

Ortley Beach Voters and Taxpayers Association
September Membership Meeting
Saturday, September 18, 2021, 9:30 a.m.
Via Zoom

Meeting called to order at 9:32 a.m. (Anthony Colucci)

Pledge and Moment of Reflection for victims of COVID-19. As of this date, there have been more than 673,000 deaths nationwide: 27,000 in New Jersey and 2,250 in Ocean County.

Present: Anthony Colucci, Paul Jeffrey, Debbie Barton, Mary Ann Giordano Wallis, Joe Cantalupo, Joan Strathern, Toni Tomarazzo.

Membership attendance: 45 participants at start; 62 participants at peak. Membership quorum established.

Minutes: Motion to waive the reading and accept the minutes of the August 14, 2021 meeting (Joe Cantalupo, Debbie Barton). Reading waived, minutes accepted.

Special Guest: Bill Laird, tax assessor of Toms River

Anthony introduced Mr. Laird, saying the board had invited him to this meeting to explain and answer questions about the current tax revaluation in Toms River. He needed to leave at 10:30 so the usual agenda was flipped to accommodate him. Anthony asked Mr. Laird to give a general update about the status of the revaluation.

NOTE TO MEMBERS: Because of the vast amount of information shared at this session and the importance of the matter to Ortley Beach homeowners, these minutes are being reported in the form of an informal, unofficial transcript of the hour-long session.

Mr. Laird: Because of Covid-19, the town had tried to delay the revaluation, but the county tax board said it had to go forward. The company hired by Toms River to collect data to be used for taxation, Professional Property Appraisers, Inc. of Delran, N.J., has so far inspected the exteriors of all Toms River properties – about 40,000 in total. Firm representatives have now been conducting interior visits. They will attempt to get in every home. Ortley Beach homeowners can expect to receive a letter over the next two months requesting entry for revaluation purposes. Homeowners can opt for a virtual inspection or can deny entry.

The inspection process should wrap up by the end of the year. In December, property owners will get a notice in the mail telling them their assigned valuation. Professional Property will then meet informally with any taxpayers who request a meeting and will consider any information provided that challenges the valuation. That is part of the fact-gathering phase. If persuasive new information is provided, the company could then revise its assessment. The informal meetings are expected to take place in December, January and February.

Anthony: So those of our members who are not permanent residents can schedule an interior inspection at a convenient time?

Mr. Laird: Yes. Homeowners also don't have to have an internal inspection.

Anthony: When will the process wrap up?

Mr. Laird: Recently the company requested that the town push back the deadline as it was slowed down by Covid and needed more time to get all the inspections done. So the inspections could spill over into January.

Anthony: What happens if a homeowner does not allow access or is not there to arrange a virtual visit?

Mr. Laird: Interior data will be established based on public records. But not allowing access could be a problem down the road if those records are not 100% up to date. We recommend that all homeowners who don't intend to allow access or who want to challenge an assessment check the property record card to make sure that it is accurate.

Anthony: How are the properties valued for reassessment purposes? By square footage? Number of bedrooms?

Mr. Laird: We use a plethora of objective methods: the size of the home, the room count, fireplaces, in-ground pools. The process only includes real property – anything permanently attached to a home. There is no calculation attached to the number of bathrooms.

Anthony: So bathrooms are just rooms?

Mr. Laird: We go by the gross living area – not the rooms you have or what you're using them for.

Anthony: If you use a room for storage and not living space, does that matter?

Mr. Laird: It is counted as square footage if it's heated and finished.

Anthony: Will the final revaluation number affect the senior freeze? (Information on the state program can be found [here](#).)

Mr. Laird: I will have to talk with the tax collector about that.

Question from a member: Covid and low interest rates have driven a big spike in home sales and thus in prices. So we are in a housing bubble. Does the assessment take into account the fact that value is inflated because of the bubble?

Mr. Laird: The bubble is not unique to Ortleigh Beach. We look at values over the past 2 to 3 years; valuations won't just track with high sales. We look for the fair market value. As long as everyone is treated uniformly, that's the goal.

