

Lincoln Board of Civil Authority (BCA) DRAFT Minutes
Property Tax Assessment Appeal Hearings
Monday, July 1, 2024 at the Lincoln Town Office
62 Quaker Street, Lincoln, VT

Present: *BCA Members:* Mark Mulqueen, Sally Taylor, Nancy Stevens, Sally Ober, Harry Reynolds. *Lister:* Lisa Truchon. *Appellants*:* Derek Stewart and Valentina Stewart. Later at 7:35 p.m., Ben Shepard and Alan Clark arrived for their hearing, and the Stewarts left.

The first appeal hearing was called to order by BCA Chair, Mark Mulqueen at 7:00 p.m.—all were notified that the hearing was being recorded on Zoom, but nobody appeared to be attending remotely.

1. **Appeal by Derek Stewart**, for a dwelling and 15.7 acres located at 569 Post Road Hill, parcel ID# 15040134.000, and Town assessed value of \$447,500.
2. All BCA members took their hearing oath verbally and signed it.
3. Listers and Appellants took their oath and signed it.
4. The Appellants indicated that they had received a copy of the rules of procedure and did not have any questions.
5. Sally Ober submitted Derek Stewart's appeal letter received on June 12, 2024, as evidence **EXHIBIT 1 (1 page)** for the Stewart hearing.
6. Mr. Stewart was asked to present his case. He submitted **21 pages** of information from an appraisal report prepared by Benton Real Estate Appraisers, dated May 28, 2024. Mr. Stewart indicated that this was not all pages of the report, just ones he selected to submit to us. This was entered into evidence as **EXHIBIT 2**.
7. Mr. Stewart stated that he believes the value of his property is \$425,000. The reasons he gave for this are:
 - a. The assessors never came inside his house and certain issues were not addressed in their valuation.
 - b. The chimney leaks and is not usable. It has caused water damage inside the house.
 - c. Condition of the deck.
 - d. Entryway under the deck is rotted.
8. William Benton, Appraiser, was not present to explain his appraisal of the Stewart property, but his report shows an estimated market value of \$425,000 for the property as of May 20, 2024.
9. Questions and comments from Lister: The Benton appraisal report shows comparables located in Starksboro and Goshen. There are none in Lincoln. Real estate values are very local by town.
10. Mr. Stewart said his house was built in 1969.
11. Dates of appellant's comparable sales were pointed out on the Benton report about 8 lines down in the chart on page 3.
12. Listers confirmed that they did not go inside the dwelling, and they normally would not unless they were invited by the owner to do so.

13. Lister, Lisa Truchon, gave testimony to support the value of \$447,500. She gave an explanation of comparables and submitted **11 pages** of evidence showing cost sheets for both the subject property and for the comparables as **EXHIBIT 3**. Included in this was a Comparables Report showing adjustments for each of the comparable properties' attributes in relation to the subject property.
14. Mr. Stewart had no questions for the Listers.
15. An inspection committee was appointed: Sally Taylor, Mark Mulqueen, Harry Reynolds, Nancy Stevens, and Sally Ober. Mr. Stewart expressed objection to having many people entering his house but Sally Ober explained that it is the best way for BCA members to evaluate the merits of this case, by seeing the property themselves. In case anyone has to drop out, all BCA members present were appointed.
16. The site inspection will be Monday, July 8, 2024 at 1:00 p.m. and the appellants agreed to this.
17. The hearing will reconvene on July 18, 2024 at 6:00 p.m. at the Lincoln Town Office to hear the site inspection report and to conclude the evidentiary portion of the hearing.
18. The Stewart hearing recessed at 7:35 p.m.

*Derek and Valentina Stewart left the meeting room at the conclusion of their hearing, and Ben Shepard and Alan Clark entered for the Brookside Resort, LLC hearing.

Appeal by the owners of Brookside Resort, LLC, for a camp and 4.3 acres located at 91 Masterson Road, parcel ID# 35100235.000, and Town assessed value of \$167,400.

