

BOARD OF CIVIL AUTHORITY

JUNE 17TH 2014

TAX APPEAL HEARINGS

Board of Civil Authority Chair Maria Ammatuna called the meeting to order at 7:02 pm. Other members present were Richard Baker, Seth Clifford, Cindy Bell, Joan Thomas, Lou Faivre, Kathleen Johnson, Laura Peterson, Blaine Cliver, and Clerk Susan Gage.

Others present: Dolores Furnari, James DeShone from the Listers office.

All members were sworn in under the BCA Oath of Office.

Chairwoman Ammatuna outlined the process for hearing and noted that there would be additional documentation passed out at the meeting. She recommended that there be a motion from the floor to move hearings ahead of the scheduled time on the warning should a hearing end sooner than the time allotted. The motion was made by Mr. Faivre and seconded by Mr. Clifford. Motion passed. Mr. Cliver asked what we would do if appellant was not present, and Ms. Ammatuna stated that we would wait for an appellant if they were not present and we were aware that they were coming.

Clerk Susan Gage handed out additional information regarding the appeals to be heard and the members of the BCA introduced themselves.

The following tax appeals were heard:

1. John Reynolds: Parcel 0079-0029; Grove Street; Tax Map 22-50-02; Land 2.20 Acres

Hearing opened at 7:11. Ms. Ammatuna confirmed with Ms. Furnari that Mr. Reynolds would be not be coming to the hearing. Ms. Furnari confirmed that and stated that Mr. Reynolds was at the listers office today to discuss his issues with them. Mr. DuShone said that he discussed certain encumbrances on his land that he had not disclosed at the grievance hearing. Namely, that he cannot do anything at all with the land for 15 years. Mr. DuShone suggested that it should be listed as residual, useless land.

Mr. Cliver asked where the land was located. Ms. Furnari stated that it was across the road and there is mostly ledge and elevation. Mr. Faivre asked if this land is where the quarry is. Mr. DuShone has not seen the property and wasn't sure. Ms. Furnari stated that he obtained the property which had fallen off the tax rolls in the early 1900s by quitclaim. Mr. DuShone spoke again about the covenants attached to the property and that these covenants make it a non-buildable lot. Mr. Reynolds did not bring any paperwork to the listers that showed his encumbrances.

Mr. Faivre stated that there appears to be a lot of land with Route 7 frontage, but Ms. Furnari stated that it was ledge and Mr. DuShone added that development was restricted by that and the encumbrances. Ms. Thomas asked if the listers look at the property when people grieve their values. Mr. DuShone stated that typically they do not.

Ms. Bell wondered why he would obtain a piece of property with restrictions. Mr. DuShone stated that he knew exactly what he was getting and is only appealing the value of the property on the tax rolls. Mr. Baker noted that he obtained the property with a quitclaim deed and did not purchase anything. Sue stated that he mentioned using it as a woodlot, removing wood that is accessible.

Mr. Baker asked whether his appeal was being withdrawn, stating that when an appellant doesn't show up for the hearing that is tantamount to withdrawal. Mr. DuShone stated that he is not withdrawing and appealed in writing. Ms. Ammatuna also stated that it is the practice of this board to hear appeals even if appellants are not present. There is no formal withdrawal.

Ms. Ammatuna asked if a wood lot would have a different value. Mr. DuShone said it would not. Ms. Thomas asked when he quitclaimed the property. Mr. Faivre stated that the date on the paperwork is August 21, 2013. Ms. Furnari concurred. Mr. DuShone stated that with the current restrictions, the land is really only marketable to an abutter.

Mr. Baker stated that the appellant has not filed any paperwork with the Board of Civil authority about his inability to develop the land, nor any paperwork supporting any encumbrances. Mr. Baker looked at the deed and stated that there are no encumbrances on the deed. We have no proof that he cannot develop the land or that he has a 15 year restriction of any kind. Mr. Cliver responded that he really doesn't have a buildable lot because of the other issues, ledge and steepness. Mr. Faivre stated that we don't know that because no one has examined it.

