

**Milton Town Council Meeting
Sitting as the Board of Appeals
Milton Theatre, 110 Union Street
Thursday, January 21, 2010
6:30 PM**

1. Meeting was called to order by Mayor Post at 6:30 p.m.
2. A Moment of Silence was led by Mayor Post.
3. The Pledge of Allegiance to the Flag was said by all in attendance.
4. Roll Call was called by Mayor Post

C Martin-Brown	Present
Mayor Post	Present
C Betts	Present
C Prettyman	Present
C Abraham	Present
C Duby	Absent
C Hudson	Absent

5. Additions or Corrections to the Agenda
Mayor Post: Are there any additions or corrections to the agenda? If not can we have approval for the agenda.
C Prettyman: I make a motion that we approve the January 21, 2010 agenda.
C Abraham: Second
Mayor Post: We have a motion and a second. All in favor say "aye". Opposed.
Motion carried.

6. Presentation of the 2010 Tax Appeals
 - a. Mayor Post: What we will be doing is going in the order that the report was presented to us. We will have Dave Hickey go over this as we take it from case to case of each of the properties and he might want to; and I would assume the best way would be probably to vote on each appeal individually as we could take it, such as Case No. 1 and then move down through the list. The first one of Case No. 1 is Henry Carter, Jr. of 108 Carriage Drive. Would you like to just summarize your response?
PLEASE NOTE: NEITHER DAVE HICKEY OR JONATHAN LARSON EVER GAVE THEIR NAME IN THE COURSE OF THIS MEETING, SO THEY WILL APPEAR IN ERROR IN THESE MINUTES.
Dave Hickey/Blue Ridge Mass Appraisals/PTA: Mr. Carter appeared; he presented an appraisal that was done May 4, 2009. Mr. Carter brought an appraisal to our attention that he had had conducted on his property dated May 4, 2009 in the amount of \$292,000; that was an appraisal for refinancing purposes. The property was currently assessed for \$323,900. The information

was essentially correct, although we did notice that there was a significant size disparity. His appraiser said the house had 2,210 square feet and our records indicated 1,995 square feet. It's essentially a cape code style house and standing on the outside, a lot of those types of properties it's hard to accurately determine how much upper floor living area there is. That said, it's always been my policy when an appraisal is submitted I carefully review it to make sure that the physical information provided by the appraiser who has had a much better opportunity to look at the property than we do; is accurate. In that regards, I noticed that his appraiser noted that there was 595 square feet of second floor living area where our estimated living area was 389 square feet; it's about 200 square feet, making that adjustment would reflect a total area of the structure of 2,200 square feet which is very close to what his appraiser said. I looked at several sales in the Wagamon's Pond, just to ascertain where our value was. There were sales ranging from 1,700 square feet to 2,556 square feet and they ranged from \$284,400 at 139 West Shore Drive with 1,700 square feet to \$380,147 at 114 Oysterman Drive where the house had 2,556 square feet and that sale was officially the same style as the subject, except it was bigger. That said, the current assessment of \$323,900 appeared to be quite supported and reasonable. However, I felt like we needed to take into consideration correcting the record and if we do that and increase his square footage from 1,995 up to 2,200 which brings it more in line with the exact same style house at 114 Oysterman Drive that sold for \$380,000, the new assessment would be \$332,500. My recommendation on this property is to correct the record and adjust the assessment to \$332,500.

Henry Carter, Jr.: Are you preparing options on the house that sold for \$380,000. I paid \$325,000 and they tell me a four year time; well every other house in this area and all over the United States is appreciating; mine's the one house that is remaining stable and is possible appreciating now. I paid \$325,000 and it's appreciating to \$332,000. Is this a kangaroo court?

C Abraham: I have just a thought, with the economy in '08 I'm not sure, but I think we were still on the higher side, but in the past year we certainly have dropped. I see where you mentioned before your upper level was not finished off.

Henry Carter, Jr.: [garbled] but they can't sell a house.

Mayor Post: I would prefer... We're going to have to sit here and decide; this is going to be a very difficult decision. We've had the hearing, as far as when you came forward; and you made your presentation and I think what we have to do is sit here and decide whether we want to accept the proposed changes or not. I have a real problem anyways quite frankly with the way assessments, if you want to hear my opinion on it; because I agree, you're right; there's certain things; but you know what it's the Delaware Law; it's amazing to me that somebody could have \$100,000 kitchen in their house and somebody could have a \$5,000 in the house and it's mainly based on square footage and until the assessment process for the State of Delaware changes, I don't think we are ever going to be equitable in tax assessments; because I have seen it all over with people having luxury granite in their houses, compared to people

that have Formica tops, with the same Formica tops from the 50's; so to sit here and say that we are going to be able to be precise on these assessments when the interiors are not assessed; I think really where the situation in assessment needs to change.

Henry Carter, Jr.: That evaluation hasn't changed since four years ago.

Mayor Post: He has the dates in here. So the dates are in here.

Vice Mayor Betts: I feel that it is unfair also, because with the economy the way it is, I just can't see that this is jumping up, regardless; I think the whole assessment is out of line and it just doesn't make sense as far as I'm concerned. I think it's very out of proportion. In fact, I think a lot of them are.

Mayor Post: I just had a bank assessment on my house done for a reassessment and they are assessed under, anyways, for a bank assessment; and mine just a couple of months ago was assessed at over \$300,000. So whether you think it's fair or not fair, that's something that somebody else is going to take into a further step.

Vice Mayor Betts: But that's what we're here for, to discuss it.

Mayor Post: Yes, we're here to deal with these on hand and you need to determine what you feel is a fair assessment for that property.

Vice Mayor Betts: He said he paid \$325,000; when, in '06, which was a higher market; now it's a lower market, it should not be more than what it was back then. I'm sorry. That's how I feel.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Can I address that? When we looked at the sale, we saw that the market here peaked in 2007 and if you look at our assessments compared to everything that occurred...

Mayor Post: 2008

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Well if you look at our assessments on these properties they are pretty much under every one of these sales. So you can't blanketly say that just because we looked at a sale that occurred in 2008; you can't assume that our assessment is higher than that sale. All I'm saying is from the standpoint of equity, in this case his property should be treated exactly like all the others in Wagamon's Pond houses of that size and style characteristic should be the \$332,500. I recognize today that the market is not as strong as it was in 2007; and our assessments pretty much reflect that across the board throughout this city; it's unfortunate that this error was brought to our attention and had to be corrected; but it would be unfair to his neighbors not to correct it.

C Prettyman: My understanding is, he still has not completed the second floor.

Henry Carter, Jr.: The County did the same thing. They picked the building plans, they come in and they look outside and they see windows and they assume that that's all livable space. But it's not. They make these houses for show now. They put windows instead of siding. So in front of my house there are three windows; two go to attic space and the one just goes on top of the foyer; it's not finished space. Even the County came out, when they assessed; originally my taxes with the County were \$1,600 and some odd

dollars and now they are down to \$924, so they greatly over appreciated my house also.

Mayor Post: Are you saying that none of your second floor is liable space?

Henry Carter, Jr.: No, there are rooms up there, but I'm saying that when this is appraised, they are going by windows not by floor space.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: I'll point out that I used the dimensions that your appraiser had, exactly. That's the 595 square feet. Our best guesstimate looking at it from the outside, from the ground, was only 389 square feet; now I can see the argument on Council's side to site there and say and we looked at that and that was our best guess; we were not privy to that 595 square feet factual information; and you could leave that assessment stand at \$323,000 which would be right in line with essentially what he paid for the house in 2006; so either way I get in this uncomfortable position when I'm doing these hearings of factual information is brought to my attention and it's my responsibility to report the facts and do those things correctly in regard to that. By the same token, had we had 595 square feet and your appraiser had said 389, we would have made that adjustment right off the bat to correct it. It is unfortunate that yours went that way. However, if the Council wants to let that assessment alone its right in line; you're not talking much money one way or the other; we're talking a few dollars in taxes one way or the other, what are you talking about \$8,000 or \$80 times the tax rate, are we talking about \$16. I don't know. To me, if Council wanted to leave it stand, you could make the argument that we were given privy to information that you brought to our attention, that was factual, but had you not appeared, it would have gone along at the \$323,000; because we wouldn't have known any difference. But you bring the factual information to my attention, I have to go forward; I can't ignore it.

