

**TOWN OF SHELBURNE
BOARD OF CIVIL AUTHORITY
MINUTES OF MEETING
July 8, 2019**

DRAFT

MEMBERS PRESENT: Tom Little, David Webster, Jennifer Leopold, George Schiavone, Bill Deming, Lee Suskin, Rebecca Moore, Randy Rowland, Mary Kehoe, Jaime Heins, Nancy Baker, Mike Donahue, Peter Gadue, Laura Gannon-Murakami.

ADMINISTRATION: Diana Vachon, Town Clerk; Ted Nelson, Assessor.

OTHERS PRESENT: Sandy Combs, Chris Pratt, Sean Moran, Vivian Jordan, Liam Cross, Julia Curry.

1. CALL TO ORDER

Chair, Tom Little, called the meeting to order at 7:05 PM and reviewed the agenda, noting the tax appeal hearings are quasi-judicial hearings and public comment will not be taken then.

2. PUBLIC COMMENT

None.

3. DISCLOSURE OF CONFLICTS OF INTEREST

The Chair asked if any Board members had any conflict of interest disclosures to make – in addition to those disclosed at the June 24 meeting. There were no new disclosures.

4. TAX APPEALS

132 & 142 Penny Lane – Chris Pratt

Chris Pratt and Sandy Combs appeared on behalf of the appeal.

Submittals:

- Letter and attachments to Tom Little, BCA, dated 7/1/19, from Chris Pratt re: request for 2019 tax reductions for 132 & 142 Penny Lane
- Town of Shelburne Board of Civil Authority Appeal Cover Sheet for 132 Penny Lane
- Town of Shelburne Board of Civil Authority Appeal Cover Sheet for 142 Penny Lane
- Overview Statement prepared by Chris Pratt for tax appeals for 132 & 142 Penny Lane, dated 6/24/19
- Opening Statement prepared by Chris Pratt to Board of Civil Authority for tax appeals for 132 & 142 Penny Lane, dated 7/8/19
- Memorandum from Ted Nelson, Assessor, to Board of Civil Authority, dated 6/28/19 re: administrative application of 11VSA1610
- Lakeview Mobile Home Park Recent History of the Park and Unit Values prepared for the Shelburne Board of Civil Authority, current as of 4/1/19
- Letter to Board of Civil Authority from Lakeview Cooperative President, Sean Moran, dated 6/18/19 re: Chris Pratt tax issue

Assessor Nelson stated the property at 132 Penny Lane owned by Chris Pratt has a current value of \$39,200 comprised of a mobile home (\$9,500 value), unit site (\$28,700 value), and a deck (\$1,000 value). The property at 142 Penny Lane owned by Chris Pratt has a current value of \$48,200 comprised of a mobile home (\$18,300 value), unit site (\$28,700 value), and a shed (\$1,200).

Individuals to provide testimony before the BCA were sworn in.

APPELLANT COMMENTS

Due to a brain injury the appellant, Chris Pratt, was assisted by Sandy Combs during the appeal. Mr. Pratt read an opening statement explaining the appeal of taxes on his properties at 132 & 142 Penny Lane, and stressing the tax appeal is for fairness and justice, not taxes. Mr. Pratt contended state statute 11 VSA sec. 1610 is unfair and misinterpreted, and never been applied until now. Mr. Pratt said he owns no land in Shelburne and will not pay taxes on land he does not own. The unit sites are owned by the Lakeview Co-op. Mr. Pratt said he is not a member of the Co-op. Regarding lot size and characteristics, all the lots are different so a one-size-fits-all approach is not fair. Some lots are large, some are small, some have lake views, some have capital improvements and landscaping. There is no land in common in the mobile home park. Mr. Pratt said all the lot boundaries should be surveyed to eliminate disputes and define the lots. Mr. Pratt said he has a perimeter lot with a road to the north, a brook to the south, and mobile homes on each side. Mr. Pratt stated 11 VSA sec. 1610 does not say the Tax Assessor can redefine a sale or ownership yet in 2000, a \$15,000 adjustment was added to the property value and the Lake Champlain Transportation property was undervalued. The adjustment was for land people do not own themselves. Mr. Pratt said he feels he has been illegally charged taxes by the town for land he does not own and would like the charge dropped and the amount paid to date reimbursed.

