



Knox County Board of Assessment Review

A meeting of the Knox County Board of Assessment Review took place on Friday, April 25, 2014 at 10:00 a.m. in the Knox County Commission Hearing Room.

Board members in attendance: Lauren Hall Kenniston, John Flood, Marian Robinson, and Martin Cates.

Board members absent: Wes Robinson (*Jim Murphy and Tammy Brown were in attendance but representing the Town*).

County Administrative office staff in attendance: Administrative Assistant Candice Richards serving as recording secretary.

Others in attendance: Hugh D. S. Greenway and Joy Greenway, Taxpayers; Christiane Hallowell, Chair of the North Haven Board of Assessors; Tammy Brown, Assessors' Agent for the Town of North Haven; Paul Gibbons, Esq., Attorney for the Town of North Haven; Jim Murphy, Jr., witness for the Town of North Haven.

AGENDA

Friday – April 25, 2014 – 10:00 a.m.

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| I. | 11:00 | Meeting Called To Order |
| II. | 11:01 | Opening Remarks by Board Chair |
| III. | 11:05 | Hearing |
| | | 1. Appellant |
| | | 2. Town of North Haven |
| IV. | 12:00 | Board Deliberation & Vote |
| V. | | Other Business |
| VI. | | Adjourn |

I. Meeting called to order

Chair Marian Robinson called the meeting to order at 9:56 a.m.

II. Opening Remarks by Chair

III. Hearing

Ms. Robinson noted that the abatement request of \$606,200 is 40.2% of the assessment as committed.

Appellant's Evidence

The taxpayer requested an abatement based on the following information for the 2013 tax year:

Current Assessed Valuation	Land	\$1,286,600
	Building	\$219,600
	Total	\$1,506,200

Owner’s Opinion of Current Valuation	Land	\$680,400
	Building	\$219,600
	Total	\$900,000

Abatement Requested	\$606,200
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- Martin Cates motioned that the appellant has standing for this appeal by virtue of his ownership of this property and that his appeal was timely filed. John Flood seconded the motion. A vote was taken with all in favor.

Mr. Greenway quoted Attorney Gibbons statement on page 7 the Town’s Exhibit #2 – BRIEF: “This taxpayer failed miserably to meet his high burden of proof.” Mr. Greenway admitted to his lack of knowledge and felt that taxpayers are at a disadvantage because they don’t know the vocabulary and procedures. He said that even if his estimation of the value of the property is too low, that doesn’t automatically mean the Town’s assessment isn’t too high.

Mr. Greenway directed the Board to look at page 4 in the Town’s book of exhibits, in the next to last paragraph of a letter from Christie Hallowell to him dated 9/26/11. He quoted: “*Two properties on the Mill Stream have sold in recent years which, we believe, confirm the validity of your current assessment.*” He wanted to know, if that’s the case, then why doesn’t the sale of a property right next to his count as worth taking into consideration? He said that the sale of the neighboring property didn’t do anything to lower the valuation of his property at all, but that it should have.

Mr. Greenway quoted from a letter dated 1/23/14 on page 70 in the Town’s Exhibits: “*Assessors are not obliged to follow the fleeting, speculative fancy of the moment...assessors in listing values may, to a certain extent, disregard the excesses of a boom, as well as the despair of a depression.*” He stated that the Great Depression and the crash of the market in 2008 are in the past and do not have relevance to his request for an abatement.

Mr. Greenway noted that Attorney Gibbons’ documentation states that the Aldrich/Rozhon property has no shoreline property. Mr. Greenway said he disagreed and that it does. He said that the property owners are making a little dock down there. He said it was true that it’s mostly low tide, but on the Mill Pond, they have attractive shore front. He said that his property is twice the size of the property next door but if the cost per acre goes down on the other property, it should have some effect on his own acreage. He said that he believed this case should be about fairness and not his inadequacies. He added, however, that he found the Town of North Haven, and especially Tammy Brown, very helpful and considerate.

