment," and "value anew". **Rev 601.40**

Sale Validation means the process of verifying a real estate sale transaction to determine whether the sale was a valid or an invalid indicator of the market value of the sold property. The term includes "sale verification" and "sale qualification." **Rev 601.41**

Statistical Testing means the use or application of numerical statistics to understand the results of a reappraisal or the need for a reappraisal. **Rev 601.42**

Uniform Standards of Professional Appraisal Practice (USPAP) means the generally accepted and recognized standards of appraisal practice printed by The Appraisal Foundation as authorized by Congress as the source of appraisal standards and appraiser qualifications. **Rev 601.44**

USPAP Compliant Report means an appraisal report based upon the standards established by the ASB pursuant to RSA 21-J:14-b I, (c.) **Rev 601.45**

DUTIES OF:

DRA-Certified Building Measurer and Lister Duties Asb 304.01

- (a) A DRA-certified building measurer and lister may collect data as described in Asb 303.02 for the sales survey.
- (b) A DRA-certified building measurer and lister shall not validate or invalidate any property sales.
- (c) A DRA-certified building measurer and lister shall not determine, or change, the quality grade or depreciation of structures.

DRA-Certified Property Assessor Assistant Duties Asb 304.02 A DRA-certified property assessor assistant may, under the guidance and review of a DRA-certified property assessor or DRA-certified property assessor supervisor in accordance with Asb 303.03:

- (a) Appraise various types of real estate for tax purposes; and,
- (b) Validate or invalidate sales for the sales survey.

DRA-Certified Property Assessor Duties Asb 304.03

(a) A DRA-certified property assessor may, in accordance with Asb 303.04:

- (1) Appraise property for tax purposes including:
 - (a) The annual maintenance of assessments by using sales surveys, charts, and schedules; and,
 - (b) Using cost data established by a DRA-certified property assessor supervisor during the year of the last revaluation;
- (2) Validate or invalidate sales for the sales survey; and,
- (3) Submit a signed and dated statement to the DRA attesting to the qualifications of a building measurer and lister working under the DRA-certified property assessor's supervision to be true, accurate and correct.

(b) A DRA-certified property assessor shall not adjust the cost, land, depreciation, or other tables resulting in a change to the values without the approval of a DRA-certified property assessor supervisor.

DRA-Certified Property Assessor Supervisor Duties Asb 304.04 A DRA-certified property assessor supervisor, may, in accordance with Asb 303.05:

- (a) Exercise general supervision over a revaluation;
- (b) Conduct sales surveys and establish base values for land and buildings;
- (c) Prepare the sales survey;
- (d) Establish charts and schedules to be used in the revaluation;
- (e) Prepare reports;
- (f) Supervise informal reviews of property assessments with the property owner;
- (g) Oversee any revaluation by assisting the municipality to ensure the revaluation is performed in accordance with state laws and rules;
- (h) Assist the municipality to ensure that compliance with the contract is adhered to; and,
- (i) Submit a signed and dated statement to the DRA attesting to the qualifications at all levels of certification to be true, accurate and correct.

VII. SCOPE OF SERVICES

1. **Good Faith:**

The Company shall, in good faith, use their best efforts to assist the City of Portsmouth in determining accurate and proper market valuations for residential properties, and will work closely with the City's Assessor to ensure a successful project.

2. **Confidentiality:**

The Company agrees to not disclose to anyone except the City Assessor or City Manager any preliminary values or new values discovered, for any purpose, or to permit anyone to use or examine any of the data on file in connection with the revaluation.

3. **Public Relations:**

The Company will assist the City in taking measures at all stages of the operation to foster and maintain good relations with the taxpayers of the City, City Officials, Agents, and City Employees. The Company will further present a plan for the dissemination of information to the taxpayers via appropriate local media that will serve to inform and educate the public at large of the following points:

- a) necessity of a Revaluation program
- b) progress and status of the project
- c) goals of the project
- d) roles of the City and Company
- e) necessity of data collection or verification
- f) qualifications of the Company and City Assessment Department
- g) necessity of property owner cooperation
- h) disclosure aspects throughout the project
- i) on-going nature of completed assessment system

The Company shall make available a supervisor of the Company, skilled at public speaking endeavors, to meet with and address citizens groups, service clubs, and other interested groups as a means of establishing and promoting understanding and support for the Revaluation program and sound assessing procedures and administration.

