



# Ad-Hoc Reappraisal Committee Meeting for Public Comment - September 22nd @ 6:00PM in Bushor Conference Room (City Hall, 1st Floor) and **\*\*REMOTE\*\*** 9/22/2022

## AD-HOC REAPPRAISAL COMMITTEE

Thursday, September 22, 2022

Bushor Conference Room and via Zoom

### DRAFT MINUTES

**Members Present:** James Unsworth, Chris Haessly, Alan Bjerke, Kevin Stapleton, Jonathan Chapple-Sokol, Joan Shannon, David Edwards

**Staff Present:** John Vickery (City Assessor), Joseph Dempsey (City Attorney's Office Staff)

**Others in Attendance:** Beach Conger, Trine Bech, Jeanne Keller, Craig Fuller, Larry Lewack, Lanier Hagerty, NR McDonnell

Meeting called to order at 6:03 PM.

### 1.0 Agenda

#### 1.01 Motion to Adopt/Amend Agenda

*Motion to Adopt Agenda as is.*

Motion by Chris Haessly, Seconded by Kevin Stapleton.

Final Resolution: Motion Passes.

Yes: Unanimous.

### 2.0 Adopt Minutes from 09/08/2022

#### 2.01 Motion to Adopt Minutes from 09/08/2022

*Motion to Adopt Minutes from 09/08/2022.*

Motion by Kevin Stapleton, Seconded by Jonathan Chapple-Sokol.

Final Resolution: Motion Passes.

Yes: Unanimous.

### 3.0 Public Comment

James Unsworth: Nice to see everyone here. We will be limiting the time to 5-10 minutes per person, so we can keep things pretty informal. We will start with those in the room and then move to Zoom.



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Trine Bech: We are still appealing our assessment and do not have a decision yet. I am a retired attorney and magistrate. This was not a good process. When the Family Court was created we created an opportunity for people to represent themselves. To do that people must know the process. This process was blind, and the Assessor's Office held all the cards.

Tyler decided that two streets in the Five Sisters were evaluated at 70% more than the others. Tyler never told us the data that they used. We asked John Vickery. The City did not use a cost approach, but instead used a comparable sales approach. The whole process was strange. Using the cost approach created a \$3,000 difference instead of \$60,000. We have spent hundreds of hours on this appeal and we are aware of the process. We still spent tons of time. I don't know if any verification process was used when using comparable sales approach versus cost approach.

There was no transparency to the process and we felt disadvantaged because we did not know the basis for anything. The City has a list of rules about residential code and the City ignored them. The City came twice to measure our square footage, each with a different number. We did not get any explanation for the process. The Board at the first level of appeal is supposed to be neutral. We saw the Board and City assessors having lunch together after our appraisal. This has the appearance of impropriety. The whole process was male-dominated. Houses sell to families in our neighborhood, but the only woman involved in this process was on the Board. It used to be a male-dominated process in the 1970s, but that should have changed. It hasn't. If you only have males deciding on valuation then you don't get the whole picture. Women look at houses differently than men, but women were absent in the process.

When the cost approach was changed to the comparable sales approach, we did not understand any of the additional modifiers that the appraisal added. A bathroom cost 4k, which is very low. We accepted what the City did with the modifier since we did know what else to do. The modifiers changed from one appeal to another and that was a strange occurrence. If we do this again, make the process transparent and help the homeowners to understand the basis upon which the decisions were made. We could not understand the process.

Beach Conger: It was hard to deduce via the Property Record Card. If someone outside the board or assessor's office could explain the process as a neutral ombudsperson it would be helpful.

Joan Shannon: Could you repeat that?

Beach Conger: Similar to a hospital's ombudsperson to explain the difficult processes.

Joan Shannon: Similar to an advocate, then.

Jeanne Keller: I am pleased at the detail that Trine gave as she went through the appeal. There was a large amount of variability and the process lacked objective judgement. From one appeal to another there were differences. Sometimes you got a person that was not interested in your appeal and might change how your property was valued. I will leave this letter with the staff.

Has anyone ever hired someone? How about reviewing RFPs? How about graded an essay? You should all know what a rubric is. There was no rubric in this process. Speaking for my neighborhood, there was a house on Bilodeau Ct that put 80k into their house prior to assessment. It was all permitted. Their house was rated lower than my own. This determines your depreciation. A 1-step difference in this reduced the value by 80k. Same houses practically, but somehow their house was lower than mine. If a rubric has specific valuations for specific things then there won't be these differences.

I have a friend on East Ave. Her home is in bad shape, it is very old. That friend got the same rating as the Bilodeau Ct home that was just redone. When I asked about condition, it is based on building permits filed with the City. Another neighbor did a bunch of new work without permits and it looks very nice. The house is rated as lousy despite being nice.



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There were no standards. I have a condition rubric here. "Conditions are rated from C-1 to C-6, quality from q-1 to q-6." It's a simple rubric.