Ms. Ammatuna requested volunteers for a site inspection. Blaine Cliver, Lou Faivre, Richard Baker and Ms. Thomas volunteered. The inspection will be conducted within 30 days, and a report filed with the BCA within 15 days following the inspection.

Mr. DuShone will not be attending the property inspections generally. Mr. DuShone stated that he would not be able to comment.

Inspection will be on Friday, June 27th at 10 AM. Sue will contact Mr. Reynolds and all parties will meet at McDonalds.

Recessed hearing at 7:18 pm

2. Allan M Leavitt: Parcel 0042-0027; Tax Map 22-50-22.01; SPAN 078-024-10486; DWL & 6.12 Acres; 27 Conant Square

Open hearing at 7:18

Ms. Ammatuna has disclosed a conflict of interest as tenant to the property. She has no financial gain in this property, and will recuse herself if others feel she should. She also disclosed that she has had no exparte communication. There was no comment from the other members requesting her to recuse herself.

Oaths were administered to Allan Leavitt, appellant and James DuShone, appraiser.

Mr. Leavitt shared the history of his purchase of the home under consideration. He wanted to restore the home to its former glory, but for personal financial reasons was not able to do that. There is severe damage to the home by vibrations on the road. Cement plates in the road have separated and as weighted vehicles pass, it has damaged the home. Leavitt stated that the home belongs to Brandon as well as Mr. Leavitt, and feels we all need to pay attention to that.

Purchased 2003, top of market \$265,000. Since then two abutting neighbors have asked if they could purchase small pieces of his land and Mr. Leavitt agreed to that. He believes that his acreage may be listed incorrectly. Although he concedes this is a small issue.

The land attached to the house is mostly inaccessible acreage. It is located next door to section 8 housing and two gas stations, not purely residential. Route 7 is causing new problems as the road and the cement plates in the road deteriorate. Mr. Leavitt feels this should affect the assessment of his property. Mr. Leavitt contends that all of his neighbors experience this as well, and they have chosen not to come forward. The vibrations are most dynamic at his house. Mr. Leavitt's house is a brick house with a marble exterior which makes it brittle. The Reilly property across the street had a barn in which the stone foundation collapsed because of road vibrations. Mr. Leavitt's basement will see silt accumulations also from vibrations.

Mr. Leavitt brought information on a comparable property. The Reilly property was purchased in the same year as Mr. Leavitt purchased his. They have somewhat less square footage, but he feels it is comparable if you add the other home on their property. They have 13 rooms, Mr. Leavitt has 11 or 10. They have 7 bedrooms, Mr. Leavitt has 5. Baths, they have 4, Mr. Leavitt has 3. Mr. Leavitt pointed out their assessment is less than his. Mr. Leavitt also emphasized that they have a whole additional house.

Mr. Leavitt is appraised at around \$450,000, they are appraised at around \$390,000 including both houses. Each have excess land with their homes. No difference between lands, they have swamp, Mr. Leavitt has ledge. The condition of the Reilly property is excellent, Mr. Leavitt stated that the condition of his home is not. Mr. Leavitt clarified the appraisal amounts as \$ 450 something for his house and \$ 399,000 for the Reilly's property. Mr. Baker clarified Mr. Leavitt's appraisal as \$452,500.

Mr. Leavitt they presented testimony on the condition of the home. Mr. Leavitt also passed photos around the table. The original slate roof is still on the home but states that there is deterioration to hangers and aging. There is still slate missing and five holes in the roof related to venting that have not been repaired. Roof needs help and leaks on one end. The windows are quite old in the home. A couple of windows open upstairs, and they don't open well. The rest of the windows don't open. The house needs new windows.

The foundation is rubble stone and it is dramatic. It was once written up in "House Beautiful" in 1919. Mr. Leavitt was aware there was a wet basement when he purchased it, but it has gotten markedly worse with the road vibrations. The road vibration has cost a lot of value, assessed value, on the home. There are fissures in the foundation.

