

Town Administrator

From: Larry & Nancy Garside <ginlar4@yahoo.com>
Sent: Saturday, November 18, 2023 7:06 PM
To: Town Administrator
Subject: The evaluation

Is there a difference in value between high water and tidal water ?

Larry Garside representing Nancy Garside

Questions of Assessors

1. How do you appraise waterfront properties as it pertains to depth, frontage, and total acreage?
 - What if the calculation formula?
2. How is it possible to have .2 acres with 60 feet of frontage on a river and the next lot is 2 acres with 200 feet of frontage and I pay 64% of what they pay?

Frank Bartholomay
515 Fosters Point Rd

- 1. Please explain why a homeowner with 100' of frontage would be assessed more than a home owner with 200' frontage?**

And is it fair to assess the maximum rate to that same piece of property if it is behind another landowners property, further from the shore. The view is obstructed by a garage and camp.

- 2. Are there different tax rates for shore frontage that is designated deep water or tidal? If so, what are the rates?**
- 3. Who established or determined the rate of \$1,511,084.62 per acre? This seems excessive for this area. What is the process if a recession hits and values decrease? It looks to me that you are cherry picking to obtain the maximum amount of revenue possible for the town, disregarding fairness and each individual situation.
I do not believe I could sell my property for what you have assessed it for.**

Town Administrator

From: Town Clerk
Sent: Monday, November 27, 2023 9:07 AM
To: Town Administrator
Subject: Assessing Questions

Kristine,

Here are some questions I have received previously from taxpayers that may be helpful to answer:

- What comps/sales were used for properties – are these available to the public?
- How was shoreline measured – not all shoreline properties show the amount of shoreline on their property card, why is that?

Thanks,
KP

The following questions relate to the valuation of property owned by homeowners associations for the benefit of association members (referred to as "common areas"):

1. Base Line Question: is the valuation prepared by Parker Appraisal Company in 2023 intended to reflect the market value of the subject property, meaning the most probable price that a knowledgeable buyer would pay to a willing seller?

If not: *first*, why not?

second, what is the valuation prepared intended to reflect and why is that a more appropriate method of valuation?

2. With respect to the valuation of common areas:
 - a. Has the use of a "**nominal value**" methodology used elsewhere in Maine (*e.g.*, Town of Durham)(copy attached) been considered for use with common areas in West Bath?
 - i. Please explain the rationale for rejecting the "nominal value" methodology.
 - ii. If the use of the nominal value methodology has not be considered can it now be considered for adjustment to the 2023 valuations and assessments with respect to common areas?
 1. If not, why not?
 - b. Were **each homeowners association's by-laws and governing documents** reviewed to identify the covenants, conditions, easements and restrictions imposed on the use, transferability, development, etc. of the association's common areas? **Were other documents, including the deed and title reviewed?**
 - i. If so, where are those items reflected in the common area valuation?
 - ii. Were all common areas subject to a uniform adjustment relative to individually-owned lots in similarly-zoned areas of West Bath?
 1. If so, please explain in detail the methodology used in calculating the adjustment.
 2. If no uniform discount was used, please explain in detail the different methodologies used and the reason(s) for applying particular methodologies to each common area.
 - c. What adjustment is made in the valuation of association members' individual lots to prevent the possibility of **double taxation**, *e.g.*, because the fair market price of each lot includes the value of deeded rights of use to the common area?
 - d. Has the methodology used for valuing common areas in the 2023 assessment ever been the subject of litigation against Parker Appraisal Company or against any other assessment provider?
 - i. If so, what was the outcome of that litigation?



TOWN OF DURHAM
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Town of Durham
Policy on Assessment of Common Areas

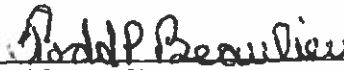
The purpose of this policy is to provide clarification to the Assessors' Agent, Select Board, Office Staff and general public on how the Town of Durham values common area.

This policy is for properties that have gone through subdivision approval and have lots within that subdivision classified as "common land" or "common area" and are owned by Homeowners Associations.

It is the decision of the Board of Selectmen that since common areas within a subdivision have nominal value, and the sales price of each approved lot includes a portion of common area, and common areas are a necessity for subdivision approval, all common lots will no longer be assessed as individual lots of record.

The Town of Durham will show all common areas on the tax maps as depicted on the subdivision plan and keep property records of each lot. As of April 1, 2020 these lots will no longer be issued a tax bill.

