

**BOARD OF CIVIL AUTHORITY MEETING MINUTES
RANDOLPH TOWN HALL
SEPTEMBER 21, 2016
6:00 P.M.
CONFERENCE ROOM B**

Board Members Present: Joyce Mazzucco, Mike Ross, Ruth Lutz, Jessamyn West, Martha Lawrence, George Phillips, Richard Burstein, Jack Cowdrey and Tom Harty

Others Present: Lisa Preston, Lister; Ed Luce, Lister; Pat French, Lister; and Linda LaBrie

1. Call to order.

The Board of Civil Authority meeting was called to order at 6:02 p.m. by Board Chair Richard Burstein.

2. Public Comment.

There was no public comment.

3. Approve the agenda.

George Phillips made a motion to approve the agenda as presented. Jessamyn West seconded the motion. A voice vote was taken and the motion carried by unanimous vote. The agenda was approved.

4. To hear the property tax assessment appeal of Michael Bilodeau properties located as follows:

- a. **54 Greene Hill Drive, Parcel #104000-030, SPAN #507-159-12163**
- b. **58 Greene Hill Drive, Parcel #104000-040, SPAN #507-159-12164**
- c. **64 Greene Hill Drive, Parcel #104000-050, SPAN #507-159-12165**
- d. **87 Greene Hill Drive, Parcel #104000-060, SPAN #507-159-12166**
- e. **116 Greene Hill Drive, Parcel #104000-0090, SPAN #507-159-1269**
- f. **138 Greene Hill Drive, Parcel #104000-110, SPAN #507-159-12171**
- g. **Mobile Home Lots Property, Parcel #104000-000, SPAN #12161**

Town Clerk Joyce Mazzucco told the Board that Linda LaBrie, Michael Bilodeau's property manager, was delayed by a traffic accident and would be at the meeting by about 6:15 p.m. Ms. LaBrie arrived at 6:10 p.m. Before hearing the tax assessment appeal, Ms. Mazzucco administered the following oath to Tom Harty: "I solemnly swear (or affirm) that I will well and truly hear and determine all matters at issue between taxpayers and listers submitted for my decision. So help me God (or under the pains and penalties of perjury)". Ms. Mazzucco then administered the following oath to everyone who would be presenting testimony: "Do you solemnly swear (or affirm) that the evidence you shall give relative to the cause now under consideration shall be the whole truth and nothing but the truth so help you God (or under the pains and penalties of perjury)?"

Mr. Burstein described the tax assessment appeal under consideration at this hearing. He asked if all the Board members had a copy of the appeal letter. This letter was entered into evidence and labeled as "Exhibit #1". Mr. Burstein asked Ms. LaBrie to present evidence and testimony on behalf of Mr. Bilodeau. Ms. LaBrie told the Board that Mr. Bilodeau was unable to attend the hearing but asked that she represent him. She presented the Board with a

document which had Mr. and Mrs. Bilodeau's signed authorization appointing Ms. LaBrie as their representative at this hearing. The document also included a copy of the original appeal letter and this document was labeled as "Exhibit 1A". Ms. LaBrie told the Board the main area of disagreement between Mr. Bilodeau and the Listers is the amount of depreciation used. Included with Mr. Bilodeau's appeal letter was a copy of an IRS depreciation schedule for mobile homes. Ms. LaBrie referred to this schedule as she described each of the mobile homes under appeal, the age of each of these mobile homes and their condition. According to Ms. LaBrie, if a mobile home is 15-20 years old you would not be able to obtain a bank loan to finance any repairs. Ms. LaBrie told the Board she has 35 years experience buying and selling mobile homes and running a mobile home park. Many of the older mobile homes do not meet today's construction standards.

The mobile home located at 54 Greene Hill Drive is 15 years old and is an average quality home. The mobile was purchased by Mr. Bilodeau for \$2,000. Ms. Labrie stated the value should be \$24,000, using the IRS depreciation table (which is used for tax purposes) for mobile homes, and not the \$25,200 that the Town has it valued at. This mobile home should be considered 68% good. No major repairs have been made to this mobile home.

The mobile home located at 58 Greene Hill Drive is 29 years old. It has outlived its useful life. Based on the depreciation table, this mobile home should be considered 30% good and should be valued at \$8,001. The Town has this mobile home valued at \$15,800. Mr. Bilodeau purchased this mobile home for \$8,000 and considers it to be an arm's length transaction.

The mobile home located at 64 Greene Hill Drive is 19 years old. Using the IRS depreciation table, this mobile home should be considered 57% good and should be valued at \$20,053. Mr. Bilodeau purchased the mobile home for \$3,000 and did install new carpet in the bedroom. The Town has this mobile home valued at \$22,500.

The mobile home located at 87 Greene Hill Drive is 16 years old. Mr. Bilodeau purchased this mobile home for \$8,000. He did replace the roof at a cost of \$3,000. The depreciation for this mobile home indicates it should be considered 66% good and the value should be \$41,205.

