

Board of Civil Authority Hearing
Monday, August 19, 2024
Akeley Memorial Hall
Approved 10/3/2024

The Board of Civil Authority for the Town of Stowe met for the purpose of hearing tax appeals of the Listers assessments.

BCA Members present were: Leighton Detora, Tom Kastner, Richard Bland, Susan Connerty, Lyndall Heyer, Suzanne Clark, Lynn LaFleur Mary Black and Penny Davis

Also present were: Sam Gaines, Adele Walker, John Miller, Erika D. Senft Miller, Jeff Jackson, Paul Percy Tom Vickery, Tim Morrissey, Charles Safford and Jonathan Dutch via zoom.

Leighton Detora called the meeting to order at 9:00 am.

Agenda Changes/Additions

The motion was made, seconded and all in favor for the agenda to remain as is.

Approve Minutes

Jo Sable Courtney made the motion, Richard Bland seconded with all in favor to accept the minutes with one correction Penny Purge should read Penny purge.

Set Forth Interim Rules for Marking Exhibits

Discussion ensued regarding marking of exhibits. Richard made the motion, Mary Black seconded with all in favor of including the following rules for conduct of meetings and hearings on an interim basis to be reviewed by the Board for changes that may be determined to be necessary or desirable following the conclusion of the appeals process.

The parties shall pre-mark their documentary evidence sequentially for identification. Appellant(s) shall mark its documents alphabetically to be introduced in evidence as Ex. A, B, etc. Appellee(s) shall mark their documents numerically to be introduced in evidence as Exhibit 1, 2, etc. Copies of each Exhibit marked for identification and introduced in evidence shall be made available for each member of the Board of Civil Authority at the hearing on the appeal. (Any party or both parties may (but are not required to) submit any Exhibit(s) marked for identification to the Town Clerk and the opposing party within five (5) days of the hearing date; if any Exhibit is so submitted to the Town Clerk, the Exhibit(s) shall be promptly forwarded to the members of the BCA.)

Distribute Newly Enacted Code of Ethics

Discussion ensued regarding the newly enacted code of ethics. Penny stated the Town Manager Charles Safford says that the current Code of Ethics will be reviewed to make sure it adheres to the new law. If changes need to be made, the Selectboard will change the policy and at that time the BCA will receive them.

Tax Appeal Hearings

Leighton administered the tax appeal oath to all Board members following the verification that none of the Board members had a conflict of interest with the Appellant, nor have any of the members of The Board had any discussions outside of the meeting with anyone regarding the pending matter.

Tax Appeal – Spruce Peak Realty (Parcel #25080)

Leighton swore in all witnesses presenting testimony and explained the Burdens of Proof and Persuasion borne by the taxpayer in these proceedings.

Tim Morrissey introduced the property after having been sworn in.

Testimony:

Sam Gaines, President of Mt. Mansfield Company and Spruce Peak Realty and Adele Walker presented testimony on behalf of Spruce Peak Realty. They are grieving the land value for Lot 35 and 37 (inactive parcels 25080-030 and 25080-040). Both lots total only .26 acres and are assessed at \$1,060,000.00 each. The results in a combined land value that is \$8,153,846. They do not believe there is any justification for this value based on similar commercial operations in Stowe or based on Spruce Peak sales. They feel the total assessment should be reduced to \$13,534,600, a reduction of \$1.7 million.

In addition to the documents submitted with the appeal, they presented the following documents to the Board of Civil Authority to support their case.

Exhibit A – Lot 35 P&L – 2021 and 2022 showing a loss in operating income.

Tom Vickery previously having been sworn in, presented the following documents to the Board of Civil Authority to support assessment.

Exhibit 1

- Tax Map – Red Dot indicating the lot between 35 and 37 owned by VR US Holdings II LLC (Parcel #26000-036)
- Listers Card for Parcel #25080-030 Spruce Peak Realty
- Listers Card for Parcel #26000-036 VR US Holdings II LLC
- Listers Card for Parcel #25080-040 Spruce Peak Realty

Tom stated the red dot is a 3rd building owned by Vail. All three buildings are separate lots that can be sold. Tom feels the value of the grieved lots are in line with other properties at Spruce peak and Vail Properties.

The properties that are being grieved are lots that can be sold separately as individual lots and are assessed accordingly.

The BCA members were given the opportunity to ask questions to both parties.

Leighton stated that we need at least 3 BCA members to do an inspection. Leighton appointed Richard Bland, Susan Connerty and Mary Black to the inspection committee. Penny will reach out to Adele Walker to schedule the inspection.

The meeting was recessed and will reconvene within 30 days of the hearing to review the inspection committee report.

Tax Appeal Hearing – Stowe Country Club LLC (Parcel #27063)

All parties were still under oath from having been sworn for the prior hearing. The appellants had previously been advised of the Burdens of Persuasion and Production. Tom introduced the property.

Testimony:

Sam Gaines, President of Mt. Mansfield Company and Spruce Peak Realty and Adele Walker presented testimony on behalf of Stowe Club LLC. They are appealing the assessment of the parcel based on two factors. The first being the actual reassessment relative to other comparable golf clubs in their area. The average assessed value of these clubs is \$3.3 million based on the average acreage value of \$21,184. Stowe Country Club is currently reassessed at just under \$8.3 million – 223% above the average. Several of the other clubs used for comparisons have more elaborate and costly clubhouses and amenities. Prior to the reappraisal Stowe Country Club was assessed at \$3.9 million. Spruce Peak's original grievance to the Lister's reduced the reassessed value from \$12.5 million to \$8.3 million. The other factor for the appeal is increased land value due to the proposed new density rulings. They feel that since the Town has stated it does not have the capacity to serve water to this project, that the new density rulings are not applicable, and the assessment should be based on other regional golf courses in the area.