Henry Carter, Jr.: But you even stated from the beginning that you had no idea. I saw you about 16 months ago, when I recognized you; I gave you the appraisal and the sale contract then, you told me that yeah, this seems off and you would come around to 292.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Now, I don't think I told you that I would bring anything down at a meeting.

Mayor Post: C Martin-Brown she would like to make a comment on this, as well.

C Martin-Brown: Well, the first comment is we had a hearing and a lot of this was debated and discussed at that time and tonight it's the Council's role, if I understand this correctly to decide what is a proper procedure. When you came in, if I recall and please correct me if I am wrong, you were appealing the \$323,000 because you had the refinancing assessment for \$292,000 some odd, is that correct Sir?

Henry Carter, Jr.: Originally, the first appraisal was \$249,000 and that's when I submitted...

C Martin-Brown: When you were at Mariner's School, you appealed that \$323,000 assessed value providing the evidence that your house had been assessed at \$292,000; in order to get refinancing and you wanted this

assessment lower and more consistent with the \$292,000 refinancing assessment; is that correct?

Henry Carter, Jr.: Yes, but I also stated in the sales contract saying that \$225,000...

C Martin-Brown: Well, that's another issue.

Henry Carter, Jr.: I'm saying I didn't present that the other time. I'm sorry.

C Martin-Brown: One, you didn't present that the other time; but the second thing is that when this appeal then was made and there were new findings that there was additional space that hadn't been calculated, the value went from \$323,900 to \$332,000; is that correct?

Henry Carter, Jr.: Right.

C Martin-Brown: I'm asking you this, because, now a more fair response might be from one Council Member's perspective is since you are more or less abused, and I would to find that my assessment went up, not down, but we also found more footage in your domicile, that we didn't have on record, there may be a way to have let that appeal be a wash; that it sticks at \$323,000; but you don't get raised to \$332,000; acknowledging that you have more floor space in your dwelling then was understood in the initial assessment; that's what I'm trying to figure out in terms of what I, as a Council Member, want to consider when I vote on this matter.

Henry Carter, Jr.: Honestly, I think, I'm not good with words; I think it would be insane if you would raise it higher because I brought it to your attention.

C Martin-Brown: Well, my sanity is often questioned, Sir.

Vice Mayor Betts: I have a problem also, that this was not his fault; that they found out that he had more floorspace since the appeal; he's appealing it is my understanding you're appealing the \$323,000. I think that to raise it after the appeal is very wrong.

Mayor Post: But as our assessor pointed out, they have to be equitable.

Henry Carter, Jr.: My assessor assessed it at \$292,000.

Mayor Post: But it's a bank appraisal and bank appraisals are low and we know that. They're being very conservative these days; they're being extremely conservative; they're being very tight with loaning money; so the bank appraisal; just like with mine; I was crushed when I saw the amount of money. I wasn't happy that it was as low as it was. But the bottom line is, is that the woman as she explained to me, they are being very conservative at the banks these days. I don't think even though bank appraisals can be a little bit of a guide, it can't be a true genuine guide.

Vice Mayor Betts: But what I'm saying, Mayor is the \$332,000 shouldn't even be considered, as far as I'm concerned.

Mayor Post: The thing is that they are to go back and present us with their recommendations of their findings from the appeal, good or bad, that's what they did. It doesn't mean we have to accept it.

Vice Mayor Betts: I understand.

C Prettyman: No we don't.

Vice Mayor Betts: No we don't. But what I'm saying is, when he did not know of the \$332,500, until tonight or when he got his papers; I got mine at

5:00 almost; I don't think we should all be addressing the \$332,500. I think we should be addressing his appeal at \$323,900.

Mayor Post: It was our assessors responsibility to take it back and make the recommendations; to get the information that he learned from the night that we had the appeal process; and then it our decision as to what we want to do with it. They have made their job based on the way they used their theory but then I think it's for us, we can decide, hey, you know, well you're right, he did bring it to you know, to our attention; he certainly wasn't happy with the other one; he isn't going to be happy with one that's higher yet. That's true, so. I think what we have to decide now is do we feel that the \$323,900 is where we would want to keep it?

C Martin-Brown: Do you want motions on this, Mr. Mayor?

Mayor Post: We're going to have to have motions on all of this.

Henry Carter, Jr.: [garbled]

Mayor Post: And you know we would have the same thing if somebody walks in here six years from now and I would guarantee you that if the real estate goes to a boom and the homes are worth \$500,000, nobody is going to come in here in five years and say would you reassess my property because it has gone up in value. The bottom line is that's the problem with assessments. That's why they should be assessed over a period of time, thank goodness in the new charter it designates now every ten years it's going to be assessed, and that's the game. Because if I had my way, every time a property sells in this town it would be assessed. That's not what Delaware does, so it's irrelevant. Don't agree with it. Don't agree with the way do assessments anyways; because I do think there is a difference between somebody \$100,000 kitchen and I know people that have \$100,000 kitchens (not here but in New Jersey); but is that fair for it to be different then somebody who has an old beat up kitchen with linoleum, no. But you know what; we've got what we have to deal with.

C Martin-Brown: Mr. Mayor, I would like to make a motion. I would like to make a motion that the size be corrected but the adjusted value be sustained at the earlier figure which was \$323,900.

Mayor Post: The bank appraised it, which is a big difference; otherwise I would be here fighting mine and knocking mine down about \$100,000, too.

C Martin-Brown: Since I made the motion, the floor is open for discussion of the motion, but we need a second before we discuss it.

C Prettyman: Okay, I'll second it.

Mayor Post: We have a motion and a second. Now we're open for discussion.

C Martin-Brown: Mr. Prettyman I was looking at that figure \$323,900 which was the original figure being appealed, but what I'm looking at is that list on the next page of 1 through 5; and if we accept the figure \$323,900, it's below the 106 Wagamon Boulevard assessment of \$325,000 and it's lower than 3 others; so we're sort of at a benchmark in the middle.

C Prettyman: I see what you're talking about.

Mayor Post: Well they range from 1,700 square feet to 2,556.

C Prettyman: His is only 2,200.

Mayor Post: And you're proposing obviously to correct the amount to properly reflect that.

C Martin-Brown: To correct the amount to give due respect to the original expectation of the assessment.

C Prettyman: I still think that \$332,000 is high.

Vice Mayor Betts: I would like to see it compromised.

Mayor Post: It's not \$332,000; it's \$323,900. So we're going back to the \$323,900.

C Prettyman: The \$323,900...

Mayor Post: Was the prior reassessed amount that was placed on it by the town and then after the appeal process, it was raised because what was presented showed more square footage and then they reassessed it at the new square footage rate. So the motion on the floor is \$332,500 is what they were recommending and we've gone back to the \$323,900, which is almost a \$10,000 difference and we're going to be adjusting the square footage. We have a motion and a second; do you want to roll call vote this? I guess you might as well:

C Martin-Brown	Yes
C Prettyman	Yes
C Abraham	Yes
Vice Mayor Betts	No
Mayor Post	Yes

Motion carried.

- b. Case No. 2: Mayor Post: MaryAnn and Nathaniel Johnson. I don't know if anybody is even here for them. If you recall this is the parcel next to Quick Stop, which is zoned commercial; which I thought it must be zoned residential; but I have learned by reading this in their response; it is zoned C-1 Commercial. They have made recommendations regarding their two parcels. There's a parcel that sits, I believe, a very small parcel behind Quick Stop and then there's a large parcel that sits next to Quick Stop and you could see what they are recommending is to lower that main parcel which was proposed assessment at \$473,400 to lower it to \$420,200. The smaller parcel would be adjusted from \$57,300 to \$40,100.

C Prettyman: Wait a minute, just a minute. The lower value of this main parcel from the \$473,400 to \$420,200.