Ms. Robinson asked Mr. Greenway if he felt that his property was described correctly in the property card. Mr. Greenway said that he didn’t know. He said he thought the Town would have information on the wetlands and that he hadn’t realized that he would need a drawing. Ms. Robinson suggested to Mr. Greenway that he get that to the Town as soon as possible.

1. In support of the taxpayer’s position, he submitted the following documents:

- Exhibit 1: Cover letter addressed to the Board of Assessment Review dated 2/18/14
- Exhibit 2: Application for Abatement to the Board of Assessment Review dated 2/18/14
- Exhibit 3: Letter of denial from the Town of North Haven to Mr. Greenway dated 1/23/14
- Exhibit 4: Application for Abatement to Town of North Haven dated 12/9/13
- Exhibit 5: Letter to Mr. Greenway from North Haven Assessors’ Agent Tammy Brown with five pages of valuation information for the two properties owned by John W. Aldrich and Tracie Rozhon, dated 2/4/14, that Mr. Greenway had requested

2. In support of the taxpayer's position, he offered the testimony from the following witnesses:
The taxpayer, Hugh D. S. Greenway and Joy Greenway, were the only persons present for their party. They did not offer any other witnesses.
3. Overvaluation:
In this appeal, one of the taxpayer's concerns and arguments focused on his belief that the judgment of the Assessor was irrational or so unreasonable in light of the circumstances that the property was substantially overvalued. The evidence of overvaluation the taxpayer presented was primarily based on the taxpayer's belief that because the sale of the property located at 165 Middle Road (Map 20 Lot 6), along with Lot 12, on November 21, 2012 was for about half of what the Town had the two lots assessed for (they were assessed at \$735,000 together but sold for \$350,000), and had remained on the market for so long at such a low price, the taxpayer believed that 165 Middle Road and Lot 12 was substantially overvalued, and that therefore caused his belief that his *own* property at 38 Dam Road was substantially overvalued, as well as all of the other properties at the head of Pulpit Harbor.

Town's Evidence

Town Attorney Paul Gibbons noted that the property the appellant is using as his evidence is unique in that the owners bought two pieces of property at the same time for once price.

Assessors' Agent Tammy Brown stated that Mr. Greenway's property is on the Mill Pond. She said that means it's a total different pricing schedule on North Haven because the area doesn't have open waterfront for boating, etc. Mr. Greenway's property abuts the town's water supply. She noted that the size of the Aldrich/Rozhon property is 17.5 acres and Mr. Greenway's is 34.5 acres, which is a huge difference. The buildings on the properties are extremely different too and aren't comparable at all. The shore frontage for both properties are assessed differently. Part of the Aldrich/Rozhon's assessment is reduced because it's so close to the water supply and there's a very strict ordinance around that area. Ms. Brown noted that page 56 of the Town's book of exhibits is a chart of a sales ratio study for a few years. She said that you can't just do one year because there's not enough sales in one year on North Haven.

Attorney Gibbons said that he had Jim Murphy look at North Haven's assessing standards and asked Mr. Murphy if he could speak to that.

Mr. Murphy stated that the Town had asked him to look at their assessing standards a couple of months ago. He said that assessing is very different on North Haven because of the lack of sales, which is why the sales chart goes back several years. Most towns have multiple sales each year to be able to look at, but North Haven doesn't have that ability because there just aren't enough sales in one year.

Attorney Gibbons stated that the burden of proof is in the hands of the taxpayer. He said that the taxpayer should have brought the Board an appraisal of the property. He added that the taxpayer didn't do any calculations to justify the abatement request or meet his burden of proof.

Mr. Greenway commented that the other property *does* have water access. Ms. Brown responded that it does and the owners get the same discount for that, but noted that it would be very difficult for them to use the access because it's low tide there most of the day.

John Flood asked if Mr. Greenway has to cross over the Aldrich property to get to his own. He asked if Mr. Greenway had a right-of-way. Ms. Brown replied that the right-of-way does cross a small piece of the Aldrich/Rozhon property. Mr. Greenway added that the right-of-way was inherited when he bought the property.