4. **Personnel:**

The Company's employees shall at all times treat the taxpayers, residents, and City employees with respect and courtesy. The Company shall take appropriate and meaningful disciplinary measures against those who violate the terms of this provision.

The City, at its sole discretion, shall have the right to request that any employee involved in the project be removed for any reason it deems appropriate or in the best interests of the City.

The Company shall comply with this provision upon request in writing by the Assessor.

The Company shall not employ or compensate, in any way, a City Officer, agent, or employee or any member of the family of such officer or employee in the performance of any work under the Contract.

For the grading, classifying, appraising and data collection of all property covered by this contract, the Company shall only employ personnel who are:

- a) Certified by the DRA, in accordance with New Hampshire Code of Administrative Rules, ASB 303 for the work they will be performing; and,
- b) Approved by the Municipality.

Upon approval of the contract and before the revaluation begins, the Company shall forward to the DRA a list of the approved employees assigned to the revaluation project.

The Company shall ensure that DRA certified assessor supervisor will be on the revaluation 100% of the time.

All employees working outside the City Hall or assigned office quarters will, at all times, wear an identification card, in a format acceptable to the Assessor, on a conspicuous location upon their person. All employees will be required to allow close inspection of the identification by any interested City taxpayer or resident upon request.

5. Supplies, Office Space and Hours of Operation:

If required, the City of Portsmouth shall furnish the appraisal firm with sufficient office space/furniture and allow access to telephones and other equipment, as necessary, to carry out the terms of this contract. The Assessor's office shall be open during the regular hours maintained by the City of Portsmouth.

6. Forms:

All forms utilized throughout the project shall first be approved by the City; as to format, design, content, shape, size, color and quality. Such forms are to include, but are not limited to data collections forms, assessment record cards, income and expense forms, file control forms, quality control forms, telephone log forms, incident forms, inventory content forms, and the like.

All documents, records, data and other material, in manual, mechanized or electronic form, procured or produced in the performance of the project will be the sole property of the City at the conclusion of the project, as determined by the City's Assessor.

7. Assessor's Records:

The Company shall use a system of parcel accounting that is acceptable to the City. Existing information will be provided to the Company; by the City electronically on the Vision CAMA system. Existing manual assessing records may be reviewed upon request to the City; however, records are not to be removed from the assessor's office without the express permission of the City.

8. Data Collection:

All data collection has been performed by the City in accordance with the revaluation procedures established by the City Assessor. Any parcel having had a permit since April 1, 2017, will be reviewed by the Assessor's Office with any changes recorded for the revaluation.

- a) Unmapped real estate, including poles, pipes, conduits, transmission lines and distribution facilities will be the responsibility of the Contractor.

9. CAMA System:

The Company will use the Vision CAMA system provided to the City by Vision Appraisal under a separate agreement.

10. Maintenance Procedures:

The City and the Company, throughout the course of the project, shall take all measures to ensure accurate maintenance of all records, manual or mechanized.

- a) the City, on a regular basis, shall deliver to the Company all parcel splits, transfers, or changes of ownership throughout the course of the project;
- b) The City shall update all ownership and sales files as new information becomes known over the course of the project.
- c) The City shall deliver, on a regular basis, all building permits issued through April 1, 2017. The City will enter this information into the CAMA system, and take appropriate follow through actions.
- d) The City shall have in place procedures to ensure that data incoming in from the field is accurately maintained in the CAMA system.
- e) The Company shall put into place field and record edits, including range and table edits and cross-edits to ensure the consistency and completeness of data entered into the CAMA system.

- f) The Company shall put into place procedures which ensure that changes in data or values as a result of appraisal reviews, informal hearings, and any other activities are duly reflected in the CAMA system.

