

**WALDO COUNTY COMMISSIONERS COURT SESSION  
TAX ABATEMENT HEARING PETITION NO. 355  
PETER WALKER VS TOWN OF NORTHPORT  
JUNE 14, 2011**

**PRESENT:** Commissioners William D. Shorey (Chairman), Amy R. Fowler and Betty I. Johnson. Also present were Plaintiff Peter Walker along with Defendants Town of Northport Assessors Agent Robert Duplisea and Steven Salley. Recording the minutes was County Clerk Barbara Arseneau, assisted by Deputy County Clerk Veronica Spear.

Commissioner William D. Shorey opened the hearing by reading the rules of the proceedings and swearing in the Petitioner and Defendants. He also stated that after the Commissioners have made a decision, which may or may not be the same day as the hearing, either party may appeal this decision to the Superior Court of the State of Maine in accordance with the Maine Revised Statutes Annotated Title 36, §844 and the Maine Rules of Civil Procedure, Rule 80B. The Petitioner was asked to speak first.

W. Shorey: The Petitioner may now present your case.

**PETITIONER: Peter Walker**

P. Walker: First of all this really came about because I just happened to have the tax bill from the previous year, when I went to pay my taxes in 2010. I noticed that my land valuation was \$28,000 in round figures and then it was \$80,000 in the year that I am disputing. I said this is just flat out wrong, there has to be some mistake that has been made somewhere. So, I thought about it for a while and paid my taxes and I went down and saw Robyn at the town office and said, "What is this?" and she said that I can talk with the assessor. She said that a lot of these come down as mandates from the State. I said, "Well it just doesn't seem right to me that first of all it is \$80,000.00 but also the fact that there was a giant jump, which is what, really got me." So, then I talked with the assessor and he said that essentially my property was brought in line with the rest of the properties in the area and I said that if that is the case, then those properties are too much, too. He said that I can appeal it and I did and he denied it and then I had 60 days to file. One of the things that he brought up was it doesn't apply at all and that is why I printed all of that information on real estate on the actual cost of sales of property in Northport. That is what I presented to you guys for an appeal. Besides, I am in construction and I travel quite a lot around the areas and I also have very distinct first hand information about what the sales and what towns assess property at; specifically in Owls Head because I own property there and in West Rockport, both when I mentioned to the assessor and he said it didn't apply because it was in Northport. \$35,000.00 for a back lot in Owls Head on South Shore Drive and right on 17 on the back lot, these prices are more in line with what I am seeing. So that is why I decided to come in and just see how this whole system works. The other thing is in 2007 I got divorced and my wife has been trying to sell the front lot of the house since 2007 and she has been unable to sell it. That is where I am at.

W. Shorey: So, your chief or main complaint is that you are looking at your tax bill and it went up \$53,700.00. Any questions? (None from the other commissioners.) [To defendants] any questions for Mr. Walker?

R. Duplisea: You quoted a price of \$35,000.00 for a lot, what is that? Is it an asking price?

P. Walker: No, that is what the town assessed the back lot at.

R. Duplisea: That is the piece of property in the Town of Owls Head.

P. Walker: That is correct.

R. Duplisea: What is on it for a building?

P. Walker: A house is on that lot.

R. Duplisea: I am just trying to understand what was being assessed for the piece of land. It is an assessed value.

P. Walker: No, that is for sale.

R. Duplisea: I saw the information that was provided on your application for abatement and I wasn't sure all of the particulars behind what that meant. That is the only questions that I had.

**DEFENDANTS: Town of Northport**

R. Duplisea: (Submitted packets to everyone.) I have only been in front of this board one other time and it was in Northport for the Hendrix. All of my presentations are basically the same and the best thing I would say is there is a map in the back of the packet. What you will see on that map is highlighted in orange, is Mr. Walker's property and that is the 2010 assessed value for his property – land and buildings separated and all the highlighted yellows are the neighboring properties that are assessed in the same manner. As we all know one of the biggest concerns that we have is to assess everybody in an equal way and that they are being treated fairly and uniformly.