The brick and mortar wall supports have been affected by the vibration as well. Pocket doors do not hang properly and the stairs are also leaning because the brick and mortar wall supports in the cellar are deteriorating and the house is shifting dramatically.

Porches are also settling due to road vibration. Walls are cracking. Marble exterior is deteriorating. Vibration is distinctive on the west gable end. The marble is held on to a brick home by lag bolts. The trucks are causing the lag bolts to fail. The scallops are coming out. Mr. Leavitt has pictures of this as well.

There is a room at the end of the house where floor is buckled. The heating system failed and the radiators cracked. Huge heating plant in this house. Cost of replacement is \$35,000, could be an additional \$12,000. Mr. Leavitt is making this house a seasonal home at this point. Fireplaces don't work. Chimneys need pointing. The chimneys are very narrow and go through house, and they can't be used.

Landscaping is not great. The house needs painting. Mr. Leavitt has had the property on the market for two years. The first year it was listed at less than the assessed value. After a realtor's recommendation to list the house in a different price point Mr. Leavitt listed it for the second year at a price higher than the assessed value. No one has even looked at it. He feels he wouldn't be able to sell it with the vibration disclosure.

In summary, Mr. Leavitt believes that using the Reilly house as comp, his property value should be less than theirs and reduced beyond that due to the destruction of the road.

Ms. Ammatuna stated that we would take copies of Mr. Leavitt's written notes as well as his photos for the Board to consider.

Ms. Ammatuna asked Mr. DuShone to represent what happened at the grievance. Mr. DuShone stated that they responded to a letter, did not know about the road issues. Mr. DuShone stated that they made adjustments for functional depreciation and looked at comparables in the area. Changed the condition from fair to average. Mr. Baker asked whether the conditions stated in this appeal were known to the assessor at the time of grievance. Mr. DuShone stated that they were not, and referenced the letter that they received from Mr. Leavitt.

Ms. Ammatuna asked about the process the assessor would go through for a grievance. It was last inspected in 2008. Mr. DuShone has not been to the property. Reduction in assessed value was only from a letter written to them by Mr. Leavitt. Mr. Baker asked about the removal of an outside basement entrance. Mr. DuShone stated that when they go through the data, there are pieces of data that are flagged that is not necessary. He doesn't believe the appraisal firm knew how to use the software properly. Mr. DuShone stated that as he goes through property details, he is cleaning up and eliminating certain items on a property by property basis.

Ms. Johnson asked about the change in condition and the fact that it went from average to fair, it appears the % stayed the same. Mr. DuShone doesn't know why it was like that before.

Ms. Ammatuna asked about functional depreciation and economic depreciation. Mr. DuShone stated that economic depreciation would be caused by something outside the property owner's control and one would need data to support economic depreciation. Functional depreciation is normal wear and tear as well as neglect.

Ms. Thomas asked how old the furnace was. Mr. Leavitt said about 20 years old. Ms. Thomas asked what happened to the furnace. Mr. Leavitt stated that the feed failed and filled the furnace and the radiators cracked. Ultimately hot steam that went into a cold radiator caused cracking.

Ms. Bell asked about the apartment and why it was not in the itemized property costs. Ms. Furnari asked whether it as an approved apartment. Mr. Leavitt said it is accounted for as a separate bedroom. One bedroom and a kitchen. Mr. Leavitt has a kitchen but it has no running water and can't be used. Ms. Thomas asked the size of the apartment. Mr. Leavitt stated that it was a one bedroom apartment. When asked whether he and his tenant share the kitchen, he answered that he does not use a kitchen. There are no utilities in the kitchen by choice.

Ms. Ammatuna asked Mr. DuShone to clarify the local and current multipliers. She then asked if that defines the neighborhood, such as residential Park Street versus the more commercial area where Mr.

Leavitt's property is located. Mr. DuShone clarified that there is a separate neighborhood multiplier. Ms. Ammatuna also asked for clarification on the grade as listed. Marshal and Swift tables are national cost tables that define the local and current multipliers. They would be consistent with all properties throughout town.