ASSESSOR COMMENTS

Assessor, Ted Nelson, stated the value of 132 Penny Lane increased from \$25,500 to \$39,200 and 142 Penny Lane increased from \$34,500 to \$48,200. The mobile home park value went from \$1.25 million to \$0 and each site value was increased by \$13,7000 except for lots 207 and 273. There is no record trail for the \$15,000 adjustment in the town records. When a mobile home transitions from ownership by a third party to ownership by a co-op the residents may not qualify for the income sensitivity pre-bate because the park is owned by the residents. The residents can apply for a renter's rebate. There is concern about accurate records as to who is a member of the Co-op and a resident of Shelburne.

Tom Little noted 132 & 142 Penny Lane are adjacent to each other on the north side of the road. Sandy Combs stated Chris Pratt lives there and uses both mobile homes for family and visitors. Chris Pratt pointed out the Co-op owns the land and taxes for that. Residents who are not a member of the Co-op pay their portion of the taxes in higher rent. The total purchase price paid by the Co-op for the land was \$28,700 (\$15,000 plus \$13,700).

Ted Nelson called Mr. Sean Moran, President of the Lakeview Co-op, to testify. Mr. Moran testified the budget for lot rents was adjusted downward per the board's decision after the value of the park decreased from \$1.25 million to \$0. Six weeks after the Co-op was incorporated the town said the Co-op must have the 64 different units each pay a portion of the cost. There are 57 Co-op members, five non-members (renters who are grandfathered in), and one non-member. Each unit was given a rebate of \$35/month on the rent (\$420 rebate per unit for taxes). Rent decreased from \$358 to \$323. Non-members pay \$15/month higher in rent. Everyone receives the \$420 per unit rebate to pay for taxes.

BCA COMMENTS/QUESTIONS

Tom Little asked Mr. Pratt for a suggested dollar value for his property. Mr. Pratt said the \$15,000 adjustment should be dropped. Paying taxes directly to the town or through the Co-op in rent is just the same, but people should not have to pay taxes on land they do not own. Sandy Combs clarified Mr. Pratt would like the \$28,700 deducted from the \$39,200 value of 132 Penny Lane and from the \$48,200 value of 142 Penny Lane.

Tom Little asked Ted Nelson if there have been any sales within the last year that were considered. Ted Nelson said there were sales in August and November 2018 and May 2019. The sale prices did not impact values on all 64 units.

David Webster asked what method is used if not 11 VSA sec. 1610. Sandy Combs said a mobile home co-op in Milton covers taxes and the homeowners cover the dwelling. The North Avenue Mobile Home Co-op pays the taxes (no individual taxes assessed). The tax is included in the rent amount for each unit. Assessor Nelson said according to the state 11 VSA sec. 1610 is state law. Julie Curry, from the Co-op Development Institute, said there is one resident-owned community in Brattleboro that follows the property tax payment process in 11 VSA sec. 1610. It is possible other co-ops were formed and not aware of the law.

Bill Deming asked Ms. Curry what the recommendation would be for a new mobile home park. Julie Curry said she would recommend the town assessor be involved.

Mary Kehoe asked if the reason taxes are applied over all the units is to avoid the risk of the pre-bate being denied because a co-op is not entitled to a pre-bate. Ted Nelson confirmed this and noted the St. George Mobile Home Park filed renter's rebates for the residents. Mary Kehoe asked if the \$28,700 charge is for site improvement on the land or the land and the dwelling and other improvements. Ted Nelson said the amount represents 1/64th share of the park ownership. Mary Kehoe asked why each lot is taxed the same even though the lots have different characteristics. Ted Nelson said the town does not have details on the size and shape of the lots or who is assigned to what. The information the town has is that the park is 8.6 acres of land with a roadway and 64 sites. The town does not have a survey of the boundaries of the individual lots.

Lee Suskin asked if the tax is on the renter or the owner of the property. Ted Nelson said the town tries to define the form of ownership which is difficult with a co-op because the information is private. Lee Suskin asked if there is any property in Shelburne where the tax is assessed to a renter. Mr. Nelson said no. Lee Suskin asked if there is any property in Shelburne assessed the same when one has a lake view and one does not. Ted Nelson said the condominiums on Morgan Drive are assessed the same tax rate, but the value is different because the units are different (square footage and such).

Jaime Heins asked how taxes were assessed at the Nashville mobile home park. Ted Nelson said the park was a single owner third party like Shelburnewood before being sold to a co-op.

Tom Little asked if a member of the Co-op has intrinsic fair market value to ownership. Mr. Combs said the assessor added \$28,700 to the value of the mobile home. Residents have been taxed as renters on land not owned for 10 years for an amount totaling nearly \$1 million. The town is trying to correct this. Mr. Pratt is grandfathered in as a non-member and does not benefit and should not be taxed.