Mayor Post: And there's a small piece; I don't know if it's buildable, even.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: That was the problem.

Mayor Post: The fact is it would have some value, especially to existing commercial property in that area.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: When we looked at it, there was another parcel right down the street that we had made a frontage vs. a back land adjustment and we felt like we needed to be consistent with this property and we considered the back half of the property. In other words, the only way to get to the back side of this is to go around behind the Quick Stop

on that side street across that little piece, so it really is essentially one property; but they could more fully develop it commercially.

C Prettyman: I think this is ridiculous.

C Abraham: If they were to come before Planning and Zoning and Council for a zoning change to a residential and it were assessed; that would lower the assessment; I'm just thinking out loud. They have the commercial assessment already.

Mayor Post: Commercial supposedly has a higher assessed value is what I've been told.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: We came along through there today and there's a house for sale; a residential lot in that general area for sale that says commercial right on there.

C Abraham: It's a selling factor too that's why I wondered if they're not happy with the assessment as Commercial.

Mayor Post: That's something they would need; if they're looking at it as an investment I would certainly, I would keep it commercial, if it was me.

C Prettyman: I don't think they're looking at it.

Mayor Post: If they are looking at it as lifetime residential and don't care, then they might want to come for a zoning change, which possibly in the next appeal could lower their...

C Prettyman: And that's what I really think they're looking at is just as a residential and not as a commercial there. They were even a little upset.

Vice Mayor Betts: Could the parcel behind Quick Stop be developed separate?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: No it's too small.

Vice Mayor Betts: It's too small for that.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: But it would allow access from the side road, Mulberry Street Extension, is it; around through so that you would have a drive-thru situation.

Vice Mayor Betts: But it could not be a land parcel from Mulberry Street.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Well it exists as an individual parcel at this time.

Vice Mayor Betts: But could it be built on?

Mayor Post: They would have to have a variance and they would have to go through Planning and Zoning but the bottom line is it would have a lot of value for connectivity; if they bought the large parcel...

Vice Mayor Betts: Is it connected to the large parcel?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It is.

Mayor Post: It could be an entrance.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: The highest and best use of that dwelling, that structure, is to be some sort of office; for instance, a dentist office in there for example and you would need parking in the rear; you would need that access.

Vice Mayor Betts: Could it be added to the large parcel?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It could be, but it wouldn't lower the value of it anymore than what we've suggested.

Vice Mayor Betts: Unless they ask for a change in zoning.

Mayor Post: It might even increase the value, because they would have connectivity off of two major streets to me, which would have more commercial appeal. If you separate it or merge it I don't think it will diminish the value any less than \$40,000. It's still a pretty large piece of property.

C Abraham: It's 113.87 X ...

Mayor Post: Can we have a motion placed on the table for that?

C Martin-Brown: I make the motion we adopt the recommendation, which is that this will lower the land value to conform with the methodology used in similarly configured parcels in the area. This will lower the value of the main parcel from \$473,400 to \$420,200 and the smaller parcel will be adjusted from \$57,300 to \$40,100.

Vice Mayor Betts: Second.

Mayor Post: We have a motion and a second; and discussion to the motion?

C Abraham: The only thing I mention and only because it seems high, is if our peak was in '07, supposedly it was appraised at only \$270,000; which if your peak was then, it seems that now we have a new peak on this particular property.

Mayor Post: They have made that adjustment in accordance to the current/2009 sales when this was being done. It's their formula; I would assume. Correct?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Right. We're trying to equalize the value up and down.

Vice Mayor Betts: I just seconded that to have the appeal. Discussion is why I seconded it.

C Abraham: It must have had a bank appraisal.

Mayor Post: That's what I'm wondering. It's very low. It's true.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: The appraisal was only on that main tract; we didn't consider the access off of the side road. The appraisal only considered it residential.

C Prettyman: Then I think it's high if he only considered it residential.

Mayor Post: No, but it's actually commercial. When they did the assessment they based it as residential; but it's really commercial.

Vice Mayor Betts: Is the land high or is it low?

C Prettyman: It's high land.

Vice Mayor Betts: It's nice, dry land. But the one behind Quick Stop is a smaller piece, but is it available to build on? Could you build on that because it's 60' wide?

Mayor Post: You could build on it if you probably bought the other parcel; you could utilize that. And are they both zoned C-1?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Yes, Sir.

C Prettyman: The only real way they could build on it is if they sold it to the Quick Stop.

Mayor Post: No, you could have another Commercial property come in there next to them on their main parcels. That's over 2 acres there. One's 1.32 and

one is over 2 acres. We have a motion and a second on the table, let's roll call vote it:

C Martin-Brown	Yes
C Prettyman	I abstain on this
C Abraham	I'm going to vote to keep it as is. If they're concerned about keeping it residential and wanted to pay, maybe that assessed value should come before the Planning and Zoning and they should ask for a zoning change.
	Yes
Vice Mayor Betts	Yes
Mayor Post	Yes

Motion carried.

Case No. 3: Mayor Post: James D. Parker and that is the storage facility behind. Does it include the restaurant, as well?

James D. Parker: That's the next case, the car wash and the restaurant.

Mayor Post: So these are the three parcels that consist of the car wash and the storage?

James D. Parker: No, no, no; just the storage. They provided a very detailed and well document appraisal, Bob Carmine did the appraisal on this property in the amount of \$745,000 and our assessment on that property was \$860,000 and I went over where the differences were and primarily it had to do with the discrepancy in the land size. Bob Carmine's appraisal said .7539 acres. The deed references were included in the addendum to the appraisal. It appeared that they were like 1.79 acres; our records indicated 1.152 acres. I've been looking at it and realizing is back at side road and behind the car wash; I thought we needed to make some adjustment to the land value; there was a third parcel, parcel 60 there, is essentially just a retention pond; so we weren't making any adjustment to that piece at all; but the three things together; the three pieces together after you adjust them would come out to \$722,700, which is about \$22,000 less than Bob Carmine's appraisal.

Mayor Post: I have no questions with this one because this is brought it to where he had his own appraisal done.

Vice Mayor Betts: I'll make a motion to accept it as it is and to accept the total adjusted assessed value as \$722,700; to lower the land value of the parcels 57.00 and 58.00 as indicated.

C Abraham: Second.

Mayor Post: We have a motion and a second; any more discussion. Roll call vote:

C Martin-Brown	Yes
C Prettyman	Yes
C Abraham	Yes
Vice Mayor Betts	Yes

Mayor Post

Yes

Motion carried.

Case No. 4: Mayor Post: This is Jan Mar Enterprises, which is the car wash, parking lot and the restaurant.

James D. Parker: And again, Bob Carmine provided a very well documented, well done appraisal on that property. Essentially looking at the differences there when the question comes into play as to the value as to some of the equipment in the car wash; it has been my practice over the years to always include that equipment in as part of the real estate on those types of facilities. He's broken it out. I don't know if they have a personal property or machinery and tools tax here in Delaware. If they did you could lump that in as machinery and tools and pay tax on that, that way. Essentially I thought that there should be some adjustment to the land, consistent with the way we had handled that back piece of property and also take into consideration some of the information that he provided in his appraisal with regards to the quality of the restaurant and that sort of thing. I made a couple of adjustments there. There was a third parcel, Lot 59. There was also the stormwater retention pond; I think it lays adjacent to that other part that we just talked about. The adjusted figure then that I recommended would be the lower combined assessment from \$1,953,000 down to \$1,597,500.

Vice Mayor Betts: Why was the land part \$10 square feet and the other \$7? Is that because the \$7 is not commercial?

Bob Carmine: The \$7 is commercial, we had done that on a number of properties up and down through there where we broke out a small portion of the frontage of the property at \$10 and we had \$7 on the rearage. In this case, the original assessment was all \$10 and that was the case on both those properties and when you look at the picture and you realize it's essentially one property, even though they've got two different names, I felt like this was a fair way to handle it; especially when the configuration of that property you have restaurant up here on the front; and then right behind it, within the parking lot, in essence, is a car wash. So it's like two different commercial usages on the same property and I thought that diminished the value a little bit, so that's why I made some adjustment there.