Date: October 22, 2019



Todd Beaulieu



Marc Farrin

Board of Selectmen/Assessors



Richard George



Kevin Nadeau, Chair



Rob Pontau

Town Administrator

From: J C Wilson-Hennessey, IFA, CMA <wilsonhennessey@gmail.com>
Sent: Sunday, November 26, 2023 4:53 PM
To: Town Administrator
Cc: Kathleen LaVallee; Suzanne Andresen; Madelyn Hennessey
Subject: Workshop Question regarding Land Sales Ratio Study

One of the cornerstone questions that remains unanswered strongly influences the Town's abatement / appeal process:

Where, sorted by date, is the detailed list of Comparable Sales used as the Land Statistics data pool analyzed to clarify:

- lot size for primary standard unit and subsequent tiers of contributory value land categories for remaining acreage;
- waterfront categories, ranging from bare bottom flats, tidal influence, constant deep, stream, marsh and access by ROW;
- is waterfront based on linear foot or tie line and what frontage amount is the standard minimum;
- number of comparable sales used, sorted by subcategories as waterfront; rural; commercial, Current Use, etc.;
- was the land extraction method applied to all improved sales to broaden the limited pool of raw land sales;
- sales ratio analysis / graphs comparing price to value and indicating coefficient of dispersion indicating accuracy level;
- economic factors for portable water in / out and septic disposal as applied to improved / unimproved lot designation;
- were subdivision rules and regulations analyzed as potential amenity value influence factors;
- were local appraisers and brokers interviewed, and if so, who made significant input contributions to the analysis?

This is a driving question and the functional answer weaves all the above segments in to West Bath's unique interwoven fabric.

It will be informative to observe Wednesday's workshop.

Juanita

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Juanita C Wilson-Hennessey, IFA, CMA
Wilson Hennessey Appraisal
P O Box 202
Bath, ME 04530-0202
207.720.0115

Town Administrator

From: steve winter <steve@greatmaine.com>
Sent: Monday, November 27, 2023 12:00 PM
To: Town Administrator; Kathy Lavallee; Suzanne Andresen; Madelyn Hennessey; Town Clerk; Steve Winter
Subject: Revision: Questions for the Revaluation Workshop (mostly addition in Q5a)

First an Observation:

Any appraisal will inevitably be subjective at some level. The goal is to try to reduce subjectivity and increase "understandability" by specifying sufficient guidelines / definitions. The more this can be done the more uniform / consistent / justifiable / repeatable / understandable the valuation will be.

Questions for the Reval Workshop:

1. What are the definitions of the many different parameters on property cards?

e.g. terms like "Good" vs. "Fair" building conditions

e.g. "Tidal" vs. "Deepwater" land ... etc.

Is there a manual?

If not, property characterizations will be more subjective and likely not uniform / consistent.

2. What is the numerical effect of one property card characterization vs. another on valuation?

e.g. "Good" condition means xx% increase vs. "Fair"

e.g. "Deepwater" means xx% increase in land valuation vs. "Tidal"

Is there a manual?

If not, effects will be more subjective and likely not uniform / consistent.?

3. Does Parker Appraisal realize that the New Meadows River is not a river but ocean?

Much of West Bath property water frontage is ocean front, not river front.

e.g. property card characterizations of "River" ...

4. What outside appraisal will be considered as evidence for a revaluation value adjustment?

Maine is a mandatory state, meaning if one is reviewing an appraisal of a property located in Maine and "opining" a value conclusion, one needs a Maine license (Maine State Board of Real Estate Appraisers). Few Maine realtors are so licensed.

5. How does our revaluation appraiser approach valuing a property?

Are the lot and building considered separately ... meaning evaluate the lot compared to actual lot sales and perhaps estimate the value of the building from size / material / condition tables ...

Or is an estimate made for the entire property as compared to sales of similar lots with similar buildings? ... Or some other method? Which comes first ... the total property valuation, the lot valuation, or the construction valuation? In West Bath real estate valuations for land and buildings are separate.

5a. As a very specific example; is there any difference in the appraised value of a building whose deck is on the road side of a building or the same building on the same lot with the same deck but the deck overhangs the water? In a conversation with one of our reval appraisers I was told that there was no difference in their appraised value because the building costs are the same ... when obviously there is a huge difference in market value which means there is a huge difference in "just value" which is the Maine State requirement for real estate valuations.

The valuation difference is due to Shoreland Zoning, The property with no deck over the water can never build the deck over the water because of shoreland zoning . Total property valuation in this case must be detached from construction costs. Shoreland zoning must be considered, especially in West Bath which has so much water frontage and so many non-conforming lots. But shoreland zoning is a two edged sword: properties with pre-existing construction that others cannot construct due to zoning should have enhanced valuations while those that cannot build / expand because of shoreland zoning should have lower valuations. How do the appraisers include shoreland zoning considerations which can critically affect market value?

