

**WALDO COUNTY COMMISSIONERS COURT SESSION  
TAX ABATEMENT HEARING PETITION NO. 360  
PETER WOODWARD VS TOWN OF PALERMO  
JANUARY 8, 2013**

**PRESENT:** Commissioners William D. Shorey (Chairman), Amy R. Fowler and Betty I. Johnson. Also present were Plaintiff Peter Woodward, along with Defendant Town of Knox Selectmen, Simeon Brown and Darryl McKenney. Recording the minutes was County Clerk Barbara Arseneau.

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 Woodward:**

P. Woodward: I have some pictures and a note [email] from Adams Realty, who we had given the listing of our property listed in 2011. My home is considered very nice, but one of the big factors that it didn't sell is the place next door. It is a big, sprawling place; I call it Big Bird's House because it's yellow. I don't know how to describe it...it is out of place. I kind of like it but it doesn't fit in. It seems to be an objection to the sale of our place. That is why I have asked for this hearing and I appreciate the opportunity.

I would like to read a note from Adams Realty: "You have a lovely camp on Bald Head Island with water frontage on Sheepscot Lake. No question when I had the property listed we showed the property to several potential buyers. Obviously, all chose not to purchase and one factor was the camp/house next door. They found the camp out of place and did not want to look at that property. There have been seven sales in Palermo since last November that are directly on Sheepscot Lake or have a road to the lake. The highest sale was down the road from you at 354 Bald Head Island for \$234,000.00. We also sold another a year-round ranch on Bushey Shore Road for \$230,000.00. Other than that all the other camps or year round homes have sold for less than \$200,000.00." This was sent by Lucas Adams. Again, I am just passing it on for what it is worth. We have had the house up for sale. We had it down to \$214,000.00 and couldn't move it. I know it's a bad real estate market, but for taxation purposes, would like a little relief. I know every town and municipality needs money and don't want to give up income stream. I have pictures to pass along as well.

W. Shorey: The house next door, is this a residence? Do these people live there year-round?

P. Woodward: The intent was for that but I don't think he's lived there year-round more than one year.

**\*\*B. Johnson moved that the email copy be Exhibit 1. A. Fowler seconded. Unanimous.**

A. Fowler: In this picture, the yellow place with the red roof, is this the neighboring camp or yours?

P. Woodward: The neighboring camp. The garage is a two-car garage. Above that he built a recording studio which is now somewhat dismantled.

A. Fowler: How long has "Yellow Camp" been there? Is this new?

P. Woodward: I think we've been there 10 years. When we moved there, that camp was about the same footprint as ours. A few years ago, he experienced a fire and he built what you see now.

D. McKenney: Joe Deleo built and then this gentleman doubled up in the air; there was a studio and went out to the garage. It has a Mexican/Southwestern look.

**\*\*B. Johnson moved, A. Fowler seconded that the collection of pictures be Exhibit 2. Unanimous.**

A. Fowler: I see this letter that was sent out to Mr. and Mrs. Woodward and it speaks that no-one in Palermo will receive a lower assessment, is that correct? Did all the taxpayers get this or just anybody that requested an abatement?

D. McKenney: We haven't had that many abatements, but yes; for 2012 we did not lower assessments. Once there is an election of a new member in 2013, we can revisit and see if we can lower everyone's.

A. Fowler: For the most part there is no bias, everyone's being treated the same.

D. McKenney: That's correct.

S. Brown: Obviously, if someone came with a dysfunctional system of some sort, that would lower the valuation.

B. Johnson: What I'm seeing is there is a difference in size. I'm just curious about what the neighbor's house was appraised at.

(Brief discussion that they would review the tax card during the defendant's portion.)

**Defendants: Darryl McKenney and Simeon Brown**

D. McKenney submitted 10 pages, the first page being a map of the island.

D. McKenney: Back in 2008, the town spent about \$20,000.00 to do a valuation; the first time on the Trio System. We looked at the sales prior to that and came up with our assessment to bring us to 100% all on same playing field, which hadn't been for years. Just out to the right you will see, as far as activity on Bald Head Island, it is generally the very nicest of the lake and where a lot of our sales activity takes place. In 2005, there were four sales, none in '06, three in '07, none in '08 and '09, two in '10, none in 2011. There has been two in 2012 but I realize we're beyond April 1st. The subject property is on lower left and says "Woodward".

The second page is letter to us requesting relief regarding the fact that he hasn't been able to sell the property at \$229,000.00 and we have it at \$281,500.00. Our letter back to him is the third page.