Ms. Bell asked how the house got so cold that the radiators cracked. Mr. Leavitt stated that he heated with a wood stove in the living room and only heated the area he was using and that parts of the house were below freezing.

Ms. Johnson asked for clarification on the effective age and quality and how that effects assessment. Mr. DuShone stated that the computer system doesn't run past 100 when aging a property. When it comes to effective age, you want consistency. It is based on upgrades throughout the house. But the most important factor is that there is consistency in the application of this factor. Quality is based on Marshall and Swift national standards. 3.0 is considered standard average when you look at the quality factor. Quality will drive the cost per square foot. Look at condition of the same property. Need to use your experience to balance the age, quality and condition.

Mr. DuShone said they used comparables when they were looking at the property. He felt the comparables would show the consistency between the properties. Mr. DuShone handed out additional evidence on comparables.

Mr. Baker asked for clarification on floor covering and asked why it was changed when it was not referenced in the original letter of grievance. Mr. DuShone stated that he is fixing errors as he goes and when he pulled up this record realized that the floor covering was incorrectly entered originally. It comes up case by case, and they fix them as they go. Allowance works off the base.

Ms. Ammatuna asked whether Mr. Leavitt had any more questions or clarifications following Mr. DuShone's testimony. Mr. Leavitt stated he did not and thanked everyone for their time.

Mr. Baker asked what the house was on the market for currently. Mr. Leavitt stated that the house was not on the market. Ms. Ammatuna asked what he had it listed for when it was on the market. Mr. Leavitt said it was listed for a while at \$450,000 and then for a while at \$650,000, neither price produced a prospective buyer.

Ms. Furnari clarified the land acreage and changes. Mr. DuShone also clarified the change in acreage.

Inspectors will be Joan Thomas, Blaine Cliver, Richard Baker and Laura Peterson. Inspectors will visit July 7 at 1:00 pm.

Mr. Baker wondered if Mr. DuShone could come for the inspection. Mr. DuShone stated that he can't comment so he doesn't understand any value in his coming along.

Recessed hearing at 8:06

3. Kirk Thomas & Tracy Holden: Parcel 0081-0001; Tax Map 07-01-01.01; SPAN 078-024-11518; DWL & 280.22 Acres; 1584 Wheeler Road

Ms. Ammatuna opened the hearing.

Ms. Ammatuna asked whether there were any conflicts of interest in this hearing. Ms. Thomas stated that she was aunt to Mr. Thomas, and Ms. Gage stated that she helped Mr. Thomas gather information for his appeal. No Board members felt that any conflicts existed.

Assessor, James DuShone and appellant, Kirk Thomas were sworn in.

Mr. DuShone introduced the property under appeal. Mr. DuShone handed out some paperwork used as comparables in their adjustment. He stated that he has not visited the property. He revisited the details in the lister card and made some changes after the grievance. Mr. DuShone stated that it is a unique property and there is not a lot of comparable property in the area. This property has 6000 square feet. Mr. DuShone suggested a good thorough site visit. Mr. DuShone would expect it to be corrected. Would have been a good one to have on the inspection list for the spring inspection list and likely this hearing could have been avoided.

Mr. Baker is wondering whether it is just one house under review. Mr. Thomas stated that it is all properties included on the parcel.

Ms. Ammatuna asked about an inspection and when the last inspection was. Mr. DuShone stated that it was on the sheets included. Ms. Ammatuna also asked for clarification on Land Use, but Mr. DuShone said this wasn't an issue in this appeal.

Mr. Baker questioned the change from a 6 to a 5 on the house quality. Mr. DuShone clarified that a 6 is extremely high and would cover houses on Rodeo Drive. He based the change after looking at some of the other comparables. Mr. DuShone passed out the comparables that they used for their reevaluation after the grievance hearing. The Board examined the comparables.

Ms. Ammatuna asked Mr. Thomas to present his appeal.

Mr. Thomas described the property. The property consists of a home with 280 acres and 2 additional homes. The value includes that of the main property and the values of the other properties. The main home is 6000 square feet. There are not many comparables. Mr. Thomas found Fran Bull's property which is similar. Fran's property is 6,300 square feet. Mr. Thomas doesn't believe that the home was constructed in 1990 as it is listed and questions that validity.