W. Shorey: Excuse me, could I interrupt you for a moment? I would like to give Mr. Walker this so he can follow along and I will look on with the clerk.

R. Duplisea: I have an extra one. The town of Northport last time had a revaluation in 2004 so our value's as of April 1, 2004 and we have not changed them in the last seven years. In the tax year that we were just in, our certified ratio is 83%. So, that is enough evidence that we are not excessively over valuing our property. The first statement that Mr. Walker made is true. What had happened is Mr. Walker's lot was cut out of 5A a few years ago. So, when we have a lot split like that we are required to assess it in accordance with all of the neighboring properties. This is just a mistake that we made on our part and we will go through these print outs quickly.

The software that we use as a guide to assess our property, when we create a new account; basically what happened is there is a certain digit that you put in there to allow his land to be valued like everyone else in his neighborhood. Well, clerical error on our part; the wrong coding got put on his card that is why the assessment of \$28,000.00 was so he was treated the generic code that we have for the regular residential property in that town. So, he wasn't coded like he was supposed to be and that is why the jump happened. We discovered it for 2010 that he was supposed to be assessed in the same category as these neighboring properties and he was no in subsequent years. So, we made that change for 2010 which is what startled him and that is the story behind why it was done the way it was done.

W. Shorey: So, Mr. Walker had this piece of property and it was being split off which caused you to be reviewing it in more detail, and in reviewing it in more detail you discovered that the coding of it was incorrect with the other lots in the area.

R. Duplisea: That is correct. At the top you will find that I have a detailed valuation report for Mr. Walker's property. The way the valuation is arrived in this neighborhood is his total acreage is 1.46 acres, as you can see in the middle 1/3 of the lot. The way we break down the land pricing is the first half acre, is considered the house lot and the majority of lots in this neighborhood are smaller than an acre so we established a lot size that is relative to most of this size lots. So, this house lot of half acre; the value is \$70,711.00 for his house lot. Above and beyond that house lot is what we call "rear land" is at \$2,000.00 an acre, so all of the additional land adds \$1,920.00. The other component to the land is called "lot improvement" which is why I asked Mr. Walker about these other assessments from the other towns is the value of the well, septic, lawn, driveway and all of that, we add that into the land value and that is at a \$10,000.00 assessment. So, \$70,000.00 house lot, additional land adds \$1,920.00, and then \$10,000.00 for "lot improvement" and that is how we come up with the \$82,600.00. I have here for you, and I have a few of them is this in prior years before we discovered our clerical error, you will see that the calculations are done the same way where the house lot is still of one half of an acre but the value of that house lot is only \$16,900.00 and the rest of it falls in line with everything else. There is where the mistake was and by assessing it the wrong way when you look at his land value of \$28,000.00 and you look at the tax map and you see the valuation for all of the surrounding properties anywhere from \$55 - \$82,000.00, he was grossly under valued and this change brought him in line relative with all of the neighbors. As far as the valuation and the 83% certified ratio, that will be my evidence to support no excessive over valuation.

A. Fowler: [To P. Walker] How many years did you have this property sir before they realized this error?

P. Walker: We bought the house in 1976. But the house and the back lot we just split in 2007.

A. Fowler: It is clerical error. Look at these other values; they are right on.

W. Shorey: Mr. Walker, I am just curious that when you went in to speak with the town officials, and you have probably seen this paper work before.

P. Walker: I haven't seen that paperwork at all.

B. Johnson: So, you hadn't had any of this explained to you?

P. Walker: I haven't had any of this explained to me. All I had was what was on the tax bill.

A. Fowler: Do you understand, looking at your neighbors properties?

P. Walker: Yes.

W. Shorey: How do you feel about that once you learned how this came about?

P. Walker: First of all, it is too much money for a lot and I don't care if the person says to me that is only 80% of the certified valuation or not; it is still too doggone much. I don't have a water view, I don't live on the water, I don't own any frontage. I have a right of way and we did that in the divorce, I moved my driveway right to the brothers property more salable which has not been able to be sold. The whole real estate market is down, sales are way down and the costs are still coming down. This whole idea of saying, "All right, your land has gone up," and we bought both houses; one lot for \$25,000.00 in 1976. When we were still together, I think the total valuation of the property was still one lot and it was only \$125,000.00. Now what they have done is they have said that, "you have the same piece of property and now it is divided in half and therefore it is worth twice as much." The whole gambit of information that I am seeing and what I am going through is foolishness. So, that is where I am at.

