

BOARD OF CIVIL AUTHORITY
TAX ASSESMENT APPEAL
MINUTES
July 30, 2020

MEMBERS PRESENT: Dwight Camp, Kay Camp, Mary Riley, Jane Soule, Fred Barr, Matt Maxham, John Doten and Charlie Degener

MEMBERS ON CONFERENCE CALL/ZOOM: Wayne Thompson, Jill Davies, Michael Ricci and Rick Fiske

LISTERS PRESENT: Treena Toliver, Paul Wildasin, Carol Wood

APPELENTS ON CONFERENCE CALL/ZOOM: Liam Murphy and Tyler Reynolds

At 6:00 P.M. Mary Riley, as Chair, called the meeting to order and reviewed procedures. The Clerk then administered the appropriate oaths.

Mary noted that three of the eight appeals have been withdrawn: Cluaran LLC (Parcel # 12.03.07.002); Fernbrook LLC (Parcel # 12.03.30); and Morgan Hill House LLC (Parcel # 12.03.15).

Carol Wood introduced the first property owned by Birch Hill Main House LLC (Parcel # 12.03.25). The property consists of 9.36 acres and two dwellings located at 348 The Loop in South Woodstock. The primary structure is a 4,074 square foot brick house built in 1840. The quality is listed as Excellent, the condition as Good, and it has an effective age of 30. The second house on the property is 1,564 square feet and was built in 1969. The quality is listed as Average, the condition is Average, and the effective age is 40. At Grievance the Listers reduced the assessment from \$1,987,900 to \$1,613,200.

The appellants stated that while the property is assessed for having two housesites, because it is less than ten acres Woodstock zoning prohibits the property from being divided and sold as two separate parcels. The land should be valued as Acreage Other rather than a second housesite, or \$120,000 less than the assessment. They agree with two of the Lister's three comparable properties, 11 The Green and 2 Pleasant Street. A value of \$1,500,000 is recommended.

Mary asked if an exterior site visit had been conducted of the property, it had not.

Paul Wildasin presented three comparable properties: 79 Peterkin Hill, 11 The Green, and 2 Pleasant Street. The two comparable properties located in the Village are on much smaller lots, and are not in as good condition. Paul spoke about the value of a second housesite even if it cannot be separated from the main lot.

Matt asked about the grading of the various land components.

Mary confirmed that in light of the Covid Pandemic, there would be access to the exterior portions of the properties.

Fred Barr moved to close testimony. Dwight Camp seconded, a vote was taken, and the motion passed.

Charlie stated that since all of the properties being appealed are under common ownership and common representation, and in light of the difficulties we may have with inspection committees that it might be appropriate to have one or two committees to inspect all five properties, rather than the five inspection committees we would normally have. With the Board in agreement, Mary noted that we would not appoint inspection committees at this time, but rather at the end of all hearings.

Carol Wood introduced the second property owned by Birch Hill Stables LLC (Parcel # 12.03.24). The property consists of 5.33 acres and an equestrian facility located at 548 The Loop in South Woodstock. The property includes a 6,895 square foot stable and a 12,000 square foot steel frame riding arena. The value was reduced from \$1,009,600 to \$709,300 at Grievance.

The appellants stated that the structure value is the biggest discrepancy. It is not a viable business as an income property and the location is not desirable as a building lot. It is too big for a private arena and too small for a commercial one. Kedron Valley Stables (Parcel #12.02.23) with a value of \$139,300 including land, or Lynn Lewis's (Parcel #12.02.23) arena with a value of \$118,000 for the building would be comparable properties.

Jill Davies asked what the cost to construct the structure would be. Liam noted that property value is what someone will pay for a property and may have little correlation to cost of construction.

Paul Wildasin said this was a difficult property to value. The Kendall stable is 50-60 years old, while the Birch Hill arena was constructed of a substantial steel frame in 2007. Lynn Lewis's arena is 25 years old. There is no good sales data to work from, so they must use the replacement cost new less depreciation method. They have put 25% depreciation on the building which is very high for a building only 13 years old, and the steel frame adds value.

Fred Barr moved to close testimony. Michael Ricci seconded, a vote was taken, and the motion passed.