James D. Parker: I have a couple of beefs. First off, when you talk about assessments, the thing that we all need to keep in mind is that he is going to what the fair market value is as of June of 2009. So if that property was to go on the market in June of 2009 what would be the fair market value you could expect to receive for that property? When you start talking about his house and how much... The market in this area, unfortunately, from a tax assessment has fallen dramatically in the last year and a half to two years. When I paid to have this done back in August, I spent \$7,000 to get a value of what would be fair market value. I didn't ask him to make it low, if anything I honestly just told him, "What did I tell you?"

Bob Carmine: Get it high.

James D. Parker: Get it up. Why? Because of the banks. Get it up. I wasn't asking him to keep it low; get it up; and when this appraisal came in, this value that came in for Parcel A and Parcel B, that's another thing that I have been saying each time I come before the Council in the last six months, there's not six parcels on this property anymore and there hasn't been for a great deal of time. It's two parcels; and it's a Parcel A and a Parcel B, which have been surveyed, recorded in the town and also recorded with the County and I here speaking of the older method of what game it was before that. But in all honesty, the market value of this property today, if I went to sell it, I would absolutely be thrilled to get \$1.9 million for it; thrilled; elated. In reality, it's probably \$1.5 million and that's a fair market value for it.

Mayor Post: That's what he's proposing for it to be reduced to.

James D. Parker: Well the numbers he just gave me it came it at \$2.3 million.

Mayor Post: No, you're talking about the total; you're looking at the total of all the property.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: You had an appraisal of \$745,000 for the storage facility.

James D. Parker: And I think your judgment on that was very much in line. I'm not here to dispute with you the \$720,000.

Mayor Post: All right, but then your appraisal on this property, my understanding, was \$1,365,000.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Plus \$225,000 for equipment. I think that needs to be included.

Mayor Post: But he came in front of us proposing that we reassess it at \$1,953,000; just what we're talking about right this second. He now has come back, made adjustments, and recommends it coming in at \$1,597,500.

James D. Parker: Then if you add the \$722,000 that comes to \$2,320,000; that is still over \$230,000 higher than the \$7,000 per square feet.

Mayor Post: Well, supposedly, your other appraisal was... and unless I'm reading something wrong here, the prior appraisal was \$1,365,000 for those three parcels, whether there are two parcels or three, plus the equipment. Okay, that's just the one portion. Then there's another \$745,000 your appraisal was for. So your original appraisal was over \$2 million and now we're reassessing at \$722,000 and \$1.6 with the equipment about the same; that's why I'm confused.

James D. Parker: The equipment can not be included in the land fair market value. The equipment is not attached to the buildings.

Vice Mayor Betts: I agree.

James D. Parker: That would be just like me going out here and saying that your equipment is going to be part of your property taxes.

Vice Mayor Betts: It would be like your house; your furniture.

Mayor Post: Well, now wait, you may be right on that, but don't say it's like your TV set; I don't think you're going in and if you're selling a car wash, you're selling a car wash with the equipment; and that's what I don't know. I'm asking you; you do assessments; you do municipalities. How do you assess and I'm sure you have assessed car washes before; how do you assess them?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: I always include it in with the equipment and in with the building. Yesterday I had the opportunity to discuss this with very situation with an MAI appraiser from Roanoke, VA who is an inspector for the American Institute of Real Estate Appraisers and the Appraisal Foundation. I asked him point blank how he handles it. He always includes the equipment with the car washers because without the equipment what is the value of the property? You buy the car wash to operate a car wash; you need the two things together.

C Prettyman: Not necessarily. You're buying the land.

Vice Mayor Betts: Not necessarily. You can buy the land.

James D. Parker: You have an air compressor sitting in there. If you have a self-standing one that rolls on wheels. You're telling me that as part of the attached building there.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: If you want to sell that property; you're selling your operating car wash; would you sell that equipment with the property?

James D. Parker: I'm not arguing that. We're talking about property value; we're just talking about for tax purposes. You don't assess a person's home by the amount of furniture; you don't go down to any...

Dave Hickey/Blue Ridge Mass Appraisals/PTA: You do with fixtures. The furnace is a fixture in a house.

James D. Parker: That wouldn't include a range, would it?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: All I'm saying is this type of equipment on a car wash is generally included in the sales price.

James D. Parker: Let me give you one other thing here. This is something too. I just refinanced this property and when I refinanced, the Community Bank, right up here on Lewes would not accept my equipment. I had to take out a separate mortgage on the equipment of the car wash. How would that be included into the property, if the banker also includes it as a separate line item?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: It doesn't appreciate.

James D. Parker: You're exactly right, it doesn't appreciate. You're absolutely right.

Mayor Post: And that's true too, so do buildings, if you don't keep them up. What we're looking at with your assessment and with the proposed assessment from them is we're talking about \$210,200 difference now; compared to what it was. Stephanie just added it up and what you came in with your own assessment and we believe that this addition is correct; but it reflects a \$210,200 difference of what we're talking about.

James D. Parker: And we're different where he put the equipment in, which is \$300,000, so it is actually a little lower then what my appraiser handed in. Am I right about that Sir? If you added the \$300,000...

Dave Hickey/Blue Ridge Mass Appraisals/PTA: You have a number of sales were presented in Mr. Carmine's appraisal; these car washes all sold; inclusive of equipment and he used those as the basis of comparison; so you

have a unit over here that sold with equipment and now there's yours that I'm supposed to say doesn't include the equipment.

James D. Parker: You missed the point here. The equipment is a depreciated piece of equipment that is not part of the property tax of the property.

Tomorrow I could go out there and put a yard sale sign up and sell every bit of that equipment in that building and it would not affect the town as far as what I would still owe them on property taxes as far as what the property is worth.

C Prettyman: Are you including with this equipment with the restaurant also?

Vice Mayor Betts: Did you include the restaurant's equipment also?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Some restaurant equipment like the ranges is an asset that's in the structure.

C Prettyman: It's the same thing; that you're going to include the equipment and the equipment in the restaurant is going to depreciate or he could sell the equipment in the restaurant and put something else in there; he would still have the building there. The same thing with the car wash... He could sell all that equipment and still have the land there for whatever use. I'm missing something.

James D. Parker: C Prettyman you're right. I don't even own the equipment in the restaurant.

Mayor Post: I don't think you can compare this; it's like taking the furnace out of a house or something. Restaurant equipment normally can be removed; they sell it all the time. I think we're splitting hairs here. I believe the car wash, if you are comparing it for the value of the car wash; it would be with the equipment; it's just how I'm looking at it. If you're comparing the value; also additionally with other car washers; then you would absolutely have the equipment included with it.

Vice Mayor Betts: But suppose he sells it and he doesn't want the land.

C Prettyman: But who says if he sells the car wash another car wash is going to be there; he may sell all the hoses and all the other equipment and not have a car wash there. Maybe just a drive-in something and he may want to serve lunches.

Mayor Post: And what if he does that. We've asked the assessment company to go do their job on something like this and if you're saying that if you do not feel that it is fair, that's fine.

Norman Lester: What the gentleman has said is his comments are based on hearsay evidence, saying that he talked to a member of the MAI; I don't know if you guys know what MAI stands for? You're saying you talked to this person; he talked to that person. That doesn't mean anything. If I were to put that business on a market, as a business; I'm selling the building and the equipment; but here we're battling the real estate.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: If the gentleman removes the equipment, from the structure, the assessment would go down dramatically; because he would have a shell structure that has no value. You have a crevasse that you just drive through. What's the good, you might as well just knock it down.

Mayor Post: What is the value?

C Prettyman: You're saying that if he sold the equipment and still had the building there and everything but yet you're throwing all this in the package deal, which is wrong.

Mayor Post: What is the value of the equipment? What did you put on the assessed value of the equipment part?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: I don't have a separate line item for it because in car washes it is always included in. You would have to sit there and back it up.