W. Shorey: I had a couple of other questions. I know that it is difficult for you to understand, Mr. Walker but I would like to give you and it is not a good idea to give you examples of other places because we only use the facts that we are talking about, but here for example; in 1970 I built a house and bought some land and paid like \$27,050.00 for 120' by 200' and something down on Savage Road in Searsport. One of those lots today has a value of \$120,000.00. We talk about real estate being down and I think we largely would have to agree with that, but, yet there was a house that was in the business of being sold here in Belfast that the people came along and looked at it and said, "If I offer you more will you sell it?" There are extremes that we do. Here is something, and just looking at the figure and listening to this gentleman, and we had a situation with a mobile home just a short time ago; just a case in here and that particular case the values, we thought, were too high but they were too high for everybody so that was something internally that the town needed to sort out. One was being taxed too much but they were all being taxed too much. In just looking at these sheets here it looks to me like it is rather consistent of what the town is doing. That is what we look for is fairness that someone isn't being subjected to an unreasonable hike in prices, and you know quite possibly if you hadn't had this split off of land, you might have gone a lifetime before this was discovered. You really had a tremendous buy for a long period of time.

P. Walker: And it is not significant that I have to drive between two houses to get to my house? It is a back lot.

W. Shorey: I guess that is not for me to judge if that is significant or not. We have to look at what is fair and this seems to me to be that somewhat fair. Do you have any other thing that you want to add, or questions?

B. Johnson: I am just looking at all of these and looking at the sizes for the acreage and some of these are not even ½ an acre. I am trying to figure out which ones are which here. Lot #7 is assessed at \$86,700.00 and then the next one was 2.7 and assessed at \$85,000.00 and then his is 1.4.

A. Fowler: The fact is the consistency of how it is broke down and how a half acre is valued at \$70,700.00, and that is considered improved lot price. So, everyone is \$70,700.00 across the books.

R. Duplisea: We always assess the highest and best use and the most probable use of just one lot. We don't anticipate the fact that the lot could be split in two and assess it that way. Most likely someone is going to buy it for a single house lot.

B. Johnson: I just wanted that figure in my head here because it seems like, and granted, we all suffered a higher assessment of property and land. I know in Lincolnville we up values to 100% and some people went down for them and for some it went up. I see that you haven't done any changes and it has been 83% for about 7 years so it sounds like it has been a fair assessment throughout the 7 years and done the same way. It just happened that this particular property now has fallen under the correct code assessment and getting hit with a large amount at one time here which is kind of shocking. That is unfortunate but it looks like it is pretty fair throughout. It is difficult because so many times we want to compare with other towns and so forth, but it really can't be done that way and we have to look at the neighborhood. I don't have any questions, I just wanted a little clarification on that and to have that explained a little bit clearer and I am fine with the answer.

W. Shorey: So, no more questions here, any more questions from you, Mr. Walker?

P. Walker: It never gets taken into account of the fact, or it seems to be that my ex is trying to sell a house for the assessed value and she has not been able to sell it for three years. So, does that say to anybody here that the assessed value that they are using is too high? If you can't sell a cute little house for under \$150,000.00 on Bayside Road in three years, doesn't somebody besides me think that the assessed value of the property is too high? I mean, it does to me and I can't get around it.

W. Shorey: Let's think about this for a second, Mr. Walker. Let's assume that your town has to raise "X" amount number of dollars to operate, so they have a mil rate and divide that up best they can and that is how they come up with the taxes. But let's say, hey, this real estate took a big jump, its down 30% all across the country and lets say that Northport says everything has to be reduced 30%, where does the money come from Northport to maintain the town? So, the mil rate goes and we are back to where we started again.