5b. In general, how does an appraisal address the difference in market value of a "beautiful" building vs. an "ugly" building with the same construction costs? Similarly for land ... ?
Where on the property card is this reflected? How does this specifically numerically translate into valuation differences?

6. What are the actual sales of properties that the assessors presumably used to provide a basis for this revaluation of West Bath properties? A list with sale dates, sale prices, and property parameters should be provided.

7. Not directly a Reval question but critical for "just" West Bath tax collection

Is there any mechanism now to detect when a property is sold in West Bath whether there are any "clawback" taxes due on land that had received tax deferral due to tree growth / farmland designation? This should be part of an examination of all sales in a town as they occur. This is very important for town tax collections ... one recent instance alone in Phippsburg resulted in a \$175K boost to the town's tax collections which if undetected would have been lost. Are tax deferral records somehow permanently attached to any property that receives them?

Thanks,

Steve

Town Administrator

From: Patrick Nelson <pnelsonpt@gmail.com>
Sent: Monday, November 27, 2023 6:38 PM
To: Town Administrator
Cc: Emily Nelson
Subject: Questions for Select Board Assessing Workshop
Attachments: Nelson (U02-007-A) Letter Denying Abatement (1).pdf; Comp Comparison with explanation (Nelson) (1).pdf

Thank you for the opportunity to submit questions to the Parker Appraisal Company during the Workshop scheduled for November 29th, 2023:

1. What is the definition of fair market value as defined within Parker Appraisals current valuation?
 1. How is this different from fair market value provided by licensed real estate appraisers and the value provided by a real estate agent in a Comparable Market market Analysis?
 2. Should these above three values be similar for a given property at a given time?
 3. Is there a defined acceptable range for disagreement in value (+/- 10%?) between these values?
2. How is the municipal appraisal process executed by Parker Appraisal different from a standard residential appraisal process or real estate Comparable Market Analysis process?
 1. Why would the three assessments provide different valuations when they are all attempting to reflect an assessment of current value?
 2. If two of the three agree in valuation, why would the Town of West Bath move forward with the outlier?
3. In Parker Appraisal's response to the request for abatement at property U02-007-A titled: *Comp Comparison with Explanation* (attached), they showed a value for a comparative property also appearing to be 30% higher than the appraised value submitted by the homeowner. The percent increases they quote in the green paragraph (25% and 30%) do not match the same numbers they quote in the bottom paragraph (15% and 20%). How can errors like this be present in an official response?
4. The reason for the denial of abatement quoted from the above document states both properties were assessed equal: "represented by the fact that our higher assessment is equally increased for both". How is this justification for the accuracy of the assessment? It seems to show that there is a systematic over-valuation of similar properties instead of proving the valuation is accurate.
5. The denial letter (also attached) states: " your property has been fairly and equitably assessed with comparable properties in the Town of West Bath " The *comp comparison with explanation* doc seems to prove that properties were equitably overassessed, but how does it prove they were fairly assessed? As stated, it seems to do the opposite.
6. What evidence, exactly, does the homeowner/taxpayer need to present to the town to have abatement granted based on the case that their property has been unfairly overvalued by Parker Appraisal?

Thank you to the board of assessors, town clerk and administrator for taking the time and effort to work through this process. Please feel free to reach out to me at the number below in my signature line if I can clarify these questions at all. I apologize if the above is not succinct. This progression has been confusing and it seems to me that communication from Parker Appraisal has been unclear, misleading or nonexistent. I have tried to remain focused on the facts of the assessment, but it bears stating that I feel I was misled and falsely communicated with in my conversation and communication Parker Appraisal. I am proud to be a resident and taxpayer in the State of Maine and the Town of West Bath. My kids go to our school system, and I have lived and worked here my entire life. Parker Appraisal's role in this process has not aligned with what I perceive to be the standards in our community for fairness, transparency and communication.

Respectfully,

Pat Nelson

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Patrick Nelson MSPT SCS CSCS
Physical Therapy and Performance Director
Coastal Orthopedics and Sports Medicine
(207)319-3561

Town Administrator

From: Karen True Winslow <kaz@maine.rr.com>
Sent: Sunday, November 26, 2023 7:04 PM
To: Town Administrator
Cc: 'Abbie Delano'
Subject: assessment at 399 Birch Point Rd

Dear West Bath Select Board,

We understand that there is a workshop with Parker Appraisal on Wednesday morning that is open to the public, but we are unable to attend a meeting during normal business hours. Will it be recorded and available for us to view at a later time?