When comparing the two properties and looking at the values of the home, they are architecturally different. When looking at layout, Fran's house is for sale and can be seen online. Fran's value at adjusted base cost is \$385,494. Mr. Thomas' property value is \$563,489, which is approximately 40% higher than the Bull property. Almost a \$200,000 difference for similar homes. As far as differences, Mr. Thomas has one more porch than Fran, Mr. Thomas has a slate roof, and the Bull property has metal. Local multiplier for the Bull property is 1.07 and 1.15 for Mr. Thomas' property. The replacement cost for the Bull property is listed at \$700,000, and Mr. Thomas' property is listed at \$1,000,000.

When factoring in the depreciation factor there is still a \$150K to \$200K difference between Mr. Thomas' property and the Bull property. Mr. Thomas understands the difficulty in this property, because it is so unique.

Mr. Thomas then discussed the other homes on the property. One of them was used as a summer home for previous owner. The oldest part of the house was constructed in the 1700's and the newer part of the house was constructed in the 1850's. There are very low ceilings in the old construction. At some

point they renovated around 25 – 30 years ago when they began using it year round. The house had been empty for 10-12 years before the Thomas' purchased it. The house was totally defunct. The Thomas' purchased the property for the land only. Condition of house is very poor and in very rough shape.

Mr. Thomas questions the land value of the 2 acres allotted to the two houses and also questions the value of the utilities for both house. They both have water issues and sit on land that cannot be perked. Both have old septic systems. Mr. Thomas believes both the houses are over-valued.

When you add up the issues you come to \$1.2 million. Mr. Thomas believes this value is very high for the Brandon area. The older house has major issues, including the fact that the back part of the house is uninhabitable. The roof is shingles, not slate and the house sits on an old stone foundation with the back part on a crawl space. Some of the bathrooms can't be used. Mr. Thomas tried to look at comparable properties for the old house and feels this needs to be looked at. The small house was purchased for \$120,000 a year ago which makes the value easy to ascertain. This property also has some condition issues as well. Mr. Thomas feels that some comparables need to be found for the small house as well. Some of this property may be worth more if it were individual parcels but Mr. Thomas purchased to protect his neighborhood.

Mr. Baker asked for clarification on the house listed as a house and .81 acres. Mr. DuShone explained that each house is broken out as a house site and 2 acres, and any other land is listed separately.

Mr. Thomas did have some questions regarding the land. He has a certain amount in current land use, but the rest does not qualify for current use. It is not good land, swamp, and quarry, not premium land, not developable and not good for agriculture. Mr. Thomas also stated that there are power lines that run through it as well.

Mr. Thomas stated that the value of \$1,463,000 is the amount after grievance.

Ms. Ammatuna asked for full information from the assessor's office before the hearing in the future. It has been difficult finding the information referenced in the testimony of the appellant. Mr. DuShone stated that he brought only comparables with him. Ms. Ammatuna would like clarification on the original lister sheet and the revised lister sheet.

Mr. Thomas is concerned about the dollars and cents. He questioned the salability of property in Brandon. Mr. Thomas doesn't believe his house could sell for what it is valued at for tax purposes. Based on what the Bull property is on the market for, Mr. Thomas' house would have to sell for 2.2 million to be in line with the difference in the assessed value. Assessed values in the area such as the Lilac Inn, the Brandon Inn, and New England Woodcraft are all valued at less than his property. He is being compared to commercial properties. Mr. Thomas doesn't believe he is being appraised equitably.

Inspection Team will be Richard Baker, Joan Thomas and Laura Peterson. Mr. Thomas will need to notify his tenants. Date for inspection is Thursday, June 26 at 9:00 AM. Inspectors will meet Mr. Thomas at the main house.

Hearing was recessed at 8:51 PM.

Will reconvene within 30 days of inspections.

Maria Ammatuna, BOA Chair

Susan Gage, Clerk
June 21, 2014