P. Walker: I agree with you but by not lowering it, you are elevating what the costs of the properties are. It is like you need to have down times; we are in the down times but the towns don't reflect it.

W. Shorey: I cannot give you a good answer other than to say that when the sun sets at the end of the day let's say Northport needs \$1.8 million dollars to run their town and they look at these sheets and whatever they do has to be uniform, and I don't need to be defending Northport because our job is to try and be fair to all of the parties involved. My town over in Searsport, if I was setting in your chair, I would be about the same situation as you are in. These assessed values as the market changes a little bit aren't necessarily going to float up and down.

P. Walker: It is not just a little bit.

W. Shorey: I know that and I feel for you and I feel for myself because I pay taxes, too, relatively high. It is just not going to change on a yearly basis.

B. Johnson: I was just looking at the mil rate and the mil rate was much higher in 2009 and it came down to 17.95 in 2009 and it is 12.3.

R. Duplisea: It is, but if I may? They had a 16 or 17 month budget, in 2009 they changed their fiscal year so that is why it went up the way it did. One thing that we have to remember is we are still at 2004 valuation levels. All of the appreciation in the market from 2004 – 2008, we didn't increase values over that time. We have to get to a point where we are both consistently below the 2004 market value before we would have to worry about excessively over valuing property, and we can't do that. We cannot be more than 110% of market.

B. Johnson: And you are not even 100%.

R. Duplisea: No, we are not. This one particular property that is for sale is at the assessed value, but even if it sells at the assessed value our assessment is still not considered excessive. One sale doesn't dictate what the market is doing but even this one particular sale at the assessed value, we are not excessively over valuing the property. If or when that sale comes through, it wouldn't cause me alarm at all.

B. Johnson: How many other people were put at the correct code?

R. Duplisea: I don't really think that there were any others that we discovered that right off the top of my head had the wrong code.

B. Johnson: Basically, it was because it was split that you happened to see it?

R. Duplisea: We split it and put in the wrong code. It was actually brought to our attention that it was wrong.

S. Salley: Not pertinent in this case, but going forward to the 2011 tax year, just an indicator of the market in Northport. We are actually certifying 80% this year for 2011. It is something that I wanted to bring up and I did have one question for you, Mr. Walker. Is your ex-wife's property still for sale?

P. Walker: Yes.

W. Shorey: I think we have pretty well had what discussion we need. Do either of you have a motion that you would like to make?

B. Johnson: Well, we have to make a motion to come out of public discussion and go into discussion.

**\*\*A. Fowler moved, B. Johnson seconded to come out of the public hearing portion and for the Commissioners to deliberate. Unanimous.**

A. Fowler: Looking through all of this information, my first thought is consistency. They are consistent and we have to make sure that you are not singled out. It is consistent and everyone has the base value of \$70,700.00. Whether or not we agree, and I appreciate and I hear your point, I think all of us and I bet these two do, also. Perhaps it is high but it is uniform. Whether or not we think it is high or not, the consistency level is the fact that it is equal amongst all is one of the factors that we have to look at. It is consistent. Whether or not we like the price or appreciate the price, it is what it is. Real estate values we hear that everyday at every abatement, you are absolutely right. I own 400 plus acres that, years ago, was worth a lot. With regards to the frontage, I see what you mean with the frontage that you have to go through. But, again, I have to think of it as when we were assessors as selectmen; you should try that. It is frontage to somebody whether you are looking at the back of your neighbor's house. It is still a frontage from somewhere from some angle. I, at this point, am prepared to vote.

B. Johnson: I am in agreement with you and as far as I can see, and this is one of our jobs as assessment review is to determine if there is a mistake, and I don't see where the assessor's agent made a mistake. It is consistent and that is what we look at. As Commissioner Fowler said, yes, it is shocking of one time to see this after seeing for three years you were paying something different. So, I also am ready to vote.

**\*\*B. Johnson moved, A. Fowler seconded to not grant the abatement on this property. No further discussion. Unanimous.**

Respectfully submitted by \_\_\_\_\_  
Veronica Spear, Deputy County Clerk