19. Hearing was called to order at 7:41 p.m. by Chair, Mark Mulqueen.
20. Oaths were administered to Appellants, Alan Clark and Ben Shepard, owners of Brookside Resort, LLC. It was pointed out that the BCA members already took their oaths earlier at the first hearing, and Appellants were told that the hearing was being recorded.
21. The Appellants indicated that they had received a copy of the rules of procedure and did not have any questions.
22. The appeal letter from Brookside Resort, LLC, (1 page) received from Alan Clark on June 16, 2024 via email was entered as **EXHIBIT 1**.
23. Alan Clark gave testimony and submitted 2 pages of arguments and comparables as **EXHIBIT 2**. Arguments include:
 - a. There is no floor covering, just painted plywood.
 - b. Heating is a homemade woodstove, not a space heater.
 - c. In 2010 the energy adjustment was below average but now it is average and nothing was done to improve it.
 - d. In 2010 the land grade was 0.50 and now it is 0.70, but no changes have been made to the land. They feel the \$21,500 per acre value is too high for land that is located in the flood plain and is very wet.
 - e. Three comparable properties of raw land in Lincoln were presented as evidence with land values of \$5,061, \$8,234, and \$1,974 per acre calculated by the appellants.
24. Lister, Lisa Truchon, responded to the appellant's testimony.

- a. Lisa explained that the entire building is being assessed as a camp, not as a year-round primary residence. "Camp" designation assumes that the floor covering would not be plush carpeting, so painted plywood is not unexpected in a camp.
 - b. The heating and cooling designation of "space heater" for assessment purposes is essentially the same as a woodstove, kerosene heater, or other stand-alone heater that is not a central furnace or boiler. Therefore it wouldn't change the valuation by calling it a woodstove instead of a space heater.
 - c. Lisa explained that the purpose of a town-wide reappraisal is to make sure data is correct and equitable with other properties in town. All assessments begin with an assumption that the land and building are rated "average", and then any deficiencies or qualities above that standard are applied.
 - d. Lisa pointed out that the land prices per acre for the comparables offered by Brookside owners as evidence, depend on a number of factors including how big the total property is, whether or not some of the land is located in a different town, whether it is preserved in conservation, is it a buildable lot, are there designated wetlands, etc.? Without the cost sheet details, it is hard to judge these comparables against each other. The appellants did not submit cost sheets with their evidence.
 - e. It was clarified that on the second page of EXHIBIT 2, the appellants believe their property value should be \$125,000. Sally Ober said her copy was not legible, and she marked it so it could be read more clearly.
25. Lisa Truchon gave her testimony for the Listers. She submitted a summary of her arguments along with cost sheets for the subject property and two comparables as **EXHIBIT 3 (5 pages)**. Here are the Lister's arguments:
- a. There are not enough recent sales of camps in Lincoln to use the sales approach to value, so this property value was estimated using the cost approach.
 - b. Cost tables for camps are different than for single-family dwellings, so rough camps are not valued on the same basis as finished homes. On the cost sheet for Brookside Resort, LLC, Lisa showed that they are using the camp cost tables for various attributes of their building. (See EXHIBIT 3, top right section of page 3)
 - c. The cost analysis for Brookside Resort addresses physical site limitations of being wet and in the FEMA flood plain by applying a land grade multiplier of 0.70.
 - d. Lisa presented two comparable properties in Lincoln to show other land grade examples. Both of these comparable properties have land grades of 0.60, because they have to be accessed across a bridge, which cannot support a car. Brookside can be accessed in a regular vehicle, so it has a land grade of 0.70, which also accounts for land criteria such as location, moisture, slope, and views.
 - e. The assessment for Brookside addresses both physical (44 percent) and functional depreciation (10 percent).
 - f. The energy adjustment of "average" is reflective of the task to assess all properties on standards for today, not what was considered the standard in 2010 for our previous town-wide reappraisal.
26. Questions and comments from the BCA and appellants:

- a. Assessing for views seems subjective. Lisa explained that market values in some areas of town draw higher prices than others. Our village center and West Hill Road, for example, have above 1.0 land grades, even if nothing has been done to improve the land since 2010. It is because the market shows these locations are more valuable than other areas of town.
 - b. It was pointed out that the Listers' assessment for Brookside separates out the two-acre housesite which is valued at \$87,500 and the 2.30 other acres valued at \$5,000, for a total of \$92,500. These values are shown on the cost sheet in EXHIBIT 3, on page 3. It is difficult to compare these to the evidence given by the appellants, without the cost sheets for their proposed comparables.
27. A site committee was appointed to include all BCA members present. The site visit for this property was scheduled for Monday, July 8, 2024 at 2:00 p.m. Appellants agreed that this was a good time.
28. Hearing recessed at 8:22 p.m. and it will reconvene on July 18, 2024 at 6:30 p.m. at the Lincoln Town Office, to hear the site committee report and closing arguments.

Minutes respectfully submitted by Sally Ober, Lincoln Town Clerk.