The mobile home located at 116 Green Hill Drive is 35 years old and has outlived its useful life. The value on this mobile home should be \$9,588 and not the \$19,800 value the Town has it valued at.

The mobile home located at 138 Green Hill Drive is 10 years old. It is a Titan mobile home and the Town has it rated as a good quality but Ms. LaBrie believes the quality should be average. The depreciation for this mobile home should be considered 80% good and should be valued at \$55,800 and not at \$56,100 as the Town has it valued. Mr. Bilodeau purchased this mobile home for \$25,000.

The mobile home park land is valued at \$252,500 by the Town and the lot values are \$18,036 per lot. Ms. LaBrie stated she believes this value is not supported by comparable sales data. She cited information from the recent sale of Cowdrey's Mobile Home Park in Randolph and Eaton's Mobile Home Park in Royaltown as supporting information. She stated that the value of the land should be \$158,494. The subject property has private water and septic. Private water systems still need to meet the same water quality standards that municipal water systems must meet, and this is very expensive and has a negative impact on

the property. Ms. LaBrie told the Board she thought the availability of municipal water and sewer to a mobile home park may increase the value of the property. Mr. Bilodeau purchased the mobile home park and one mobile home for \$220,000. Ms. LaBrie told the Board that she thought Mr. Bilodeau overpaid for the park.

There was a discussion about the information presented by Ms. LaBrie. The following individuals participated in the discussion: Richard Burstein, Linda LaBrie, George Phillips, Jessamyn West, Tom Harty, Ruth Lutz and Pat French. The discussion covered the following: the depreciation schedule and what it is used for; lot rents and how many mobile homes in the park are not owned by Mr. Bilodeau; and cost/income.

When Ms. LaBrie finished her presentation, Mr. Burstein turned the hearing over to Pat French, representing the Listers in this appeal. Mr. French told the Board that the lot values for each site at the time of reappraisal was \$17,500. When Mr. Bilodeau purchased the mobile home park he asked the Listers to reassess the property. The Listers inspected the property and did make some adjustments because some of the mobile homes and the park were below average. Mr. French submitted a sheet entitled “Randolph Mobile Home Depreciation and Quality Guidelines” into evidence and this was labeled as “Exhibit A”. This depreciation schedule was developed during the 2006 reappraisal and was used to determine value for all mobile homes in the Town of Randolph. It is a starting point. Some adjustments made to value are subjective. The following items were submitted into evidence by Mr. French and labeled as follows:

- Exhibit B: Microsolve CAMA Itemized Property Costs for 54 Greene Hill Drive
- Exhibit C: Microsolve CAMA Itemized Property Costs for 58 Greene Hill Drive
- Exhibit D: Microsolve CAMA Itemized Property Costs for 64 Greene Hill Drive
- Exhibit E: Microsolve CAMA Itemized Property Costs for 87 Greene Hill Drive
- Exhibit F: Microsolve CAMA Itemized Property Costs for 116 Greene Hill Drive
- Exhibit G: Microsolve CAMA Itemized Property Costs for 138 Greene Hill Drive
- Exhibit H: Microsolve CAMA Itemized Property Costs for the mobile home park, dated 09/21/2016
- Exhibit I: Microsolve CAMA Itemized Property Costs for the mobile home park, dated 08/17/2016, with site tax map and lot site map
- Exhibit J: Microsolve CAMA Itemized Property Costs for the mobile home park, dated 05/03/2015
- Exhibit K: Comparable Sales Information

Mr. French discussed the information provided in these exhibits and contrasted them with the information provided by Ms. LaBrie. He stated that it is not unusual for assessed values to vary by 5 to 10 percent.

The mobile home located at 54 Greene Hill Drive (Exhibit B) is 15 years old, and the Listers allowed for more depreciation than the depreciation schedule indicated—gave it 30% for depreciation rather than as the depreciation schedule indicates it should be at 26%. The Town has the value set at \$25,200 which is \$1,200 higher than the value Mr. Bilodeau is seeking.

The 58 Greene Hill Drive mobile home (Exhibit C) is 29 years old. Mr. French stated that the Town has it valued at \$15,800 and Mr. Bilodeau believes the value should

be \$8,001. He told the Board that the Listers might suggest a different value after the Inspection Committee inspects the mobile home.

The mobile home located at 64 Greene Hill Drive is 19 years old (Exhibit D). The Listers show the depreciation at 36% while the depreciation schedule indicates 34% depreciation should be used. The value for the property is controlled by the depreciation. The Listers show the effective age for this mobile home to be at 5 years. This is a mislabeling which does not affect the value. The Town has set the value at \$22,500 and Mr. Bilodeau is seeking a value of \$20,053.

