

**MINUTES
BOARD OF CIVIL AUTHORITY (BCA)**

**TAX APPEAL HEARINGS
THURSDAY, AUGUST 11, 2016**

Meeting convened at 7:00 p.m. in the conference room of the Barnet Town Clerk's Office.

Board members present: Chair William Graves, Dylan Ford, Benjamin Heisholt, and Maurice Roberts.

Others present:

- **Listers:** John Cook and Scott Renfrew.
- **Appellants:** Mona Marceau, James Kendall, and Marvin Kendall
- **Others:** James McFaul

1. Tax appeal hearings:

Board members signed member oaths. Listers signed witness oaths.

a. Appellant: Marceau, Allan & Mona

<u>Parcel ID #</u>	<u>E911 Address</u>
0009-02-21.2	884 Barnet Center Road

Mona Marceau appeared as appellant and signed a witness oath.

Chairman Graves reviewed procedures for BCA tax appeal hearings.

Chairman Graves named the Board members present and thereby eligible to participate in a decision in this matter. Mr. Graves then read the appellant's letter of appeal. The letter indicates that the property's assessed value, which was lowered from \$419,600 to \$346,600 as a result of a Listers grievance hearing, is not a fair value taking into consideration the "fair market value."

Appellant's Testimony

Ms. Marceau gave testimony as summarized as follows:

- The property under consideration is a four-bedroom, two-bathroom log house. There are 10.15 acres included with the property, but much of this is unusable, as it is on a steep grade.
- Mr. and Ms. Marceau paid \$240,000 for the property in December 2015.
- Ms. Marceau's mortgage company was given a town assessed value of \$309,000 at some point after the sale of the property and before the Grand List was published as of April 1, 2016. There appears to have been some administrative delay or change due to this property's former combination with the adjoining farm property currently owned by P & G Farm Properties LLC (parcel ID #0009-02-20). Prior to July 2015 the farm parcel and the log house parcel were taxed as a single 247.92-acre parcel owned by TOPO LLC. In July 2015 the farm parcel (237.77 acres) was sold for \$325,000, separating it from TOPO LLC's log house parcel, thus causing it

to be taxed separately. Then, in December 2015, when the log house parcel was sold to the Marceaus, it continued to be under separate ownership, and thus taxed separately.

- Ms. Marceau submitted an independent real estate appraisal performed for Community National Bank. This appraisal valued the property at \$245,000.
- Ms. Marceau indicated that she had reviewed the current Grand List and found that comparable properties are valued at less than her property. She noted that the property owned by Alan and Lorna Fogg is a similar log house on more acreage (13 acres) and is valued at less (\$322,000) than the Marceau property.
- Ms. Marceau stated that the fair market value of the property should be determined by the sales price of the property.

Testimony by Listers

John Cook and Scott Renfrew appeared for the Listers. Their testimony consisted of a review the Listers' cost sheet for the parcel, in which they described how the Listers arrived at their value for the house by determining cost of construction and deducting depreciation. Mr. Cook also reviewed the 2016 grievance hearing for this parcel, including the Listers' site visit following the hearing, and resulting changes to the cost sheet, which decreased the Listers' valuation by \$69,000. These changes were as follows:

- Changed the grade factor for the "other acreage" (the 8.15 acres not consisting of the 2 acre housesite) from 2.0 to 1.0; the Listers believe some this land could be developed. The 2-acre housesite remains at a 2.0 grade; in the Listers estimation it is an excellent lot.
- Changed the square footage of the house from 2,727 to 2,335. This corrects an error caused by the Listers' failure to account for a cathedral ceiling.

The Listers also noted that the subdivision of the farm and log house property caused an increase of the total value of both parcels because smaller parcels are valued at a higher rate per acre.