Carol Wood introduced the third property owned by Ridgeline House LLC (Parcel # 12.03.15.001). The property consists of 7.54 acres and a dwelling located off Calendar Hill on Joshua Slayton Road in South Woodstock. The house is 3,312 square feet and was built in 2007. The quality is listed as Good/Very Good, the condition as Good, and it has an effective age of 9. At Grievance the Listers reduced the assessment from \$1,017,900 to \$920,600.

Tyler stated that the house has 6 bedrooms, which is too many. The abundance of bedrooms was necessary for the occupant, but most buyers would need to remodel and remove some of the excess bedrooms. The primary grievance is with interior configuration and functionality. Additionally, the home has more basic finishes.

Michael Ricci asked if a site plan or drawing was available for the house.

Jill asked what the house has sold for, Paul noted it has never been on the open market.

Paul presented comparable properties and noted that in Woodstock million-dollar homes are frequently purchased and renovated.

Liam asked if bedrooms are considered in the value, Paul said the square footage drove the value of the property not the number of rooms or bedrooms.

Liam noted that the comparable properties have more land, more square footage, higher effective ages, and more depreciation.

Jane Soule moved to close testimony. Meg Matz seconded, a vote was taken, and the motion passed.

Carol Wood introduced the fourth property owned by Glenmorgan LLC (Parcel # 12.03.12). The property consists of 8.04 acres and a brick dwelling located at 630 Morgan Hill in South Woodstock. The primary structure is a 4,936 square foot brick house built in 1836. The quality is listed as Very Good/Excellent, the condition as good, and it has an effective age of 30. The property includes a guesthouse and barn. At Grievance the Listers reduced the assessment from \$1,907,155 to \$1,668,600.

Liam noted that this property is very similar to the Birch Hill Main House property, and has the same issues with regard to lot size and multiple housesites. While the cost sheets indicate that there is no kitchen in the guesthouse Tyler noted that one has been added since April 1st. The guesthouse is located very close to the main house. In fact when the property was John Doscher's photography school, the guesthouse was connected to the main house.

Paul presented the Lister's comparable properties and explained that the Vermont Department of Taxes Division of Property Valuation & Review reiterates that there is value in multiple housesites even if zoning prohibits them from being subdivided.

Charlie asked if the comparable properties, located at 11 the Green and 2 Pleasant street had been substantially renovated in the last 20 years. Paul said unlike the subject property they had not and noted they are roughly 1,000 square feet smaller.

Dwight Camp moved to close testimony. Fred Barr seconded, a vote was taken, and the motion passed.

Carol Wood introduced the fifth property owned by Glenmorgan Caretaker LLC (Parcel # 12.03.22). The property consists of 5.0 acres and dwelling located at 159 The Loop in South Woodstock. The primary structure is a 1,368 square foot house built in 1964. The quality is listed as Average, the condition as Average, and it has an effective age of 52. At Grievance the Listers reduced the assessment from \$403,000 to \$361,000.

Liam provided an appraisal prepared for the Bar Harbor Bank & Trust by appraiser Robert Jacobs.

Paul spoke to the quality of Robert Jacobs appraisal and spoke about bank appraisal approaches and methodology, noting that they tend to be more conservative since the 2008 housing crash.

Meg Matz moved to close testimony. Jane Soule seconded, a vote was taken, and the motion carried.

Mary thanked the Listers and the BCA for the extra effort involved in conducting a hybrid (in person and via phone/Zoom) meeting. Mary then spoke of the Logistics regarding the inspection committees. Because Matt Maxham had to leave after the third hearing, and due to the desire of the Board to have two inspection committees, it was decided that the first committee would inspect the first three properties: Birch Hill Main House LLC, Birch Hill Stables LLC, and Ridgeline House LLC. The second inspection committee will inspect the final two properties: Glenmorgan LLC and Glenmorgan Caretaker LLC.

Matt Maxham, Jane Soule, Fred Barr, and Jill Davies volunteered for the first inspection committee and Dwight Camp, Meg Matz, Rick Fiske, and John Doten volunteered for the second inspection committee.

The Board will reconvene on August 20th to hear the reports of the two inspection committees.

There being no further business to appear before the Board, Dwight Camp moved to adjourn. John Doten seconded, the motion passed, and the meeting was adjourned at 8:00 P.M.

Attest:

F. Charles Degener III, Clerk