11. Sales Review:

A DRA Certified Property Assessor pursuant to ASB 304.03 or DRA Certified Property Assessor Supervisor pursuant to ASB 304.04 may validate sales data.

In order to ensure that appraisals will reflect full and true value, the City shall provide to the Company a copy of all property transfers located within the City for a minimum of two (2) years immediately preceding the effective date of the Statistical Update.

All property sales shall be field reviewed and included in the sales book by photocopy or printout of the property assessment record card and a photograph of the principal building(s) shall be attached thereto.

The sales price and terms of the sale shall be verified by the Company and a notation to that effect made on the property assessment record card along with the sale price, date of the sale, and date of inspection.

The completed sales survey showing the sales used and the analysis to indicate property values with documentation of the method employed and any location factors, together with neighborhood delineation maps showing front foot, square foot or front acre, rear acre unit values, or other appropriate units of comparison shall be delivered to the City Assessor for approval and shall become the property of the City with a copy provided to the DRA at the completion of the Statistical Update.

12. Sales Analyses:

A sales analysis shall be conducted to include sales from within the City of Portsmouth and throughout the State of New Hampshire using accepted appraisal methods in order to determine land, building and total property values. Such analysis shall include documentation of the methods employed and examples of the analyses. Accepted methodology shall include the consideration of all sales given by the municipality to the Company and their inclusion in the sales survey book with appropriate notations for those sales not used in the correlation of values.

Final unit values for all components used in the Statistical Update shall be presented to the City of Portsmouth for review and critique before valuation. This review by the City will involve a complete review of each analysis conducted, and the documentation of the verification and adjustment process.

The development history and all analyses performed throughout the Statistical Update shall be documented and left with the City at the conclusion of the project as a part of the project deliverables.

1. Land Analysis:

- a) All verified vacant land sales shall be inspected for unusual physical characteristics.
- b) Residual techniques shall be employed as a cross-reference to unit values developed via the analysis of raw land sales.

2. Building Analysis:

- a) Building unit values shall be determined by the analysis of construction costs in the local area.
- b) The ultimate result of the construction cost analysis shall be the establishment of replacement costs new for all types of structures found throughout Portsmouth.
- c) Replacement costs new shall be the starting point for all other calculations utilized in the cost approach to value.

3. Depreciation Analysis:

- a) Depreciation analyses shall be performed on all sales of older buildings.
- b) Replacement costs new shall be the starting point for the calculations of all depreciation influences in the market.
- c) High and low end points, as well as depreciation curves and final depreciation schedules shall be taken directly from the local market.
- d) Final depreciation schedules of all kinds will be documented before final reviews and establishment of final values.

4. Economic Rent Analysis:

- a) An analysis of economic rent levels for all commercial and industrial and apartment space shall be performed.
- b) Information providing the basis of these analyses shall be taken from interviews with tenants, managers, and brokers, and through income and expense questionnaires mailed to owners of leased commercial, industrial, and apartment space throughout Portsmouth, to be mailed at the City's expense.
- c) Questionnaires sent to wholly owner occupied properties will request that the expense section be completed.
- d) All information received shall be of a confidential nature and shall not be disclosed to anyone outside the Company or assessing staff.
- e) Data received through this collection process shall be compiled in spreadsheet form, and will form the basis of raw data to be analyzed.
- f) Separate income, vacancy, and expense models shall be developed for each classification of commercial, industrial, and apartment property throughout the City.
- g) Income and expense models shall be sufficiently flexible in order to reflect the varying characteristics of the City, physical conditions and desirability of the various spaces.

- h) Final models will be indexed and tabulated in schedule form, with instructions for appraiser application.
- i) Final models will be tested against sales or known market values for tests of reasonability and accuracy.
- j) Final models and market tests shall be presented to the City for review and approval prior to the application in the final review process.

5. Capitalization Rates:

- a) An analysis shall be undertaken to determine proper capitalization rates for the various income producing space throughout Portsmouth.
- b) Where possible, rates should be determined from the sales of income producing space where the income and expenses are known.
- c) Market surveys will be performed utilizing standard and acceptable sources of economic data publications.
- d) Final capitalization rates shall be indexed and tabulated according to the property types, classes, and locations to be applied.
- e) Final models and market tests shall be presented to the City for review and approval prior to the application in the final review process.