Martin Cates asked for an idea of how big or deep Mill Pond is. Ms. Brown replied that Mr. Greenway has 18 feet along Mill Pond. Mill Pond is maybe about a quarter of the size of the fresh water pond the Town uses for drinking water. She noted that there are people that use the Mill Pond for recreation like kayaking, canoeing, swimming, etc.

Mr. Flood asked if the sales assessment chart includes all of the Town's sales during that time frame or if the Town picked which ones to put in. Ms. Brown stated that all of the sales were used and that she wouldn't pick and choose.

Ms. Robinson asked what the Town's base ratio, certified ratio and quality rating were. Ms. Brown said that the certified ratio is 89%, the quality rating is 22, and the base ratio of the state was 82%.

1. The Attorney for the Town of North Haven submitted as evidence the following documents:

- Exhibit 1: Cover Letter to Board of Assessment Review from Attorney Paul Gibbons dated 4/11/14
- Exhibit 2: Document entitled "BRIEF" prepared by Attorney Paul Gibbons
- Exhibit 3: Copy of a cover letter and report written by Certified Maine Assessor James H. Murphy, Jr. for Attorney Paul Gibbons describing Mr. Murphy's practices concerning municipal tax assessing services.
- Exhibit 4: A bound set of 23 exhibits as prepared by Attorney Paul Gibbons.

2. The Assessors' Agent offered the testimony from the following witnesses:

North Haven Attorney Paul L. Gibbons, North Haven Board of Assessors Chair Christiane Hallowell, North Haven Assessors' Agent Tammy Brown, and consultant James H. Murphy, Jr., C.M.A., were present to testify on behalf of the Town. They offered no other witnesses.

3. The town certified ratio for the assessment year being appealed:

Assessors' Agent Tammy Brown testified that the certified ratio for 2013 is 89%, the base ratio of the State is 82%, and that the quality rating is 22.

Public hearing closed at 10:29 a.m.

IV. Board Deliberation & Vote

Findings of fact

1. The appellant has standing for this appeal by virtue of his ownership of this property and the appeal was timely filed.
2. The Town of North Haven has met its burden of equality by the demonstration of its ratio; the Town's certified ratio was 89% and the quality rating was 22.
3. The written communication between the Town and Appellant was clear.
4. There was no quantifiable evidence, except for one comp sale, submitted by the appellant to substantiate that the North Haven Board of Assessors' value was manifestly wrong.
5. The comp used is servient to the subject property and the value of that aspect is not shown.
6. The market approach to value was considered by the assessors' agent but not the cost or income approach because they were not pertinent to the subject property.
7. One sale does not make a market, and no adjustments were made to the sale price to make it apply to the subject property.

- **Lauren Kenniston made a motion to accept these as the Findings of Fact, excluding #8. John Flood seconded the motion. A vote was taken with all in favor.**
- 8. The Knox County Board of Assessment Review finds that the appellant's testimony was not persuasive as to the question of burden of proof for unjust discrimination, overvaluation or that the assessment is fraudulent, dishonest, or illegal.
- **Martin Cates made a motion to accept #8 as a Finding of Fact. Lauren Kenniston seconded the motion. A vote was taken with all in favor.**

Decision

It is the Board's decision that the appellant has failed to show proof of comparable properties and that the assessment is irrational or so unreasonable in light of the circumstances that the property is substantially overvalued and an injustice results, there was unjust discrimination, or the assessment is fraudulent, dishonest, or illegal.

The Knox County Board of Assessment Review therefore finds in favor of the Town of North Haven.

V. Other Business

VI. Adjourn

- A motion was made by Lauren Kenniston to adjourn. The motion was seconded by Martin Cates. A vote was taken with all in favor.

Meeting adjourned 10:43 a.m.

Respectfully Submitted,

Candice Richards
Administrative Assistant
Board of Assessment Review Recording Secretary