Toni Tomarazzo: There is a historic perspective on valuation for Ortleigh Beach. The same conditions were in effect during an earlier revaluation. The housing values were assessed in the bubble and then the bubble burst. There were massive appeals. Janet Yellen is now predicting the bubble will burst again. The law says you have to look at recent sales. The previous question from that member gets to the heart of this issue. Our concern is that something that happened once before is poised to happen again. How

will we be assured that the barrier island with its intense sales values will not be disproportionately disadvantaged?

Mr. Laird: We have also heard from real estate people that this is not a bubble but an adjustment.

Toni: A letter went out from an Ortley Beach realtor warning that the market is poised to change. If it is a bubble, how have you prepared to make sure the barrier island is not disproportionately disadvantaged?

Mr. Laird: If it IS a bubble, we can go back and do a reassessment. We have five years to make adjustments. That is a safeguard so that if this is like 2009, we can reassess. We have up to five years after revaluation to do that.

Toni: We were also affected in 2009 when the barrier island was evaluated as a “specific market” – value prices were much higher than the mainland. Are you evaluating now as specific market areas?

Mr. Laird: It IS a different market area. A buyer in Ortley Beach is not looking to buy on the mainland. It’s not a substitute. That’s what makes a specific market.

Toni: That is not true for all of Toms River. It’s myopic to think that Ortley Beach is the attractive area, given other parts of the mainland that are attractive.

Lou Amoruso: Right now Toms River is the hottest market in Ocean County. Prices are up about 25%. There’s a property on the mainland that I know was listed at \$2.9 million. Another was \$400,000 a year ago, just sold for \$680,000 without a broker. The amount of money to be raised by property taxes is not going to change substantially. The costs will just be distributed more fairly.

Mr. Laird: it’s called ad valorem taxation – equal distribution.

Toni: Lou, you made my point. Toms River IS a hot market. When you try to evaluate worth, it must be *para pursue* across the market. We need to be assured that that will be taken into consideration and that there is the potential for a market bubble that might need to be adjusted across the board.

Mr. Amoruso: I lose sleep over this because the town is the tax collector. If a tax appeal is won, the only party that reimburses the appellant is the township. Even though only 25% of the tax bill goes to Toms River, the town is 100% responsible for the entire reimbursement. So we are doing everything we can to avoid that because tax appeals are a nightmare. And we did try to postpone this because of Covid but we were bound by the state Department of Taxation.

Anthony: I’ve been reading about Toms River’s attractiveness. One article said that Toms River was the No. 1 destination for people leaving New York City. But a budget of \$100 million is still \$100 million, no matter the rising home values.

Lou: That is on the money. After Sandy, those without damage carried the tax burden for those with damaged properties. Those taxes were lowered by 50%, and were only raised after damaged properties were restored.

Question: If your house has not changed since Sandy, will that affect the revaluation?

Mr. Laird: A raised house is worth more.

Mary Ann Wallis: If this turns out to be a bubble, does the town have the right to adjust the valuations within five years or at five years?

Mr. Laird: At five years.

Question: Are third floors that are being used counted?

Mr. Laird: We can't guess if someone has finished an attic.

Question: Does an owner have to be there for a virtual visit?

Mr. Laird: Yes. Someone has to do the video and walk around.

Question: If a home was built after 2014, will it still have to be revaluated?

Mr. Laird: Yes

Anthony: If you don't let the assessor in, are you in a lesser position when it comes to an appeal?

Mr. Laird: Yes, because it's up to you to prove that the revaluation is wrong. And at the time of appeal they are going to ask to take a look at the house; if they are denied entry, the appeal will be dismissed.

Question: If you haven't gotten a letter, who do you contact? And what is the schedule?

Mr. Laird: Hold off on contacting anyone because the letters are done in batches. Hold off until later in the fall.

Anthony: The problem is that in October and November, a lot of residents go to Florida or upstate homes.

Mr. Laird: I will call the company and make sure they are aware of the seasonal nature of the barrier island.