The completed sales survey showing the sales used and the analysis to indicate property values with documentation of the method employed and any location factors, together with neighborhood delineation maps showing front foot, square foot or front acre, rear acre unit values, or other appropriate units of comparison shall be delivered to the City Assessor for approval and shall become the property of the Municipality with a copy provided to the DRA at the completion of the Revaluation.

13. Valuation Process:

The Company shall assign estimates of fair market value as of the effective date of valuation for all taxable properties in Portsmouth that are part of the Company's responsibilities. The Company shall also make diligent efforts to ensure uniformity in the application of influence factors and schedule assignments, as well as the accuracy of codes, classification and data.

- a) Preliminary Values: After submission and acceptance of the various analyses and final models as described in the previous section, preliminary values shall be generated. A preliminary ratio study will be performed at that time and delivered to the City for reference.
- b) Final Reviews: All properties will be reviewed in-field by a DRA Certified Property Assessor pursuant to ASB 304.03 or DRA Certified Property Assessor Supervisor pursuant to ASB 304.04. The appraiser will review each property for:
 - 1) proper classification
 - 2) data accuracy
 - 3) accurate assignment of codes and parameters

- 4) accurate assignment of percent complete as of 4/1/17 as applicable
reasonability of the various indications of value

c) Vacant Land:

The review appraiser shall review each valuation of vacant tracts, viewing the tracts in-field.

d) Multi-Family Apartment Properties:

Properties of this category will be appraised via the cost approach, income approach, and the market approach to value. Each parcel will be reviewed in-field, by an experienced and qualified appraiser, for reasonability of the preliminary estimates of value, and will modify the valuation parameters as required.

14. City Review:

- a) The Company, after performing maintenance of values, shall turn over the refined preliminary estimates to the City Assessor for review of conclusions no later than August 1, 2017.
- b) Upon completion of the final reviews, maintenance, and final pricing, the Company shall perform a sales ratio analysis and deliver to the City for review.
- c) Upon completion of the reviews by the City, the records will be returned to the Company, with the results of their reviews and recommendations for action, if any.
- d) The Company shall review the recommendations and perform those requests for action or discuss alternate measures.

15. Notification and Informal Hearings:

- a) The Company shall notify each owner of record via first class mail, in accordance with the project work-plan, and at the Company's expense, setting forth the preliminary estimate of value (ad valorem only) assigned to the property identified in the notice. The notice shall also contain information concerning the scheduling of informal hearings to discuss the preliminary values with the Company.
- b) Valuation List: three (3) lists will be printed by the City, showing the preliminary estimates of values for all properties in the City for the purpose of public perusal at specified public places.

- c) Valuation Documentation: The Company shall provide to the City revaluation information and documentation as requested by the assessor to be placed on the City's Website. The Company shall provide a **preliminary USPAP Manual and/or relevant documentation for taxpayers to be able to review once preliminary values are mailed.**
- d) Informal Hearings: the Company shall allow taxpayers or their authorized representatives to schedule informal hearings with either a DRA Certified Property Assessor pursuant to ASB 304.03 or a DRA Certified Property Assessor Supervisor pursuant to ASB 304.04 of the Company's appraisal staff.
- e) Hearing officers will be prepared to explain how the value was generated for their property, and will review the data on record with the taxpayer to ensure data accuracy.
- f) Any information presented by the taxpayer will receive consideration by the Company, with adjustments made where warranted.
- g) Additional field reviews will occur by the Company where information was brought forward at the informal hearing indicating such a need.
- h) The Company shall consider letters sent by those taxpayers not able to attend the informal hearings. Such occurrences will constitute an informal hearing and review of value, and will be processed in the same manner as other informal hearings,
- i) Re-notifications: any taxpayer who attended an informal hearing shall receive a notice, at the Company's expense, stating either the revised estimate of value or that no change in value is warranted.
- j) Information will also be included in the re-notification setting out the abatement procedure should the taxpayer not be satisfied with the result of their reviews.