The Valuation Report shows that he purchased the property in 2002 for \$123,000.00. It has a well and a septic – size of lot is ½ acre, which basically every lot is. The base lot we have assessed at \$100,000.00 for 100' of frontage. We're showing him at 119' so we add another \$57,000 for that. Then for the well, septic, and the driveway, we add \$15,000.00, so the land is at \$127,000.00. Then we call it a 1¾ story with 728 square feet, a basic camp. The buildings we have at \$168,500.00 for a total of \$281,500.00. We are over-assessing everyone in town based on the state sales. We are declaring \$110,000.00 so if we divide by that we would estimate it at \$255,900.00. If you divide that by his asking price of \$229,000.00, we're at about \$111,000.00, if it was to sell.

The next page – "Yellow Camp". The land is pretty much the same. It is \$118,900.00 but as far as the building he does have 1,092 square feet in a 2-story structure, so we \$356,800.00 on just the building. Total assessment is \$475,700.00. It is a strange-looking house.

The next page is a report the state prints out. The Presidential sales study put us at 103% on average, 10% ratio assessment rating for 2013.

The next few pages are just how they break down the different ratios and the last page totals of sales July 2009 through December 2011. The signature page is on back.

We have looked at this again. Back in 2008 is when we set up the schedules. We've looked every year. Floating around \$110,000.00 and it has been that way since 2010. It may be time to drop it down since Obama is back in office for another four years.

S. Brown: One note of clarification. When we do assess we go by square footage alone. We don't go by the aesthetics of the building.

W. Shorey: Any questions?

B. Johnson: Seems that the assessment is comparable for size of house, and seems fair for all property around, not higher than another due to some other factor. Basically, the questions have been answered.

A. Fowler: No questions.

W. Shorey: [to Plaintiff] Any questions?

P. Woodward: No.

W. Shorey: I guess we all think we pay too much tax, to a certain extend. We had an example of a mobile home that was a disaster and looked like a B-52 had run over it. That particular town had a minimum on a mobile home of \$15,000.00. Didn't matter what it looked like. Was it worth it when we looked at the information? No, everybody at the table knew that and everybody was being treated the same and it is unfortunate that it happened and in a way, that is the same thing here, which is unfortunate. [To Plaintiff]: Do you have any more you'd like to say?

P. Woodward: No, I don't and I thank you for the opportunity. I think if I knew how the valuations were done....I didn't realize there would be a formal hearing. It may have been a waste of money/time.

W. Shorey: Don't ever feel it is a waste of time; these hearings are the one opportunity that taxpayers have to ask questions, and that is why we are paid; to hold these hearings. Never feel it is a waste of time. We will close this part of the hearing and the Commissioners go into deliberations and decide. Don't ever feel it's a waste of time to come in.

D. McKenney: No, it is not a waste of time. You brought in information we were unaware of. We didn't realize that you have been showing the property. We can certainly go back and look at that. We can certainly go back and look at all the north end of the shore property. It does help to sit down and review it all.

B. Johnson: When somebody asks for abatement, you don't hold a hearing with them?

D. McKenney: We received a letter, not an application. Generally, yes, we do have a hearing. There was one previous that withdrew and said we never got back to him. I've never seen that appraisal.

B. Johnson: That is the usual step and maybe he wouldn't have had to come here to get his questions answered. Maybe there should have been a hearing with the assessors. Many residents don't know how to do this. Many people have not had the opportunity to go before the board of assessors; so they end up coming here because they have no other recourse. I hope the Towns start educating the taxpayers so that they know of the process. Don't ever think that we don't want to hear a case. Sometimes we've sent people back to discuss things with the Town and work it out that way. It would be better to work this out that way. Some towns are very good; some have their own assessment review committee.

**\*\*B. Johnson moved that they close the public hearing portion. Motion died for lack of second.**

W.Shorey: I have more to say....I want to point out again, it isn't a waste of time for you to come in. This conversation indicates that maybe something can happen to be beneficial to you and you can have further conversation. Having said that, we'll close this part of the hearing now and go into deliberations.

**DELIBERATIONS:**

A. Fowler: We are informal here. This gentleman has a great argument. We can all agree. When you have a neighbor next door with an interesting idea of...whatever, it makes it difficult. I commend Palermo but there was failure to communicate. The one thing to look at is everyone being treated equally. Do we agree or disagree with the process? Sometimes no, sometimes yes. I really appreciate that they are true to their word, so I have the utmost faith that they will look into this.

**\*\*A. Fowler moved, B. Johnson seconded to deny the abatement. Unanimous.** Discussion:

B. Johnson: The one thing that we have to decide is if you are being treated unfairly and if everyone else is being treated the same.

P. Woodward: I've dealt with Mr. McKenney in the past and he has always been fair.

**Motion passed unanimously.**

(Further discussion of the process and how taxpayers would stand to be better educated, but nonetheless it was not a waste of time that they came before the Commissioners.)

Respectfully submitted by: *Linda L. Kinney*  
Waldo County Deputy Clerk