Question: Do pavers affect valuation?

Mr. Laird: They would be assessed as a patio.

Joan Strathern: Is a wooden deck considered different from a patio for tax purposes?

Mr. Laird: It's assessed as a deck or patio but there is no great difference in valuation.

Joe Cantalupo: What about outside showers? Closed or not closed?

Mr. Laird: We don't assess outside showers at all.

Joe Cantalupo: Is it required to have a drain?

Mr. Laird: That's a zoning issue.

Debbie Barton: For the people who are not permanent residents, how can they find out if the letter was mailed?

Mr. Laird: The letters are mailed to the same place as your tax bill.

Debbie: What's the time frame for Ortley Beach?

Anthony: Please give the OBVTA a heads up so we can alert our members.

Question: Once we get our new assessment, can we figure out our taxes?

Mr. Laird: You will get the new assessment at the end of the year. The tax rate needs to be adjusted. That won't be done until July 2022. Then you find out your actual taxes for 2022. Meanwhile, for the first two quarters of 2022, you will be charged estimated taxes only. That will be adjusted in the third quarter – the amount will then flatten out for the whole year.

Paul Jeffrey: Everyone's assessment will go up, but that won't reflect the taxes because it has to be adjusted for everyone.

Mr. Laird: You can expect your assessment to go up and the tax rate come down. Don't think because your assessment goes up 30% that your tax bill will go up 30%.

Toni: Is it fair to say that the percentage of tax collected from Ortley Beach will not go up substantially from where it is now, around 27% of the total taxes collected in Toms River?

Mr. Laird: That's not quite correct. If the valuations outpace the rest of the township.... Once we look at the whole picture, if it outpaces the rest of the community, say up to 50% compared with 30% in the rest of Toms River, the total share could go up 20%.

Toni: That's our point. If what happened in 2009 happens again in Ortley Beach, there are likely to be significant issues. We appreciate the advice, but we are educating you about the history.

Mr. Amoruso: If you only knew how many times we've discussed this. We are very concerned.

Mayor Mo Hill: Bill can tell you that I meet with him regularly and I spend a significant amount of time in Bill's department. This revaluation has been front and center in our discussions. We wanted to delay the revaluation because of Covid and also because of our fears that this is a real estate bubble which could land us in the same place in terms of appeals as in 2009. We got no sympathy from the county or state. The previous company we had used was terrible. We had to sue them. They did not defend their estimates and left town and left us with 4,000 appeals. The new company's contract says they will defend their estimates and will offer informal meetings with homeowners who have questions or additional information affecting their revaluations.

Mr. Amoruso: Other towns have not had a revaluation in many years. Jersey City has not had a revaluation in 50 years. Toms River was unfairly treated.

Mr. Laird: Revaluations are triggered by the ratio between assessed values and sale values. Once the difference between the two is below 85%, there must be a revaluation. That's what happened in 2017. Now we are down to a deviation of 78%. The purpose of the revaluation is to get everyone in line and have assessments track with real estate values. The idea is to tighten things up.

Question: What do I do if I think my assessment is incorrect? What steps should I take? What is the timing for appealing and the period in which you could challenge assessments?

Mr. Laird: First you will get a notification letter. You can then attend the informal meetings with the assessment company and present new evidence. Once you get the postcard "notice of assessment," you have until May 1 to file an appeal.

Mr. Amoruso: If it's a legit case, is it best to take care of it in the informal meeting?

Mr. Laird: Yes. Take advantage of that. That is still part of the data collection period. Take care of it before it becomes an official assessment and you then have to go before the county tax board.

Anthony: You should have a meeting, even if it's just so you can see how they got to that number.

Toni: What is the lookback period?

Mr. Laird: 2 to 3 years, with more weight on recent sales. The purpose of two years is to smooth out things if there are any bumps.

Anthony: If you have more questions, email the OBVTA and we will pass them along.