16. Informal Reviews:

The Municipality shall post in 2 public places, a list showing all property values within the Municipality. The notification shall contain instructions regarding the appeal process for abatements pursuant to RSA 76:16, 76:16-a and RSA76:17.

17. Training:

The Company shall provide training to the assessing staff in the methodologies and procedures used in the project sufficient for the staff to maintain the methodology until the next revaluation.

18. Formal Appeals:

The Company agrees to furnish the services of a qualified representative for the Revaluation tax year upon appeal to the N.H. Board of Tax and Land Appeals (BTLA) or Superior Court, in all cases where the appeal has been entered within the time prescribed by law. The Company shall continue to be responsible for providing a qualified representative even if the City Assessor has reduced the value as part of the proceedings defined in RSA 76:16. However, if the City Assessor increases any value established by the Company, they forfeit their right to Company representation.

19. Turnover:

Upon final maintenance of all properties by the Company, no later than September 1, 2017, the Company shall deliver to the City Assessor, in completed and final form and in good order, the following deliverable products:

- a) an estimate of fair market value for all residential exempt and non-exempt properties situated within the City which were appraised by the Company;
- b) a final property (Vision) record card, with data and value current and accurate, for all parcels in the City which were appraised by the Company.
- c) **USPAP Standard 6 Compliant Final Appraisal Report** {RSA 21-J:14-b, 1, (c)} This report shall follow closely the most recent Edition of the Uniform Standards of Appraisal Practice (USPAP) Standard Number 6. The report shall contain the following sections:
 - A Letter of Transmittal
 - A Certification Statement.
 - A section detailing the Scope of Work.
 - A section detailing sales, income, and cost approaches to value including all valuation premises.
 - A section including all tables pertinent to the valuation process along with the cost data and schedules developed along with neighborhood delineation maps for the valuation of residential exempt and non-taxable properties.
 - A section including statistical analysis and testing. The Company shall bind the USPAP Standard 6 Compliant Final Appraisal Report for use as an appraisal manual. The Company shall instruct the Assessors in the use of the manual so that the Assessors shall have an understanding of the appraisal process being utilized. Upon completion of the Revaluation, the Company shall deliver **four** copies of the manual to the Assessor's Office and one copy to the Department of Revenue Administration.

20. Services To Be Performed By The Municipality:

The Municipality shall notify the Company, in writing, which properties within the taxing jurisdiction are exempt from taxation.

The Municipality shall furnish to the Company information pertaining to ownership of all property in the municipality, a set of current tax maps, zoning maps, charts, plans, and sales information, and additional copies if requested by the Company.

The Municipality shall keep the Company informed of all sales of property taking place during the progress of the revaluation of which it has knowledge.

The Municipality shall make corrections to tax maps as of April 1, of the revaluation year where lots have been subdivided or apportioned and notify the Company of all ownership, name and address changes of which it has knowledge.

The Municipality shall provide suitable office space with desks, tables, and chairs for the use of the agents and employees of the Company in performing their necessary work

21. Completion of Work:

The Company shall complete all work and deliver the same in final form to the City Assessor on or before September 1, 2017.

A penalty of \$500 per day shall be paid by the Company for each day required for completion beyond the above stated completion date for delays caused by the Company.

The Company shall provide to the Municipality a list of all products to be delivered and the dates of delivery thereof. These products include but are not limited to property record cards in hard copy, electronic or both formats, the USPAP Standard 6 Compliant Final Appraisal Report as described in #19, the CAMA Systems Manual and any other products as deemed necessary by the Municipality.

The revaluation shall be considered complete and in its final form only when

- The informal review of assessments has been completed;
- The value adjustments are made;
- The final values are submitted to and accepted by the City Assessor;
- The DRA has completed its final monitoring report;
- All products required by the contract are delivered to the municipality and the DRA; and
- All other terms of the contract are fulfilled.