In addition to the documents submitted with the appeal, they presented the following documents to the Board of Civil Authority to support their case.

Exhibit A – Appraisal by National Valuation Consultants as of December 31, 2023. Stowe Country Club Valuation with comparable clubs in Vermont.

Exhibit B – Stowe Country Club LLC Comparison to other country clubs in Vermont.

Tom Vickery presented the following documents to the Board of Civil Authority to support their case.

Exhibit 1

- Stowe Country Club comparison 2023 to 2024
- Stowe Country Club LLC Comparison to other Country Clubs in Vermont with adjusted assessments according to that Town's CLA (Common Level of Appraisal)

Exhibit 2

- Listers Card for Stowe Country Club LLC

Tom itemized the changes to the assessment of the Stowe Country Club. He also mentioned that the assessed values listed on the country club comparisons would be much higher if you take into

consideration the CLA's of each town/city. He also mentioned that while the density of the units had been reduced from 100 to 70 units, the property still has increased value. The Listers' lowered with assessment during that grievance to account for it. He stated the property is appraised for development potential.

Sam Gaines stated that they do not have the approvals at this time and would cost a lot of money to develop.

The Board was given the opportunity to ask either party questions.

Leighton stated that we need at least 3 BCA members to do an inspection. Leighton appointed Richard Bland, Tom Kastner, Lynn LaFleur and Mary Black to the inspection committee. Penny will reach out to Adele Walker to schedule the inspection.

The meeting was recessed and will reconvene within 30 days of the hearing to review the inspection committee report.

The meeting was recessed until the next tax appeal hearing.

Tax Appeal Hearing – Erika D. Senft Miller Family Trust (Parcel #80006)

Inquiry was made of Board members whether any of its members had a conflict of interest with the Appellant in this matter or had ex parte communications. None did. Leighton swore in all witnesses presenting evidence at the hearing and explained the Burdens of Persuasion and Production borne by the taxpayer in this matter. All persons who were to testify were then sworn in.

Tom introduced the property.

Testimony:

John Miller and Erka Senft Miller presented testimony on behalf of the Erika D. Senft Miller Family Trust. They felt that the stated adjustment from \$3, 348, 100 to \$3,097,000 was made to all mountain cabin condos. They disagree with this unilateral valuation of all the mountain cabin condos as there are condos with better views and that many of the condos have been renovated with higher premium finishes. They feel their condo does not have good views and has not been renovated and still has standard economy finishes. They also stated that their hot tub has not been functioning for years.

The Millers did not present any other exhibits other than the initial document for the tax appeal.

Tom Vickery presented the following documents to support their case.

Exhibit 1

- Listers' card of the Erika D. Senft Miller Family Trust
- Listers' cards for four comparable properties
- Map of Nosedive Units

Exhibit 2

- Document of all Condominiums of the Town of Stowe including sale dates, price, LV, CLA, NC, New LV, LOA, Yr Built, SF Area, Beds, Bath and Condition. One document was provided for the Board Members to view and for Penny to have for the file.

Tom Vickery stated that the location of the Miller unit was taken into consideration. Tom presented the comparables and stated that he felt the Miller property was assessed properly. Tom stated that he was only able to do an exterior inspection. Tom stated that the Listers were getting several appeals for mountain lodge condos. Tom took a second look and made an adjustment across the board to these condominiums.

The Millers did state that their unit only has one fireplace instead of the four listed and that their hot tub has not been functioning for years. Upon inspection by the inspection committee an adjustment could be made.

The Board was given the opportunity to ask either party questions.

Leighton stated that we need at least 3 BCA members to do an inspection. Leighton appointed Richard Bland, Lyndall Heyer, Susan Connerty, Suzanne Clark and Mary Black to the inspection committee. Penny will reach out to John Miller to schedule to inspection.

The meeting was recessed and will reconvene within 30 days of the hearing to review the inspection committee report.

Tax Appeal Hearing – Jonathan Dutch and Emily Greenstein (Parcel #30059-010)

Inquiry was made of the members of the Board etc. Leighton explained the burdens of persuasion and production that are borne by the taxpayer All persons expected to testify were then sworn in.

Tim Morrissey introduced the property.

Testimony:

Jonathan Dutch presented testimony regarding the property. Mr. Dutch feels that his property is assessed for too much. Mr. Dutch did not submit any exhibits other than the documents initially submitted for the tax appeal.

Tim presented several documents to present his case. Since Jonathan Dutch was attending the meeting by zoom the decision was made to recess the hearing until August 27, 2024 @ 4:30 pm. This will give the appellant time to review the documents. Penny will scan the Lister's exhibits to Mr. Dutch tomorrow.

However, before the hearing was recessed, an inspection committee of Richard Bland, Mary Black, Suzanne Clark, Lynn LaFleur, Tom Kastner and Susan Connerty was appointed. An inspection date was arranged for September 30, 2024 @ 4:00 pm.

The meeting was adjourned.

Respectfully submitted,

Penny A. Davis