Council Member Maria Maruca:

- We will follow up on the question of the senior freeze.
- To clarify, the five-year adjustment is not another revaluation, just an adjusted assessment.
- Under the contract with the assessment company, they are required to defend their valuations up to two years. We hope this experience will be less painful than with the previous company.

An FAQ will be posted on the township website.

Mr. Laird left the meeting and the regular agenda began.

Ms. Maruca:

Updates on several projects:

- **6th Terrace street elevation project:** Has been completed. The contractors are just working on a punch list of issues involving specific properties.
- **Drainage project:** The state will be doing work on Route 35 North to deal with drainage issues. The work will be in Ortley all the way up to Normandy Beach. One of the Ortley sites is at 7th

Avenue, near Rockafellas. It will be starting soon. She will let the OBVTA know as soon as she gets a solid date.

- **Dunes:** We are still waiting for the Army Corps of Engineers to provide dates to redo the hot spots along the shore; we believe that all of Ortle Beach should be declared a hot spot. Bob Chankalian (town engineer) will fight for that once he gets a date. We are going to ask that the beach be built out 25 to 50 feet from where they had previously set the shoreline, so they don't have to come back again.
- **Dune grass:** Patches of dune grass are dead or missing. The recreation department will do new plantings in late October, early November. Anthony asked if they would vary the plants. Ms. Maruca said the town can only plant what the Army Corps of Engineers has approved, but she will try to find out the varieties.
- **Pickle Ball courts:** The netting for the fences is done, but weather has delayed pouring concrete for posts and coating the court surface. Hope to do it early next week. Then the courts will probably be usable during the day. We are still waiting for lights to be delivered (there were material issues and an error in the delivery). But people should be able to play over the next 2 to 3 weeks.
- **Surf Club:** Anthony thanked Ms. Maruca for the progress on the Surf Club deal, noting that the paperwork for the transfer of property has been signed. But he said we would rather not have learned about it by reading Shorebeat. We would have liked to have been informed in advance. The OBVTA also wants to be involved with the improvements on the property and Anthony asked that no changes be made to the plans without informing us. And when the township finally signs the last piece of paper, let us know because we want to make a big deal out of it. The town put a lot of effort into this. Let's celebrate.

Ms. Maruca apologized for not informing the OBVTA about the signing. She said the state still has to finalize the 'management and use agreement' and so we are not yet sure what will be allowed on the property.

Mayor Hill said he talked to the attorney for the county. The county's natural land trust is purchasing the property from Toms River (and the proceeds are funding the town's share of the Surf Club purchase price). However, there has been a problem with the title for one of the properties being purchased by the county. He is requesting that the one property be cloved off from the rest of the transaction, and that the county move ahead to close the other 17. That will still provide the town with enough money to pay its portion of the sale. He said when the county sale closing gets close, he will alert the OBVTA.

He reiterated Ms. Maruca's warning that the state will take longer to finalize the 'management and use' part of the agreement. But he said he is pushing for the rest of the deal to close. He would like to get it done before Ms. Maruca leaves office. He said he admits that at the beginning he did not see how the town could afford the \$6 to \$8 million that would be needed to purchase the property. But he said "Maria was a pit bull" and credit for the deal should go to her. She worked tirelessly for this. She is the hardest worker on the Council. He wants to get the money in the bank and leave the rest in the hands of the state. He said he is adamant about the deal being done before November because she deserves to take the victory lap.

Ms. Maruca said the town is even looking at gap insurance to fill in the money for the parcel that is not closing right away.

Mayor Hill said, "Anthony, get the sash ready."

Mayor Hill:

- The **EMS response time** has been amazing since a rig was parked on the island. The response to an incident in Normandy Beach was 2 ½ minutes and the patient was able to be revived and brought to hospital (though he died later). He said the police and EMS are responding in less than three minutes.

Ms. Maruca said credit should also go to the lifeguards, who pulled the guy out of the water. She said their heroics would be recognized at a Council meeting.