Mary Kehoe pointed out the Co-op reduced the rent so the residents can get the pre-bate. Mr. Pratt agreed, but said if the Co-op wants to raise the rent to cover taxes, he will pay it.

David Webster observed if Mr. Pratt were to sell his properties he would expect fair market value, not the amount of the assessment less \$28,700. Also, the new owners would be members of the Co-op. Mr. Pratt said his lot is not 1/64th of the park. The lot is nice and expected to sell for more than the assessed value.

Ted Nelson asked Sean Moran if residents can opt in or out of the Co-op. Sean Moran confirmed this. There are five grandfathered residents as renters and owners not part of the Co-op. Julie Curry added the option exists only when a park converts to co-op ownership. Once the park belongs to the co-op any new residents must join. Sean Moran said Mr. Pratt was part of the Lakeview Co-op and paid the \$5 fee then opted out of the membership. Mr. Pratt lives on the land owned by the Lakeview Co-op so he is essentially a renter. The residents in the park were notified of the sale of the park in July 2018 and formed the Co-op in August.

Tom Little confirmed once the Co-op was established existing residents/owners could opt out of membership, but new residents cannot opt out.

Bill Deming asked if an owner would sell their mobile home less the value of the land. Mr. Pratt confirmed this.

Peter Gadue asked if Ray Pecor was paid for the land and the mobile homes in the sale of the park. Ted Nelson said \$1.25 million was paid for the land only. Pete Gadue asked who owns the land with the Co-op. Ted Nelson said the 57 members of the Co-op own the park.

Laura Gannon-Murakami asked if anyone from the Co-op can go to any part of the land in the mobile home park. Sean Moran said all the members of the Co-op own the land, but there are presumed lots and people have defined spaces similar to an apartment building where people can use the hallways, but cannot go into individual units at will. Mr. Pratt said there is no land in common in the park. Residents take care of their own lot.

There was no further testimony or evidence. The hearing was closed.

SITE INSPECTION COMMITTEE

- Tom Little
- Jennifer Leopold
- Bill Deming
- Mike Donahue
- Laura Gannon-Murakami
- Rebecca Moore (after 2 PM)
- Randy Rowland (alternate)

The Lakeview Mobile Home Park bylaws will be provided to the BCA. The report from the inspection committee will be presented to the BCA on 8/5/19.

5. APPROVAL OF MINUTES

February 11, 2019

MOTION by Peter Gadue, SECOND by Mike Donahue, to approve the minutes of 2/11/19 as written. VOTING: all ayes with one abstention (Laura Gannon-Murakami); motion carried.

June 24, 2019

MOTION by Pete Gadue, SECOND by Mike Donahue, to approve the minutes of 6/24/19 as written. VOTING: all ayes with three abstentions (Jaime Heins, Nancy Baker, George Schiavone); motion carried.

6. CHECKLIST REVIEW

MOTION by David Webster, SECOND by Jaime Heins, to challenge the people on the Potential Challenge List and Potential Purge List with the following edits:

- **Names not to challenge or purge:**
 - **Randall Fisher**
 - **George Wilson**
 - **Kathryn Hanes**
 - **Courtney Buffum**
 - **Pam and George Bissonnette**
 - **David Borman**
 - **Randy Bushey**
 - **Ryan Gears**
 - **David Grover**

- Christy Allen
- John Street
- Nancy Clemens Egerton
- Brad Kirby

VOTING: unanimous; motion carried.

7. OTHER BUSINESS

Nancy Baker reviewed recommendations to the BCA to help the town maintain the voter checklist. The recommendations, some of which are already being executed, include having the Town Clerk download the most recent voter registration checklist from the state each month, storing the checklist on the town's system for 12 months, maintaining a digital copy of the most recent checklist with a backup copy stored off premise or in the cloud, storing a paper copy of the list in the town vault for five years.

Lee Suskin expressed concern about the town's system being hacked and urged exploring alternate means. Diana Vachon will ask SymQuest about security with the town system.

The BCA will continue to work on the recommendations to handle voters on the challenge list and take action at the August 5, 2019 BCA meeting.

8. ADJOURNMENT

MOTION by Peter Gadue, SECOND by Mary Kehoe, to adjourn. VOTING: unanimous; motion carried.

The meeting was adjourned at 9:07 PM.

RScty: MERiordan