Discussion

Discussion followed between BCA, Listers, and the appellant, as summarized as follows:

- William Graves asked Ms. Marceau where the differences are between the Listers appraisal and Community National Bank's independent appraisal.
 - Ms. Marceau indicated that she did not know what caused the difference.
- Dylan Ford asked if the Marceaus have made any improvements to the property since they purchased it.
 - Ms. Marceau indicated that they have not made any improvements to the property.
- John Cook indicated that the value that assumed by Ms. Marceau's mortgage company (\$309,000) was never the Lister's value of the property; the mortgage company did not receive this figure from the Listers. The Listers did, however, perform the action of subdividing the parcel in their records.
 - Benjamin Heisholt indicated that often in the case of subdivided parcels a mortgage company may estimate the Town's valuation of the portion of the whole based on the mortgage company's own parsing of the Town's cost sheet.
- Scott Renfrew indicated that the value of the undivided parcel containing both the farm and the log house was valued by the Listers at \$790,800 on July 1, 2015. Mr. Renfrew indicated that the Listers' valuation of the farm parcel as of April 1, 2016 is \$484,400

Committee Appointment

Committee appointed for inspection of property: Dylan Ford, William Graves, and Maurice Roberts. Committee plans to meet on Monday, August 15, 2016 at 4:30 p.m.

b. Appellants:
Kendall, James
Kendall, Jere
Kendall, Marvin
Kendall, Michelle

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address(es)</u>
0025-01-10	Kendall, James & Kendall, Jere	109 Inwood Lane
0025-01-13	Kendall, James	Old Silo Road (land only)
0025-01-25	Kendall, James	8 Cannon Lane
0025-01-37	Kendall, James & Kendall, Jere	57 Cannon Lane
0025-01-39	Kendall, James & Sabo, Michelle	504 US Route 5 North
0025-01-40	Kendall, James	492 US Route 5 North
0025-01-41	Kendall, James	442 US Route 5 North
0001-01-09	Kendall, James & Michelle	172 Demaio Lane
0025-01-26	Kendall, James & Michelle	38 Cannon Lane
0010-01-10	Kendall, James S	900 Comerford Dam Road

James Kendall appeared as appellant and signed a witness oath. James Kendall’s attorney James McFaul also appeared and signed a witness oath. Appellant Marvin Kendall also appeared, but did not sign a witness and did not participate in the hearing.

Chairman Graves reviewed procedures for BCA tax appeal hearings.

Chairman Graves named the Board members present and thereby eligible to participate in a decision in this matter. Mr. Graves then read the appellant’s letter of appeal. The letter states:

“...the Town’s assessed value of several properties significantly exceeds the actual value of the property. Most of these were acquired from older people who had completed few upgrades leaving the properties much the same as they were built nearly 150 years ago. Despite ongoing investment in infrastructure upgrades, the remaining outdated features and condition render them far less desirable than more modern stock in the marketplace. A year ago I asked a realtor to conduct a market analysis for an entirely different purpose but it nonetheless provides a point of reference for the actual market values. The review by the Board of Listers did not adequately address the disparity in value and I wish an opportunity to resolve this matter...”

Testimony by Appellants/Testimony by Listers /Discussion

Mr. Kendall submitted copies of the market analysis referenced in his letter, performed by Maurice Chaloux of Parkway Realty Associates. He also submitted copies of his own analysis of the properties, including historical data about purchase date and cost, improvements made, and current problems. Mr. Kendall, assisted by Attorney James McFaul, then reviewed each of the properties one-by-one, highlighting the data set forth by Mr. Chaloux and himself. The following is a summary of his testimony presented for each property, along with any applicable testimony by the Listers and discussion.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-10	Kendall, James & Kendall, Jere	109 Inwood Lane

This parcel combined for tax purposes with Parcel IDs #0025-01-09 (land only) and #0025-01-11 (75 Inwood Lane).

109 Inwood Lane

Testimony by Appellants:

- Origin: Purchased for \$35,000 in 1984.
- Improvements: Replaced portions of foundation, installed septic system, new roof, new furnace, updated bathroom on second floor, undated laundry room.
- Garage: Built in the 1940s and 1960s. Frame building built in two eras on cement and cement block footing.
- Current monthly rent: \$775.
- Issues:
 - Foundation poor – not weather-tight and very damp.
 - Electrical needs to be updated.
 - Large house with older windows, so hard to heat.
- Maurice Chaloux’s recommendation for market-indicated estimate of value: \$130,000 to \$135,000.
- James Kendall’s estimate of value: \$125,000.