Vice Mayor Betts: I thought you said \$250,000.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: My feeling is that the structure without the equipment is virtually useless; because it is a purpose built structure.

Mayor Post: I thought you had a value on the equipment.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: I was going by the number that was listed in Mr. Carmine's appraisal of \$225,000.

Mayor Post: What was the number listed in your appraisal?

Bob Carmine: There is a difference; if you value a car wash; that's what caused me great concern; included that is the equipment. Obviously without the equipment; you couldn't operate that as a car wash. There is a distinct difference between a going-concern value and a value of real estate. I don't have the appraisal in front of me, but when we do a going concern value; the appraisal; you are required to have uniform standards of professional appraisal values, the real estate company. As a going concern, yes, that property...

Mayor Post: Do you agree that with HAL??? And I'm just curious because I hate the whole assessment process; but do you do that with the same way. What about refrigerators? What about stoves? To me it's kind of the same principle as a house and it's just a little fuzzy to me on that, but I'm curious to know what the appraised value of the equipment, solely the equipment is, for assessed value.

[Unintelligible Speaker]:

Vice Mayor Betts: Tom??? What did you say about \$210,000?

Mayor Post: I thought that's what he said.

C Abraham: I know, that's what he said about appraisals that he has presented.

Vice Mayor Betts: So that's not the equipment?

Mayor Post: If you want to accept the appraisal he's presenting as the total amount, then what it would be \$210,000 difference from what our assessor is saying. And probably it could be that equipment amount roughly is in there for that \$210,000 and if her figures are right, with that disclaimer on it.

James D. Parker: I think its \$235,000, something like that; I don't have that exact number in front of me.

Mayor Post: Well, we do have your exact assessment which was \$1,365,000 and what he's proposing is \$1,597,500; which probably pretty much talks about the equipment for a couple of hundred thousand, I would assume with yours; so you know. If you want to back out; and I understand that; that's a

find; you point out a good point; this is about land assessment vs. ...; then you get into that whole thing with.

James D. Parker: This is a split, Mayor.

Mayor Post: It is, because really a house has a lot of accessories in it; but you have to have them; it has to have a furnace; has to have... It gets very... I don't understand how that whole process of that goes. But I understand his argument of the car wash. To me though, he will never sell the car wash without it being a car wash; but that's neither here or there.

James D. Parker: I agree with you.

Mayor Post: He would be a smart business person to do that. But, um, so it's up to you. This is the thing. If you don't like the idea of the value of the components of the car wash, we could go and abide by his appraised value which was just done in July 2009, so it certainly is not an old appraisal and it was not a bank appraisal; it was a real genuine appraisal.

C Abraham: And that was the \$1,365,000.

Vice Mayor Betts: I thought that was the \$1,597,500. That's yours (meaning Mr. Carmine). But then if we deducted the \$210,000 for the equipment it would come back to the \$1,365,000, isn't that right?

Mayor Post: We reassessed it at \$1,953,000. Is that not how I'm reading this correctly?

C Prettyman: That's the assessed value of all three properties. Yes.

Mayor Post: And that's ours. So his appraisal of all three was \$1,365,000. Ours was \$1,953,000. You went back, made some adjustments and brought it down to \$1,597,500. Now we know for a fact that it does include the equipment; we've been told that; so what I'm saying is we need to determine do we want to remove the equipment and not bring it back down to his original assessment which was done in July of the \$1,365,000.

C Prettyman: That's what I would do.

Vice Mayor Betts: That's what I would do. I make a motion.

C Prettyman: I make a motion that we bring it down to the \$1,365,000 for the all three properties.

C Abraham: Second.

C Martin-Brown: Mr. Mayor, is the floor open for discussion?

Mayor Post: We have a motion and a second. Now it's open for really we have discussed it to death already, but go ahead.

C Martin-Brown: I have no problem with my colleague's perspective about taking the equipment out of the equation. I do have a problem that when the charter was recently revised and adopted it required an assessment to take place; many in this town or a number of people in this town were very, very aggressive that it get started, the next day, if possible. That was then the figures when the assessors were retained they had to begin with the most recent date once that charter passed and these gentlemen had been retained. Now I want to point out to my colleagues, although I support and would support their motion with a yes vote; that your assertion that this new assessment made in 2009 is accurate, which I agree with; begs the problem of going to a modern 2009 assessment when anybody else can come in here and

say okay guys, you were willing accept from Mr. Parker a 2009 current assessment; but you would not give the same status to other assessments in 2008 when the market was different; was higher. So we have an unintended consequence in discounting the equipment in that car wash. Whether my colleagues are comfortable with that or not; that's not the debate I want to entertain; I want to flag it though as a very real concern, because it sets a different benchmark.

Mayor Post: We're moving to roll call:

C Martin-Brown	I'm going to say No on the precedent I'm concerned about not, your principle.
C Prettyman	Yes
C Abraham	Yes
Vice Mayor Betts	Yes
Mayor Post	And I am saying Yes because I've not got the clarity on the equipment on whether it should be or should not be included, so I am going to say yes.

Motion carried.

C Martin-Brown: Mr. Mayor, there's a gentleman.

[Unidentified Speaker]: Mr. _____ you are absolutely correct in what you are stating; but the fact is that you are right because they have the dates passed out to complete the appraisals; however, their letters state that your appraisal date is fair market value as of July of 2009; so that's the date the valuation that you and the town has stated that that's the fair market value and I agree wholeheartedly with what you're saying. If you wanted to correct that with the data that they have, because obviously they've got to do a whole town; and obviously it's easier going out and appraising one property, then it is appraising every how many you have in the town; but the effective date with that happening, the effective date of the assessment should have been back-dated to the prior year as of this date. You're absolutely right. You put yourself in a dilemma because of the change in market conditions, but that is your effective date and as you have stated is July of 2009, so that's the date that the Courts are going to hold as your date of evaluation.

C Martin-Brown: Thank you for that clarification.

Mayor Post: And what's great is ten years from now, whether the market's phenomenal or lousy again, it is what it is; because the charter by law is going to dictate when it is going to be done. Thank goodness.

[Unidentified Speaker]: You are absolutely right to state that if the market flies up nobody is going to be in here telling you to change my appraisal.

Case No. 5: Mayor Post: James Welu and he came in regarding everyone of his parcels, I believe, 604 Union, 310 Collins, 118 Hazard, 120 Hazard, 420 Chestnut, 409 Union and I think maybe the main thing was is he was just questioning the formula and so forth. His properties, and he himself even said, this is a case where he bought; and a couple of these are older homes; but you know \$150,000 and one for \$135,000 and our assessments range from anywhere from \$90,000 to \$109,800; which to me is in accordance, and they are recommending no change in value; so can I have a recommendation? A motion?

C Prettyman: I make a motion to accept to keep the appraisals as presented originally.

C Martin-Brown: Second.

Mayor Post: We have a motion and a second. All in favor, say "aye". Any discussion, to be fair? Roll call:

C Martin-Brown	Yes
C Prettyman	Yes
C Abraham	Yes
Vice Mayor Betts	Yes, because they are less than what he paid for them.
Mayor Post	Yes

Motion carried.

Case No. 6: Mayor Post: Donald Wayne Alexander. He came in and just gave kind of a rough estimate of what he thought his property should be, around \$30,000 assessment. It is assessed at \$90,000 with the new assessment. I think 13 years have gone by since we've assessed in this town and the recommendation is there is no change in value.

Donald Wayne Alexander: In 1992 it was assessed at \$12,800, and that was up from the \$8,500 that I paid for it in 1985. Now, I mentioned that Tilney Street is just a one lane street, with no gutters and no sidewalks; and Reed Street is a one lane street, with no gutters and no sidewalks. Mrs. Scott's house is on Union Street and her ground is the same \$90,000 that you've got me proposed at and she has a two-way street, sidewalks and gutters; that's just not fair. My property is not as nice as hers. C Abraham said that same thing.

C Abraham: I didn't agree because of the sidewalks, no sidewalks.

Donald Wayne Alexander: She said that was high.