The mobile home located at 87 Greene Hill Drive is 16 years old (Exhibit E). The Listers have the depreciation set at 30% while the depreciation schedule indicates the depreciation should be set at 28%. The Town has the value set at \$43,700 and Mr. Bilodeau is seeking a value of \$41,205.

The mobile home located at 116 Greene Hill Drive was purchased by Mr. Bilodeau along with the mobile home park. Mr. French told the Board that the transfer of the mobile was recorded after the mobile home park. Ms. LaBrie indicated that it was part of the original purchase agreement for the mobile home park that Mr. Bilodeau purchase this mobile as well. This is the mobile home that was owned by Anna Greene the former owner of the mobile home park. It is an older mobile home which is in good condition. The Listers show the depreciation at 56%. The Town has set the value at \$19,800 and Mr. Bilodeau is seeking a value of \$9,588.

The mobile home located at 138 Greene Hill Drive (Exhibit G) is 10 years old. It is in good condition and is of good quality. The Listers show a depreciation value of 20% while the depreciation schedule indicates the depreciation should be set at 16%. The Town has the value set at \$56,100 and Mr. Bilodeau is seeking a value of \$55,800.

The mobile home park itself is described as 10.1 acres located off of Vermont Route 12 (Exhibit H). This is the former Anderson's trailer park. Lots 1 and 2 were previously sold off and the remaining parcel is 10.1 acres (Exhibit I). Mr. French told the Board the Listers had lowered the assessment last year (Exhibit J) to give Mr. Bilodeau time to make some repairs and upgrades at the mobile home park. The adjustments made to the assessment value were based on information Mr. Bilodeau provided to the Listers. The Listers have set the value at \$252,500 and Mr. Bilodeau is seeking a value of \$158,494. Mr. French told the Board the Listers sought assistance from Larry Martin, a state certified appraiser who performs a variety of appraisals around the state, including mobile home parks, for information on comparable sales. Exhibit K provides information on five (5) different mobile home park sales (Homestead Trailer Park in Swanton, Greene's Mobile Home Park in Randolph, East Barre Mobile Home Park in Barre Town, Pleasant View Mobile Home Park in Barre Town and Roy's Mobile Home Park in Swanton). Mr. French went over the information on each sale. The first comparable was the Homestead Trailer Park sale which shows a sale price per lot at \$24,000. This property has an onsite well and septic. Mr. French did not think that having private water and septic adversely affected the value. The property is larger (49.53 acres and 30 sites) than the subject property (10.1 acres and 14 sites). The next comparable was the Greene's Mobile Home Park sale (purchased by Mr. Bilodeau) which shows a sale price per lot at \$14,286. The next comparable was the East Barre Mobile Home Park (purchased by Yves and Lisa Cotnoir—they also purchased Cowdrey's Trailer Park)

which has municipal water and sewer and shows a per lot sales price of \$17,714. This property is smaller than the subject property (7 acres and 7 sites). The next comparable was the Pleasant View Mobile Home Park sale (sold to Yves and Lisa Cotnoir) which shows a per lot sale price of \$21,905. This property has municipal water and sewer, is 5.61 acres in size and has 21 sites. The last comparable was the Roy's Mobile Home Park sale which shows a per lot sale price of \$24,516. This property is 6.53 acres and has 31 sites.

There was a discussion and the following individuals participated: Richard Burstein, Ed Luce, Jessamyn West, Pat French, George Phillips, Lisa Preston, Tom Harty, Linda LaBrie, Joyce Mazzucco, and Jack Cowdrey. The discussion touched on the improvements made at the subject property, the affect of having municipal water and sewer vs. private water and sewer on property value, the Eaton's Mobile Home Park sale and the problems with that sale, the Cowdrey sale, the lot rents and how often are they raised (only raised once a year and State sets the percentage increase for lot rents only), allowance to recover capital improvements over 5 years, and whether or not the current lots on the subject property have slabs and frost wall. Most of the sites at the subject property do not have slabs. Federal and state regulations require that slabs be installed on any new mobile homes. This is not required for older mobile homes.

There was no further evidence presented. Mr. Burstein closed the evidence. An Inspection Committee was appointed and the following Board members volunteered to serve on the committee: Tom Harty, George Phillips and Martha Lawrence. The date and time for the site inspection will be determined. The Board will meet on October 19, 2016 at 5:30 p.m. to hear the Inspection Committee Report and complete this appeal.

5. **Other Business.**

Town Clerk Joyce Mazzucco reported that she had not heard back from Mr. Simendinger regarding having the appraiser who completed the appraisal submitted into evidence attend a meeting so the Board could ask questions. Ms. Mazzucco will contact Mr. Simendinger.

6. **Recess Hearing.**

Jessamyn West made a motion to recess this hearing to Thursday, September 21, 2016 at 6:00 p.m. Martha Lawrence seconded the motion. The meeting recessed at 7:36 p.m.

Attest: _____
Joyce L. Mazzucco, Town Clerk