Referring to the recent lightning tragedy in Seaside Heights, Mayor Hill said he wanted to point out that our lifeguard stands are wood. He said the town is looking into lightning detection equipment which can detect the presence of lightning 10 miles away. The Seaside lifeguard who died lived in Toms River and was the brother of a Toms River police officer.

Anthony said we commend the EMS response over the summer but that just reinforces the need for a year-round solution.

Mayor Hill said the concern over the summer is that the bridge is closed every half hour. He said the chief wrote to both fire companies and requested that they assign part-time EMTs to the island in summer. He said the town plans to keep an ambulance close to the bridge (on the mainland) and is monitoring the situation closely.

Question for Ms. Maruca: Why is there no bench at the cutout at the top of the dune walkway at Harding? Every other cutout has benches. Ms. Maruca said she would follow up.

Question: Any follow-up to the complaints re: Optimum service? She and Mayor Hill said they would follow up with Optimum and Altice. All complaints with specific details about poor service should be sent to the town.

Question about change in rules about short-term rentals: Ms. Maruca said the rental period was reduced to three days on the barrier island, so people could rent out their homes for long weekends.

Joan asked about the letters going out to some homeowners re: the need to raze or lift their homes if they were deemed "**substantially damaged**" in Sandy. Mayor Hill verified that warning letters are going out. Ms. Maruca said if a homeowner does not comply, he/she will be unable to get town permits for any work. She said only about 10% of the 10,000 homes that were damaged in Sandy have not been addressed. She said she would talk to Bob Chankalian and will try to get info to affected members, "because their options are very limited in what they are allowed to do" if they don't comply.

Joe Cantalupo asked about the **status of hand railings** requested for dune walkways. He said carts don't help people walking up, and that there had been a number of injuries this summer because the railings are so rough and difficult to hold onto. The argument that adding rails would create a liability is false he said; experts he has consulted said it would decrease liability. Anthony said the town already has a requirement that handrails be added inside stair and walkway railings in homes. Ms. Maruca said she and the mayor would circle back to Bob Chankalian and Lou Amoruso and see what could be done.

Lt. Gene Bachonski:

- **Fireworks** calls have petered out.
- There have been a number of **flooding** calls.
- He said he received an email from Anthony yesterday about Harding Avenue **traffic**. Now that the summer is over, he will try to address some of the traffic issues that members have been raising.
- **Low-Speed vehicles:** There are no traffic or parking restrictions, though the vehicles must be registered and drivers must be licensed. And while the vehicles can't travel on roads over 25 mph, they can cross over them (ie: Rt. 35). Electric bikes are now everywhere and he will find out more about rules, licensing, etc., from the department's "traffic guru."
- He thanked Paul Jeffrey for **donating Rutgers football tickets** to the TRPD. And Ms. Maruca thanked the OBVTA for **donating to the Toms River Little League**. The money was much appreciated and was badly needed because of Covid-related expenses for the team, she said. The town was very proud of them and honored them at a recent Council meeting.

Treasurer's Report: Debbie Barton

- Dues payments are still coming in, as are new memberships.
- 8 new memberships were added at the Beach Party, and 5 more via PayPal. 11 members paid their dues re: the GlueUp membership system.
- In the last month, checks were cashed for a Save the Bay donation, final legal fees for the Surf Club mediator and for officer liability and membership liability insurance for a total of \$8,778 in expenses.
- Cash balance on hand at the end of August: \$63,221.

Motion to accept the Treasurer's and Membership report: Joe. Accepted.

Board comments:

- Debbie Barton said the **Beach Party** was a success, but if the OBVTA is going to continue to do events, it needs more help. She said we will be looking for more volunteers for future events.
- Anthony said an event marking the **9th Anniversary of Sandy** will be held on the beach on Oct. 29th with local officials. He will be sharing the information with the members soon.
- A number of events are going on in Toms River, Seaside and Point Pleasant this weekend. Enjoy.

Member comments:

- No member comments.

Motion to adjourn (Joe, Joan): Approved.

Meeting adjourned at 11:20 a.m.

The next association meeting is Saturday, Oct. 16, at 9:30 a.m. via Zoom.