C Abraham: I thought it was high.

Donald Wayne Alexander: I don't think this is right.

Vice Mayor Betts: Excuse me just a minute, I agree with you. What is the parcel, because Mrs. Scott's is a larger parcel also, isn't it?

Donald Wayne Alexander: No, it's the same size, same size. But she's located on Union Street and I'm on those two little one lane streets, with no sidewalks, no gutters. I just don't think that's right.

C Prettyman: I agree.

Vice Mayor Betts: I agree too.

C Abraham: Is there another parcel that's similar?

Mayor Post: I don't know if it is truly based a lot on infrastructure.

Vice Mayor Betts: Do you have a house on it?

Donald Wayne Alexander: It is not improved.

Mayor Post: It's a lot.

Donald Wayne Alexander: I would build a house, but I can't afford it yet.

Mayor Post: It is two doors down from where there was a house, has been put a new home, behind Rev. Barton's property.

C Abraham: Is there another unimproved lot similar to yours?

Donald Wayne Alexander: No there isn't.

Mayor Post: What did she ask?

C Abraham: I was asking if there is another unimproved lot like his.

Mayor Post: Well, there's been some that have been sold off. But it's been a while.

Donald Wayne Alexander: If it had sidewalks, if it had a wider street that two cars could park on the street, but you can't.

C Prettyman: Right.

Donald Wayne Alexander: It has no gutters, no sidewalks. I think it's a much poorer piece of property and I can't understand why you wouldn't recommend lowering the assessment, at least \$10,000 or \$20,000.

C Abraham: I think what I said the other night, I was trying to figure out what you paid in 1992, how much it jumped and then in 1997 I was thinking the same amount of time it would have been \$16,500 and then in 2006 I think I had down it would have been \$20,500 and now we're in 2010 and I had \$30,000 come to mind; \$30,000 which kind of made sense to me.

Mayor Post: \$30,000 for a buildable lot in the Town of Milton?

C Abraham: Well I was just bringing it up as the years went and how the assessment went up.

Mayor Post: Yeah, but you've got to understand, I mean people ten years ago bought homes here for \$20,000 or \$30,000 too. I mean you can't really; I think for one think there have been several lots that have sold; I don't know what they used in comparing this. I know for a fact they built a very expensive home, I don't even know if it ever sold, two or three doors down from it, which was a very expensive home; I don't even know if it was on the market for \$300,000+; it was a lot of money at one time; it is not on the market now; I don't know if they were able to sell it. But what happened with the Barton property, they sub-divided it; they built a pretty nice, regular, standard farm house style home on the back part of that parcel. Then the old homes across the street brought in quite a bit of money when they did sell. There's the woman who put the two-story; then there was the little cottage that she had on the corner, which is right across from your parcel.

Donald Wayne Alexander: You wouldn't allow that house to be built today, because of the square footage. You put a requirement that there must be at least 11,000 square feet to the property; there's no other house on there that

has that; but I've got that requirement on me if I build a house. All the other houses are much smaller in there.

Mayor Post: What is the lot size on that parcel?

C Abraham: 75 X 100.

Vice Mayor Betts: But his acreage is 0.290.

Unknown Speaker: It's about 12,600 square feet.

C Martin-Brown: That's a buildable lot.

Mayor Post: That's a buildable lot.

Donald Wayne Alexander: If you have to build a house, it needs 1,100 square feet; that's a requirement of the Town of Milton in that area.

Mayor Post: I never heard of that.

C Prettyman: That's going to take up that lot.

Donald Wayne Alexander: Oh yes. It sure is.

Mayor Post: I'm not familiar with what you're talking about in regards to that, because I don't believe we have that. All you have to do is meet the setbacks; but that's it, is the setbacks.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It's the minimum building size is 11,000 square feet.

Donald Wayne Alexander: Right and the Town of Milton imposed that on me after I bought the lot, not before.

Mayor Post: But it's over 10,000 square feet, because what is the minimal; I don't know if that's been reduced; it used to be 10,000 square feet is what a buildable lot was and I think that's what it still is. So its above the buildable size of; but probably most of the lots are in that area; because there were a lot of those on Broad Street that were split in half and sold off and I remember I don't know what Ted Kanakos the back of his lot is on the market for; but at one time it was \$100,000+; it's probably about the same size; I understand what you're talking about with the infrastructure; I don't have much infrastructure on my street as well.

Donald Wayne Alexander: Do you have a sidewalk?

Mayor Post: No.

C Abraham: I don't.

Mayor Post: Neither does she.

Vice Mayor Betts: I don't either.

Donald Wayne Alexander: Aren't you angry that your assessments are as high as they are, without those amenities that the other properties in town have?

C Abraham: I have the park.

Vice Mayor Betts: Don't be upset without having a sidewalk, because they have to replace all of them soon according to the charter.

Mayor Post: So there are some pros and cons to that, as well.

Donald Wayne Alexander: So they are going to eventually have to make Tilney Street and Reed Street wider and they are going to take my property to do that.

C Martin-Brown: No.

Vice Mayor Betts: Who told you that? I've never heard of it being widened.

Mayor Post: I don't think you'll have to worry about that.

C Martin-Brown: And lots of times, sidewalks impeded stormwater flow, so that you get less aggregated on your property.

Mayor Post: But you've got to make it equitable to everybody's assessment in the town, that's all I'm saying.

C Abraham: I know, but that's why I asked if there were other lots identical that we could look at.

Mayor Post: Well they've done this through comparisons of other lots.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: There are many lots in the Town of Milton that aren't built on; they're valued the same way as lots that are built on. If you look up and down the smaller/narrower streets there is not enough evidence from sales of property in Milton to say that those properties are worth less money than one on Union Street. As a result, we look at a lot in excess of 2/10ths of an acre and say in this neighborhood it's \$90,000.

Donald Wayne Alexander: And you don't take into account the sidewalks or the size of the street?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: That's a matter of preference for people. She just said she likes being on the side street. She would probably pay more for a lot on a side street, then one on Union Street.

C Martin-Brown: Because of traffic.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: So we treat those lots the same.

Mayor Post: I think Camille, I think she has a lot there that's not even a buildable lot and she's trying to get, she's reduced it a lot; but it's up there too.

C Martin-Brown: What is it?

Mayor Post: At one time it was \$80,000 or \$90,000 and it's not buildable; Camille, behind Camille Stanley's house.

C Martin-Brown: And that's not buildable.

Vice Mayor Betts: Why?

C Martin-Brown: Because it's not big enough.

Mayor Post: It's under the minimum lot size. It's not buildable.

Donald Wayne Alexander: I do believe it's high.

C Abraham: I do too.

Vice Mayor Betts: I have to agree with you.

Donald Wayne Alexander: I would be happy if you would take \$10,000 off of it.

Vice Mayor Betts: I would like to make a motion to reassess it to \$60,000.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: How do you justify that then with every other lot in town?

Vice Mayor Betts: If he doesn't have a...

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Would you suggest we reduce every other lot and raise the value of the buildings to account for the difference?

Vice Mayor Betts: But I think it's high, I'm sorry.

Mayor Post: How is it when it's based on the formula with the square footage of the land if it is compared to lots that have been selling? My goodness, there have been times, not now, some lots selling in the \$200,000+.

Vice Mayor Betts: They are located in a different part of town.

Mayor Post: You know what, that's a pretty nice street to live on. You have some nice restored homes on that property; you've got Joan Nagy's house is right there; you've got the new built home that was \$300,000+, that was \$400,000+ on the market.

Vice Mayor Betts: You go ahead.

Mayor Post: We've got a motion on the floor. Do we have a second?

Vice Mayor Betts: We were just discussing it. I didn't make a motion.

C Martin-Brown: I would like to make a motion if the gentleman's proposing \$80,000, which is also highly unorthodox as a way to do an assessment, but if it would be a compromise that would close this case; I would be willing to propose an \$80,000 assessment.

Donald Wayne Alexander: I think that's fair.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Just a question, you change his, are you going to instruct us to change everybody's? Because you're going to have his at \$80,000 and everybody surrounding him at \$90,000.