22. Public Relations:

The Company will assist the City in taking measures at all stages of the operation to foster and maintain good relations with the taxpayers of the City, City Officials, Agents,

and City Employees. The Company will further present a plan for the dissemination of information to the taxpayers via appropriate local media that will serve to inform and educate the public at large of the following points:

- j) necessity of a Revaluation program
- k) progress and status of the project
- l) goals of the project
- m) roles of the City and Company
- n) necessity of data collection or verification
- o) qualifications of the Company and City Assessment Department
- p) necessity of property owner cooperation
- q) disclosure aspects throughout the project
- r) on-going nature of completed assessment system

The Company shall make available a supervisor of the Company, skilled at public speaking endeavors, to meet with and address citizens groups, service clubs, and other interested groups as a means of establishing and promoting understanding and support for the Revaluation program and sound assessing procedures and administration.

Contract satisfaction shall include values that have been defended through the municipal abatement process as described under RSA 76:16 if requested.

23. Completion Date and Time Schedule

Time Schedule

Revaluation Update Project work shall start in the City no later than thirty (30) days after signing of the contract.

All corrected and finalized appraisal cards shall be completed and turned over to the City no later than September 30, 2017.

All electronic files (including data, word processing, spreadsheets, etc.) created and/or used by the Company in fulfillment of this project shall be turned over to the City no later than September 30, 2017. New or updated databases and/or files after that date shall be turned over as soon as possible following their creation/update. All such files shall be turned over using media as determined by the Assessor.

The various phases of the Revaluation Update Project shall be completed in compliance with the following schedule: **The Company may submit an alternative schedule to that submitted below. However, the schedule submitted shall include all procedures set forth in the schedule below and must provide for final reconciled values in September 2017, including all associated documentation and appraisal cards. Of particular importance is the timely completion of hearings in September 2017 to provide adequate time to complete reconciliations and final acceptance of values.**

Time Schedule

Task	Start	Completed
Execution of Contract	Apr-17	Apr-17
Provide Performance Bond	Apr-17	Apr-17
Project Start-Up	Apr-17	Apr-17
Procedures Defined	Apr-17	Apr-17
Public Relations	Apr-17	Apr-17
Quality Control	May-17	May-17
Sales Analysis and Verification	May-17	May-17
Cost and Depreciation Schedules	May-17	May-17
Land Unit Value Tables	May-17	May-17
Economic Rent and Expense Tables	May-17	May-17
Residential Market Model	May-17	May-17
Residential Review	Jun-17	Jun-17
Commercial/Industrial/Exempt Review	Jun-17	Jun-17
Assessor Review of Values	Jul-17	Oct-17
Informal Process		
Print Notices	Aug-17	Aug-17
Mail Notices	Aug-17	Aug-17
Property Owner Reviews/Hearings	Aug-17	Aug-17
Final Checks/Final File Maintenance/Re-Notice	Sep-17	Sep-17
Print Final Property Record Cards	Sep-17	Sep-17

24. Project Size and Scope

The project includes the following parcels, which have been grouped into several major categories of Residential/Commercial/Industrial/Apartment and Utility property for project responsibility.

<u>PROPERTY TYPE</u>	<u>PARCEL COUNT</u>
Residential Apts	372
Conservation	0
Condo Main	24
Deleted Parcels	1
Pending Parcels	0
Exempt CU	5
Residential Improved	4,239
Residential Vacant	148
Residential Mobile Home	253
Residential Condo	2,129
Commercial Apartments	156
Commercial Improved	1,078
Commercial Vacant	59
Industrial Improved	147
Industrial Vacant	16
Utilities	25
Exempt	382
White Pine w	0
White Pine w/o	4
Hardwood w	0
Hardwood w/o	3
Other w	0
Other w/o	5
Unproductive	2
Unproductive CR	0
Wetland	3
Wetland CR	0
Farmland	1
Farmland CR	0
	0
UNKNOWN	1
Totals	9,053

25. Revisions, Modifications and Subletting

The COMPANY shall not change, modify, assign, transfer, delegate or sublet the CONTRACT, or any interest or part therein without first receiving written approval from the City, the Department of Revenue Administration and the bonding company. It shall be mutually agreed and understood that said consent by the City shall in no way release the COMPANY from any responsibility or liability as covered in these specifications and contract.