

To: Town of Fayston, Board of Civil Authority

From: BCA Inspection Committee

6 July, 2017 (four pages)

Report of Site Visit Committee to properties of

Alan Menard at 10:30,

Allan Spector at 11:00,

Brian Shea at 11:30 a.m.

Committee was Selectman Jared Cadwell, and Justices of the Peace Tom Bisbee and Rick Rayfield

1. **Alan Menard, residence at 269 Randell Road 1 ¼ acres, owned ¼ and house since 1967, added one acre around 2010 from a neighbor, bordering Shephard Brook which recently overflowed again, flooding his lawn and house.**

Parcel # 03-042

As we arrived the lawn-mower/trimmer team was just leaving. Alan walked us around the yard. He did not invite us inside. The property is well maintained and attractive in its setting on the bank of Shepard Brook. It includes house, large garage, Kohler back-up generator, and serious professional attempts at controlling the riverbank with embankments of large boulders. Alan bought the property in 1967 as a quarter acre lot, to which he added an acre about ten years ago. It has been his primary residence, except for about a decade living in Florida.

In his letter and at his hearing, Alan had no dispute with the Lister's valuation. He asked if the Listers were competent and had any training. The qualifications of the Listers and the method used to determine assessed value was explained to him. He had no quarrel with the listing. He only said his tax bill is too high and he cannot afford it. The required inspection was therefore somewhat unfocused. We did not tour the interior of the house or compare the property's features to the Lister's record, as nothing was disputed.

2. **Allan Spector, undeveloped lot on Farm Rd, 2 acres.** Mr. Spector appealed the valuation of his undeveloped lot. His residence is on Stagecoach Road above and adjacent to this lot. The lot is in trust to him, so this lot and his residence have not been combined.

Parcel #06-089

SPAN 222-072-10960

We looked at the lot, which is unmarked, and has access by right of way, as best we could from Farm Rd. We noted the neighborhood, with well-maintained homes, near the recreational, educational, and business areas of the Valley, and many spectacular views of the mountain ridge to the west. The lot is wooded enough that Mr. Spector's residence above it is not visible from Farm Road. We did not investigate anything related to the claim that there was no possible septic site on the lot.

We then viewed the lot from Mr. Spector's residence, which looks down on the lot from Stagecoach Road and protects his views to the west of the ski areas and ridge. Extensive landscaping is evident to protect damage during severe rainstorms. Mr. Spector pointed out that having his house looming over the lot under question would make it unappealing to someone contemplating building a home there. The lot is currently landscaped for storm water control and mowed to be appear part of the Spector residence.

Mr. Spector spoke at the BCA meeting of various comparables in a forthcoming appraisal. None are nearby, and the Site committee was not charged with visiting them.

We noted that despite the 1-2 acre lot sizes in Fayston Farms, they have been laid out and developed intelligently so that privacy and views are largely respected and enhanced. Mr. Spector's 2 acre lot did not appear out of character with the Fayston Farms lots nearby.

3. **Brian Shea, 4.3 acres with 500 plus feet frontage on German Flats Road**, purchased in December 2016 for \$76,500 which he says set market price and assessment valuation. Parcel #14-041-003

SPAN 222-072-11270

June 16 letter, appealing Lister's decision of June 5, 2017 keeping assessment at \$105,600

Mr. Shea's letter claims the valuation is not consistent with similar sales. He rests his case on the purchase price of the lot in Dec 2016. At the BCA hearing, Mr. Shea added his contention that the grading of property is highly subjective.

The lot is located about two miles up German Flats from Rte. 17, just past Raspberry Lane (on the left), on the right (west) side. The drive is marked White Pine Private Lodge and serves Mr. Shea's lot and the house further up the shared drive. Mr. Shea's lot is fully wooded with mostly young trees.

Mr. Shea met us there with reduced copies of the lot survey we had brought from Town records to show the position of the 4.3 acres. He also provided copies of page 5 from the "*Handbook on Property Tax Assessment Appeals*" from the Secretary of State and asked it be entered into the record. This is the 2009 revision. The full 47 page handbook- with which the BCA is familiar and can be consulted for context- is found at https://www.sec.state.vt.us/media/258674/tax_appeal_handbook_2007.pdf

Mr. Shea had yellow-highlighted a section under **C. Determining Listed Value 1. What is the Fair Market Value of the property:**

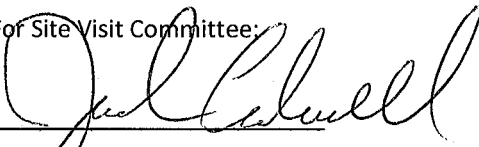
b. Market Data Approach (Sales Comparison Approach) to Value. The best evidence of the market value of a property is the price paid for it in a bona fide sale. Royal Parke Corp. v Town of Essex, 145 Vt. 376 (1985). The Vermont Supreme Court upheld a summary judgment issued in favor of the taxpayer where taxpayer offered evidence of an actual sale price pursuant to a contract signed within days of the listing date, and the town offered no specific evidence that under the circumstances of the sale, the sale price was an inadequate indication of fair market value.

The BCA had already received from the Listers their defense of the property valuation, as well as their analysis of comparable property sales and listing prices. Mr. Shea's property is assessed close to its real estate listing price. When a low offer was made, Mr. Shea stepped in with an offer that was accepted. He bought the lot through his own real estate firm at about a 25% discount with relaxed brokerage fee, an apparent below-market price. In any case, unlike the case cited above in the *Handbook*, it is clear that the Town did in fact provide "*specific evidence that under the circumstances of the sale, the sale price was an inadequate indication of fair market value.*"

We walked into the lot, which is clearly staked, where Mr. Shea showed us the only reasonable house site, the high area of the lot, and noted that the land fell away from it and is very wet. He indicated the perched septic field location, clearing to the east of the

house site. When the trees are cleared, this house site will have lovely views to the east and south. The location is minutes from Sugarbush ski areas and village, tennis courts, sports centers (SHARC and Bridges) the golf course, and Fayston School make it a prime location, as noted in the Listers' eight comparables, their neighborhood rating, and their assessment.

For Site Visit Committee:



Jared Cadwell