C Martin-Brown: Well then I withdraw my motion.

Vice Mayor Betts: Where's the \$90,000?

Donald Wayne Alexander: They have sidewalks. They have the amenities I don't have.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: There are other lots on Tilney Street.

Donald Wayne Alexander: No there aren't.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Yours is the only one with a Tilney Street address; but there are other lots on streets similar to Tilney Street. If you adjust the value to negotiate a price, you're opening a large can of worms.

C Martin-Brown: I withdrew the motion.

Donald Wayne Alexander: Nobody else is here to contest it.

C Abraham: That's what I was thinking, if they were not happy they would be here and we would be hearing them all.

Donald Wayne Alexander: They didn't come here for this.

C Prettyman: So they can come the next time.

Mayor Post: Well, they'll be here next time. I guarantee you because we do this again in the spring, so keep it in mind.

Vice Mayor Betts: Why, are we going to reassess in the spring?

Mayor Post: There may be other people sitting up here and there may be other people that have to deal with the mess. The new charter states it. It opens up the appeals two times.

C Prettyman: I don't think its high for where he is living; or where the land is.

Mayor Post: They've taken that into consideration, Noble. Because if this lot was sitting up on the Preserve, on the River, it would be a lot more money; if it was even just sitting in inland up in the Preserve.

C Prettyman: That is totally different, but where that lot is. I can't see it being \$90,000 and in that area where he is and everything, there's no sidewalks, there's no.

C Abraham: I want to see an exact comparison.

Mayor Post: That's not what's being assessed.

C Prettyman: I know but he still should have some; and then his lot is going to be taken up with a setback and everything. I just don't see the \$90,000. I think it's utterly ridiculous and that's how I see it.

Mayor Post: With a house, yes.

Donald Wayne Alexander: Well thank you, I agree with you.

C Prettyman: You don't have to. I grew up in this town and I was raised here and I know where you are talking about and everything.

C Abraham: Do these have to be decided on tonight? I'm just saying if we felt more comfortable with an exact comparison, you know, a small street, unimproved lot, same size, or as close as we could get?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: I would suggest that since you're going to have another set of these in May, I think you said; that you let this one ride right now and then let us go back and look at some of these situations like he's saying; so that we could say okay yeah, he's got a point on this; but that's exactly the same situation we have here, here and here. Because I think on the surface it would be unfair to make a pointed change on him that's out of kilter with everybody surrounding him; but if he has a point, we need to go back and look at it. Because he's bringing up some things that...

Donald Wayne Alexander: But we brought these up a month ago.

Mayor Post: But the March 31st... The thing is... And not only that... He has used methodology on this... I just can't find where a buildable lot in this town isn't worth around \$90,000. I mean, I'm just going to, you know, I'm looking and I know your land and it's a nice parcel. It's a corner lot; it's um. I agree with you, you don't have sidewalks, you have lousy infrastructure, but so do I and I was assessed at \$400,000+, \$300,000+, I don't even know what I am with the town assessment, it was up there; it was a lot more than what my bank assessed it at to get refinancing; so you know that's; I just don't believe on a buildable lot that you're going to get much in Milton, Delaware anymore even in this bad economy. We can't because Stephanie said it has to be done...

Stephanie Coulbourne: The town taxes by charter are due by March 31st. The charter also states whatever you have in the spring, excuse me that's not specifically written in the charter, but what you are disputing in the spring will be for 2011 taxes; not 2010. What's in the charter is that your taxes for 2010 are due by March 31st. If you extend this out, you're not giving him the same amount of time you've given all the other residents in the town to pay their tax bill. That's your choice if you decide to do that.

C Prettyman: I still think it needs to be looked at. I just don't see how we, I mean how I, can go along with this \$90,000.

C Abraham: I feel like we're over a barrel because if we can't vote to change it because it will affect everybody in the Town of Milton according to him; but if we...

Donald Wayne Alexander: They're not here.

C Abraham: That's my point; they aren't here; so they must have been satisfied with what they received. This gentleman is not; we're looking at his case. I don't know case law to know that that would affect the rest in town that have not come before Council. I mean there is a cut-off I would imagine, so I feel we're kind of over a barrel; we can't put the gentleman off according to Stephanie to the next go-around like the gentleman over here suggested; we've got to make a vote and it seems like the majority seems like it's too high; so where's your answer?

Stephanie Coulbourne: You don't have a Town Solicitor to give you that opinion, but I'm wondering if Mr. Hickey could give you variables on Tilney Street like you want and present something maybe at your February meeting.

C Abraham: Well that's why I said too does it have to be decided tonight that we could in the interim...

Dave Hickey/Blue Ridge Mass Appraisals/PTA: We could live with that.

Stephanie Coulbourne: The February meeting is on the 1st.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: We might have to give it to you in writing. We may not be able to be here on the 1st, but we could tell you something. Are you asking us whether any other lots on Tilney Street or is it Reed Street that's the corner street, with or without dwellings are valued at \$90,000 in that neighborhood?

Donald Wayne Alexander: Empty lots.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: I don't know particularly if there are any empty lots. But an empty lot or a developed lot in that area would be valued the same way if it is in a range of 2/10ths of an acre or more. If it was under 2/10ths of an acre, it may be \$10,000 less; but you are closer to 3/10ths of an acre. Every other lot in that neighborhood will be valued at \$90,000. That's equalization. We don't have to go back and look at that. I know that.

Mayor Post: That's the purpose of an assessment and to make it equitable.

Vice Mayor Betts: Are we going to wait for the February meeting?

Mayor Post: He says there's nothing that he can provide us, because it is what it is.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: We looked at all the lots in that area and they were all valued at \$90,000; the only thing is if there was something really unique and unusual about his property that we may have missed.

Mayor Post: So you're saying that every lot on there that's equitable by that size was \$90,000. It's as simple as that. If it has a house on it then it's the house and the improvements plus the lot value it would be \$90,000. So this is what you have. If you're saying that you want to make a special exemption for Mr. Alexander for being less than \$90,000, even though everything else in the neighborhood, I think we're really between a rock and a hard place; because you're setting something that's not going to be a very good thing to go into that direction.

C Prettyman: As we're sitting here, there's no one else here and I feel that this is totally, totally wrong and I know where the lot is and it is totally wrong and I think that we could come down on it and it not hurt anything around it.

C Martin-Brown: Mr. Mayor, may I propose that we move on to Case No. 7 and see if we can resolve the rest of these and then come back to this one.

C Prettyman: No. Why can't we go ahead and make a decision? Why should we sit here and go bump de bump pages and then come back to it. Make the decision now; we are adults; we are Council and everything and if you don't feel that you got your vote, but I say that we should make a decision now and then move forward.

Mayor Post: Okay, then make a motion. Bring a motion on to the floor.

C Prettyman: Now what did he say, \$80,000? I would like to make a motion that the assessment value be changed from \$90,000 to \$80,000 for the site which is consistent with the similar sites in the area.

C Abraham: Second.

Mayor Post: We have a motion and a second. We certainly have discussed it. Roll call vote:

C Prettyman	Yes
C Abraham	Yes
Vice Mayor Betts	Yes
C Martin-Brown	No
Mayor Post	No

Motion carried.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Are you going to instruct us to change all the lots that are \$90,000?

Mayor Post: No, just this specific one.

Case No. 7: Mayor Post: Leah Betts, Trustee and I do want it to go on record that C Betts has recused herself from this issue. What we have are two parcels that she was questioning of her property for a reduction of the parcel. There was one parcel that has been proposed to be reduced by 50% due to the condition which was proposed, which was the flooding that she presented about the extensive flooding and which the town is aware that there is extensive flooding on that one parcel of land and that new adjustment would reduce the value of that parcel to \$112,600 and then there is a second parcel which is not affected by the flooding, which is a buildable size lot and that they are proposing no adjustment on. That parcel would remain at the value as assessed.