If you asked who did your appraisal, it changed how your home was valued. Appealing the process allowed someone to pretty much change everything. I would also add that the failure to account for the F-35s is ridiculous. When the Council allowed the F-35s, they noted that property values may go down. We did not ever get any credit for having those jets flying overhead. I would not show my house between 10 and 4 because of the jets.

One last thing, I asked Vickery about the algorithm. He said this wasn't the time to ask about the algorithm.

*Jeanne Keller submitted a letter and rubric that are attached on BoardDocs to this meeting's minutes.*

Larry Lewack: I was told during a hearing by City staff that the values that were embedded in the data cards were not a valid basis for judging the appraisal value. I find that astonishing. If the values on the card were not valid, then what was valid? We paid a lot of money to Tyler in Texas and they just used data. Either the values on the cards are justified or they are not. It does not make sense.

Second, there was a 70% land value markup for two streets in the Five Sisters. This seems crazy. I questioned that in the hearings and received no answer. This is an algorithm problem that we saw by comparing our home values. I found comparables on my own to prepare for the hearings. I separated out land values from improvements. I found improvement values were similar, but land value was \$47/square foot. Most of Burlington is \$22/square foot. Is there a justification for overvaluing certain land within a City? My friend who knows property valuations in Charlotte, he said no. Typically, you value inflation at 1-3 percent per year. The value is about 75% for the Five Sisters. This is way beyond what most people would think is reasonable.

Five Sisters houses sell for a premium, there can be no doubt. But a 70% markup? That's not reasonable. I took this to the third level of the appeal and I hoped the State would note that. He did not, he agreed with the City. I understand every municipality must do appraisals when data requires it. I think too much time went between appraisals. I believe this is related to the election of the Mayor and this reappraisal should have been earlier.

During Covid, residential values shot up and commercial dropped and that's when we did our reappraisal. That made residential property take a large hit. If the reappraisal was triggered earlier, we would not have found ourselves in such a bad spot. I hope that we can improve this process and that this process will be transparent.

Kevin Stapleton: Can you explain what the trigger should be?

Larry Lewack: I don't know, but I think the CLA should be higher since the process takes time. This can be budgeted for and we can hire someone who knows Vermont. Tyler did not know what an ADU was when a neighbor appealed their appraisal. They should know what an ADU is.

Beach Conger: I think we could have an auditor come up with an independent valuation and do a sample check to verify whether the algorithms make sense in Burlington.

### **4.0 Any Other Committee Business**

James Unsworth: Any other committee business? Please make time to meet with your subgroups so we have substance to discuss in our next deliberative meeting. We can fine-tune what the big points should be as we look toward the council.



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Joan Shannon: May I summarize? I agree with the transparency issue. We went into this appraisal using older tools and that created an unsatisfactory result. The data card had data that we did not actually use and did not have data that was actually used. We could design a new card so that we can have a transparent, easy to read card. I think showing the work would work better. We need a data card that everyone can figure out. The other thing Trine noted: people need support and guidance if they do this work themselves. A simple form could simplify the process for people to note what they think is wrong on their valuation. People should not come to the table unprepared. People don't know much beforehand and often end up learning everything in the appeal. The form/card should allow people to know what is wrong so they can state their case.

An ombudsman would be great. A lot of the questions raised tonight have actual answers, but I think the public could use a Q and A.

Jonathan Chapple-Sokol: I have a procedural question. Is there a way to call members of the public back in to posit some solutions to their problems?

Alan Bjerke: We need to listen and be realistic. Joan talked about the card so there is an obvious algorithm. There is a good use for the current card, but we could have a second card. There is a world of education on property assessment, there is tons of information out there from the State and the like, I think the education video we already did could be improved. We could craft a video that leads people and points them in the right direction.

Jonathan Chapple-Sokol: If we could get a focus group in, they can evaluate whatever we create. We can approach communication in a different way so that everyone can understand the process. I really think a focus group for us or for the City.

John Vickery: I love Joan's comments about the record card. I have a hard time with the card myself. It is hard to follow the math from beginning to end. There is simpler software that spits out simpler cards. People don't necessarily understand the process and we aren't trying to be opaque, but people still don't understand it.

Chris Haessly: I share Jonathan's suggestion about a focus group would be great. I am a renter, so a Q and A brochure could be helpful. The commentary about a rubric was great. I have not been through the process here in Burlington myself, but have been in another town. I always had a smooth process, but having local folks for the public to lean on would be great.

Alan Bjerke: For the record: we did not have lunch with the assessors. We had soup at City Market, but never did with the assessor.

Joan Shannon: Also, there was at least one woman on each panel. This committee is male-dominated, but I want to thank everyone here since finding volunteers can be difficult.

John Vickery: Joan really made a great summary of their points.

Joan Shannon: Homes have varying values even with multiple professional appraisers. Sometimes these values will be vastly different. Ultimately, we are all looking for market value. Tests are done to ensure accuracy, but the public doesn't necessarily know that.

### **5.0 Adjournment**

Motion to Adjourn by Chris Haessly, Seconded by Kevin Stapleton.

Yes: Unanimous.



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Committee Adjourned at 6:57 PM.