75 Inwood Lane:

Testimony by Appellants:

- Origin: Purchased for \$20,000 in 1997.
- Improvements: Installed septic system and hydro fracked well.
- Garage: Built in the 1970s; under living room addition with poor foundation.
- Current monthly rent: not applicable (vacant).
- Issues:
 - Foundation poor – not weather-tight and addition sinking quickly.
 - Plumbing, heating, and electrical systems all unsafe and need to be replaced.
 - Roof leak – needs to be replaced.
 - Interior in very poor condition. Ceilings, walls, and floors water-damaged.
 - Bathrooms and kitchen need updating and repair.
- Maurice Chaloux’s recommendation for market-indicated estimate of value: \$12,000 to \$17,000.
- James Kendall’s estimate of value: \$10,000.

The Town’s assessed values for the three above-referenced combined parcels is \$227,000.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-13	Kendall, James	Old Silo Road (land only)

Testimony by Appellants:

- Origin: Purchased after interstate complete about 1980.
- Improvements: Constructed fence for use as pasture, built raised roadway in attempt to overcome rising water.
- Terrain: Flat open land bounded by three elevated roads and a steep bank. Very wet.
- Utilities: No potable water, septic or permits.
- Timber: No harvestable timber on this land.
- Structures: No structures or foundations.
- Issues:

- About half the land is under water due to failing municipal drainage.
- About one-quarter the land is inaccessible due to rising pond.
- The remainder of the land has limited or no uses.
- James Kendall's estimate of value: \$750.
- Town's assessed value: 7,400.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-25	Kendall, James	8 Cannon Lane

This parcel combined for tax purposes with Parcel IDs #0025-01-23 and #0025-01-24 (39 Comerford Dam Road).

8 Cannon Lane

Testimony by Appellants:

- Origin: Purchased for \$17,000 in 1978.
- Improvements: Removed dilapidated shed, replaced water line, completely rewired, moved oil tank from outside to basement, new boiler, new chimney tops, completely insulated, updated bathroom, painted three times.
- Garage: Built in the 1920s of scrap lumber sitting on ground; very small.
- Current monthly rent: not applicable (vacant).
- Issues:
 - Foundation poor – not weather-tight. One-quarter stone and brick basement with mud floor; rest is dirt crawlspace with stone perimeter.
 - No well or septic on lot. Septic shared with two other properties.
 - Garage and porch significantly rotten.
 - Entire interior is unimproved 1950s with faded peeling wallpaper and paint.
 - Kitchen is unimproved 1930s.
 - Poor bath with no tub.
 - Exterior in poor condition.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$35,000 to \$40,000.
- James Kendall's estimate of value: \$30,000.

39 Comerford Dam Road

Testimony by Appellants:

- Mr. Kendall did not provide testimony on this property, as he said it was not a part of his appeal.

The Town's assessed value of the three above-referenced combined parcels is \$169,000.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-37	Kendall, James & Kendall, Jere	57 Cannon Lane

Testimony by Appellants:

- Origin: Purchased for \$50,000 in 1995.
- Improvements: Removed piles of trash and debris, foundation under kitchen, new roof, new furnace, new kitchen and bath, rewired and replumbed.
- Shed: Built in the 1940s. Made of scrap lumber sitting on ground. Roof, siding in overall fair condition.
- Current monthly rent: \$700.
- Issues:

- Basement wet every spring and whenever it rains a lot.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$75,000 to \$80,000
- James Kendall's estimate of value: \$80,000.
- Town's assessed value: \$111,800.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-39	Kendall, James & Sabo, Michelle	504 US Route 5 North

Testimony by Appellants:

- Origin: Purchased for \$88,000 in 2004.
- Improvements: Replaced septic tank and pipe, replaced part of foundation, added foundation drain, wiring update, jacking and leveling.
- Current monthly rent: Not applicable (vacant).
- Issues:
 - Basement is very damp/wet. Typically running water present.
 - Major bat infestation in attic.
 - Heating distribution ductwork is inadequate for efficient heating.
 - Needs foundation repair, installation of basement floor/vapor barrier, additional heating and return air ducts, completion of two bathrooms, bat remediation, complete interior taping, repair and painting to be livable.
 - Yard needs to be graded and seeded.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$55,000 to \$60,000.
- James Kendall's estimate of value: \$55,000 to \$60,000.
- Town's assessed value: \$143,200.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-40	Kendall, James	492 US Route 5 North

Testimony by Appellants:

- Origin: Purchased for \$55,000 in 1989.
- Improvements: Partial new roof, new boiler, new barn roof, new porch, and new windows.
- Barn: Very old single sheathed frame building on stone with metal roof on dirt floor. Leaning significantly.
- Current monthly rent: Not applicable (vacant).
- Issues:
 - Bathroom needs to be replaced.
 - Interior renovation needs to be finished.
 - Half of roof is poor and needs to be replaced.
 - Boiler, plumbing and baseboard heaters all frozen and inoperable.
 - Foundation poor and generally stream of water running through basement.
 - Plumbing and heating systems replaced.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$45,000 to \$50,000.
- James Kendall's estimate of value: \$50,000.
- Town's assessed value: \$103,300

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-41	Kendall, James	442 US Route 5 North

Testimony by Appellants:

- Origin: Purchased for \$42,000 in 1990.

- Improvements: Remodeled classrooms into apartments, all new well wiring and equipment, repaired/replaced exterior siding.
- Current monthly rent: Two at \$550 = \$1,100.
- Issues:
 - Roof is extremely poor and needs to be replaced.
 - One fifty-year-old boiler. Requires heat to be included.
 - No bathtubs.
 - Apartment interiors in poor condition.
 - Only one-half basement made of old concrete; the rest dirt crawlspace.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$55,000 to \$60,000.
- James Kendall's estimate of value: \$60,000.
- Town's assessed value: \$118,900.

Discussion:

- Discussion was had regarding the number of kitchens and baths. Scott Renfrew indicated that the Town's assessment may include more than the allowable fixtures for two kitchens and two baths.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0001-01-09	Kendall, James & Michelle	172 Demaio Lane

Testimony by Appellants:

- Origin: Purchased for \$265,000 in 2007.
- Improvements: Began remodeling kitchen and bathroom, added garage door openers.
- Issues:
 - Incomplete kitchen and bathroom remodeling project.
 - Land clear cut and left as wasteland.
 - Freeze damage and rodent damage.
- James Kendall's estimate of value: \$200,000.
- Town's assessed value: \$300,400.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0025-01-26	Kendall, James & Michelle	38 Cannon Lane

Testimony by Appellants:

- Origin: Purchased for \$55,000 in 2004.
- Improvements: Rebuilt garage, cleaned up and graded yard, painted interior and exterior, new chimney top.
- Current monthly rent: \$750.
- Issues:
 - Very small lot.
 - Small house.
 - No room for septic on lot.
 - Roof is more than thirty years old.
 - Kitchen and bath are 1930s style.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$65,000 to \$70,000.
- James Kendall's estimate of value: \$65,000 to \$70,000.
- Town's assessed value: \$117,900.

<u>Parcel ID #</u>	<u>Owner(s)</u>	<u>E911 Address</u>
0010-01-10	Kendall, James S	900 Comerford Dam Road

Testimony by Appellants:

- Origin: Purchased for \$8,000 in 1985.
- Improvements: New perimeter frost wall, new kitchen, new bathroom, installed septic system, installed heating system, some new windows.
- Garage: Unpainted siding over rough sawn frame sitting on dirt with some wood floor. Metal roof, no opener.
- Current monthly rent: \$650.
- Issues:
 - No water source on property. Currently sourced from spring on neighbor's property with no water rights or agreement.
 - Yard unfinished with piles of top soil. Needs to be graded and seeded.
 - Needs more insulation. Is relatively expensive to heat for its size.
 - Crawlspace is wet/damp; needs perimeter drain.
- Maurice Chaloux's recommendation for market-indicated estimate of value: \$60,000 to \$65,000.
- James Kendall's estimate of value: \$55,000 to \$60,000.
- Town's assessed value: \$86,200

Committee Appointment

Committee appointed for inspection of properties: William Graves, Benjamin Heisholt, and Maurice Roberts. Pending approval by the Appellants, committee plans to meet on Thursday, August 25, 2016 at 12:30 p.m. at the Town Clerk's Office; from thence they will proceed to the properties in East Barnet village.

2. Adjournment

Dylan Ford moved to adjourn the meeting. Seconded by Benjamin Heisholt and approved by voice vote.

Meeting adjourned at 9:29 p.m.

A true record.

Attest: _____
Town Clerk