Here are our questions for the Board:

1. It was our understanding that Parker Appraisal was hired to perform an assessment of our property. How could there have been so many errors and omissions on the new assessment card, as compared to the existing card?
Examples:
 - a. Seasonal cottage, not a colonial
 - b. Building is on wood posts, not a concrete full foundation.
 - c. No basement-dirt and ledge, not full basement
 - d. Heat -non duct furnace, not central heat
 - e. 1950's kitchen, not modern
 - f. 1 bath, not 2 baths
 - g. No insulation, versus fully insulated
 - h. Steep topography, not rolling
 - i. Non-accessible water access, not waterfront
2. In our meeting with them to review their errors, we were astonished by their lack of professionalism and rudeness. At one point, we were asked what we would sell our property for? Is that an appropriate question from an assessor?
3. Comparison Sales-when we asked about the comps used to compare our property ahead of the meeting, the Town staff told us that we had to research that on our own. We came to the meeting with that knowledge, and Parker Appraisal brought up 2 comps that were much less value. He dismissed that information completely. Why can they dismiss the 2 appraisals that they were using to judge values of other properties without any explanation?
4. Why were the individual meetings held in an open room without any privacy?

Thank you for letting us know about the meeting and the ability to email questions!

Best,
Karen Winslow & Abbie Delano
Truemen Ledge, LLC

Town Administrator

From: Nancy Carter <nancy.a.carter@gmail.com>
Sent: Tuesday, November 21, 2023 2:57 PM
To: Town Administrator
Cc: Town Clerk; Condon Jim
Subject: Re: Select Board Assessing Workshop

Hi Kristine,

I'm sorry. I'm finding it difficult to follow what's going on from Florida. You had told me to submit questions to you which you would pass along to Parker to get answered. That hasn't happened. Then 2 months later you told me about the workshop which would be where I could take questions (or at least that's what I understood). Now it seems that this workshop still isn't going to answer my specific property appraisal questions either - so question #1 for you Kristine: how do I get my questions answered? I've been working on this since early September (which was when I found out about the reassessment) and I'm sure you are all overwhelmed with the response that you've received on this re-assessment and that Parker is not readily available to answer questions. But on my end, I'm not making any progress figuring this out, yet I'm trying to follow your instructions, and I'm a bit frustrated that we're now at the 2.5 month mark with no answers. I do get that Parker is the stumbling block and I'm sure I'm not the only one who is unhappy. But I would like a straight answer on getting answers please. If I'm not going to get any answers, what do you suggest I do about our assessment? File an appeal? Given that this is a bold new West Bath world, are there any words of wisdom about filing an appeal that is different from in the past? Who is going to review the appeals and make a decision on them?

Secondly:

There really are some general questions included in the questions that I previously sent you that could be handled in the workshop.

1. I asked how Parker took into account the diminished value of a mother-in-law dwelling on an undersized property in West Bath. Or if they even understood that a 2nd dwelling unit on an undersized property in West Bath had limitations imposed by town ordinance which would prevent it from reaching full value? I wanted to know how much the assessment on our 2nd dwelling unit was reduced due to being subject to these West Bath limitations and how that reduction was determined. This question is a general question for any mother-in-law dwelling on an undersized property in West Bath.
2. I asked how Parker took into account the diminished value of a dwelling that is under construction and is not ready to be used. In our specific case, there was no CO issued at the time of reassessment (nor since) and there was no water, septic, or power hooked up nor are appliances or plumbing fixtures installed (with the exception of the shower enclosures and kitchen sink). None of the kitchen appliances nor toilet or bathroom sinks were installed at the time of reassessment (nor since). Consequently the dwelling could not, at the time of reassessment (nor since) be lived in seasonally or full time. This is a general question for any dwelling under construction at the time of reassessment.
3. I asked if Parker used comparables to establish the appraised value of a dwelling or if not, what methodology they use to arrive at a dwelling's valuation. If they use comparables, could they please supply the comparables?
4. I asked about the "thin" market at the high end of the residential assessment range and how this might impact Parker's reassessment. Our property is assessed at nearly one million dollars now and while I haven't counted the number of residential properties in West Bath with this value, I do not believe it to be a large number. But the general question is how does Parker come to an assessed value when there are "thin" market conditions.

Could you please ensure that these questions are included in the workshop Kristine?

Thank you very much and Happy Thanksgiving.