Leah Betts: They reduced the value on the one that floods all the time at 111 Magnolia Street, 0.517; I purchased it in 1995 for \$8,000; it jumped to \$225,200 in 15 years; it floods constantly; it floods so badly it even comes up to the house and they reduced it by 50% and I bought it to maintain so that ___ for the town. I don't know when I would ever get enough dirt in it to make it and I can see if it was well maintained, as far as dirt and not flooding;

but it's not used and it's not going to be used probably as long as long as ___; but if that's what the Council says, I guess that's what I'll have to do. But I do not think from 1995 to 2010 it should jump from \$8,100 to even \$112,000. The other lot was \$3,100. I built an \$18,000 fence on that lot. I'm not about to take the fence off it to build a house and its \$80,000. It is .0176; Johnson was .013; they reduced it and its commercial lot; they reduced it to \$40,000; so now if you think that's equal and mine is staying at \$80,000; but they reduced Mr. Johnson to \$40,000 and mine is a little bit more.

Mayor Post: But non buildable. This is buildable in the Town Center.

Correct? This is square footage that is buildable that meets the square footage

Leah Betts: But that ___ built on Mr. Johnson's.

Mayor Post: No, it's undersized. It could be with a variance.

Leah Betts: It's almost as much as mine. It's .013; mine is .0176.

C Prettyman: Mrs. Betts, which property is it that you are talking about?

Leah Betts: We're talking about both of them.

C Prettyman: Those are not going to be able...

Mayor Post: So you're telling me that Tom Draper, whose property floods, a portion of it, but was on the market at one time for \$800,000, the parcel sitting right next to it, wouldn't be marketable to somebody for \$118,000 to buy that parcel, fill it in with plenty of fill dirt and develop that land. I mean, I felt that \$200,000+ was high, yes; I will give it to you on that one. I'm not quite sure that \$112,000 sitting in the center of Town Center where land is very scarce that it would not have that value.

Leah Betts: If they buy it for that, I'll sell it.

Mayor Post: So you're willing if I can find you a buyer, for \$112,600 with no commissions, so I'm not trying to make any money here, you're willing to sell it; because I can guess absolutely there would be somebody out there willing to buy it.

C Abraham: What is the size vs. the neighbor? Because yours doesn't...

Leah Betts: This is the point, Draper is 0.290 and mine is 0.176.

C Prettyman: Then they don't know what they're buying.

Leah Betts: Yes, his is bigger than mine.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: The situation for the valuation of lots is at approximately the river, there's higher value on the southerly side, as shown by sales of lots mostly in the Town of Milton then there is when you begin to go up into the Broad Street area and some of the smaller old neighborhoods. Her land valued at \$80,000 is in a section where all the other residential lots will also be valued at \$80,000. I would suggest there is a solution to your problem, Ms. Betts. Vacate the property lines. Make it all one lot with your house. Vacate the lot to the east, vacate the lot to the west, create a new deed and have one lot and you won't be assessed as a separate house site and you won't have any commercial value on that other lot. But as it is right now, you have a buildable house lot and we have given you what I think is a very justified reduction on the commercial lot.

Leah Betts: But \$3,000 for the little lot; from \$3,000 to \$80,000.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: The old valuation is absolutely meaningless.

Mayor Post: I bet you there are people in this room we can look at how they bought their homes for \$40,000, \$50,000, \$30,000, \$20,000, \$10,000; but even 10 years ago how it's gone up that drastically in the Town of Milton.

Leah Betts: If the town would fix the water flooding...

Mayor Post: Then we would have to reassess your property.

Leah Betts: Then you probably will; because they assess it now as waterfront; because it's out to Wagamon's as a waterfront lot.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: No, if it was a waterfront lot at Wagamon's we would have put \$200,000 on it.

Leah Betts: Well mine was \$220,000.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: That was a commercial site.

C Abraham: That's what I don't understand, if she's residential, maybe she should change her zoning; if she went to do something commercial...

Mayor Post: You would have to change your zoning.

Leah Betts: I never changed it.

C Abraham: Then I'm thinking if Mr. Alexander was \$90,000 originally and it's a bigger lot than hers, is what I'm thinking.

Leah Betts: This lot was also commercial, Don, right?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: It also has to do with the neighborhood location.

Mayor Post: It's Town Center. I think \$80,000 for a buildable lot in the Town Center...

Leah Betts: It's got a fence on it that was \$18,000 and if you think I'm going to take it up...

Mayor Post: Then I think, though he is exactly right, we have to assess it with how the deed is divided. If you wanted to merge it into one, I think you are absolutely right, it would reduce the assessment greatly if it became all residential and part of the house, the whole parcel.

Leah Betts: But it's still Town Center.

Mayor Post: It's still Town Center, but it's residential; you have it as a house. There's a lot of potential. I question the whole lot, because I do think there's a lot of value on that whole side of the street. I think there's a whole lot of value there because I think once this down turns around, I think yes, because its very limited in where it can... I'm looking at what the parcel sold for on the corner and I know it's not down where your wetland starts; but I'm looking at where your land; I know what Tom Draper had that on the market for and I think, my goodness...

Leah Betts: He didn't sell it though.

Mayor Post: Could it be because he had it on the market for like \$1 million or \$900,000 vs., you know, even if you tripled it of what the \$112,000 is or put it on for \$400,000; I bet you he would sell it. But he paid \$550,000 for it; he paid more; then cleaned the garage up off of it; so he paid a lot of money for that parcel. It's just like the John Star Land; it's a bad cut out down there; but it's in the Town Center; and, you know, but it's very hard for building on that,

even though it can be built on. I don't know, I think with them reducing it 50% I thought that was a pretty fair reduction for me. But and again I think \$80,000 for a buildable lot in the Town Center right there where it is located isn't bad at \$80,000.

C Prettyman: You're going to have to spend at least \$100,000 to make it buildable.

Mayor Post: Well, yes.

C Prettyman: So that doesn't make sense at all.

C Abraham: You're going to have to find another piece of land to put on top of it.

C Martin-Brown: I think I'm going over to Irish Eyes.

C Prettyman: It doesn't make sense.

Mayor Post: It does if you understand the real estate market in the Town of Milton, then it does make sense.

C Prettyman: If you look at it and everything; you're going to spend \$100,000+ to make that lot possibly to build on it and we made the biggest mistake in this town years ago, when we put the post office across the street and my father said, that was the dumbest thing that they did; and he lived to see that that post office started to sink and everything.

Mayor Post: What did that sell for?

C Prettyman: If you turn around and you fill that lot in over there, it's still going to go.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Sir, I think you're talking about the wrong lot; if we're talking about the residential property.

C Prettyman: I'm talking about both of them.

Leah Betts: Both of them.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: The residential property that we're valuing at \$80,000 doesn't require any fill to be used on the property.

C Prettyman: I'm not talking about the residential; because she's already got the fence and all that there.

Mayor Post: But that's what happens when a developer would come in and buy these parcels; that's what they are going to be looking at; who knows, you're saying that the house is already there; a developer down the road; 10 years down the road; they could raze it all; they could raze the house; they could raze the house on the corner; they could raze it all and build that whole area up.

Leah Betts: At that time, yes. But it's not being done that way now.

Mayor Post: But we don't know at this point. To me, and I have a little bit of a problem sitting here, I'm going to be honest, because you know what, if I'm paying my assessment according to what something is supposed to sell for; then you know what, I think then we need to be looking at those dollars and if everybody that is sitting up here saying downtown/Town Center, even a low laying piece of land, in an excellent location, bad for drainage and all, isn't worth \$112,000 and would never go for that; then I would be curious to see

what you're saying its worth and I think it should be put on the market for that and let's see what it sells for.

Leah Betts: I don't have to do anything.

Mayor Post: I know you don't, but I'm just saying that we have to do what is a realistic value that's fair for everybody; we're here at the equitable...; we have fought for equitable assessment; we have it now and quite frankly these few complaints out of several thousand houses or asking for adjustments isn't that horrible. But the bottom line is there's a point where you've got to be, even when you are readjusting, you've got to still be equitable, with what you've done. And you've got to be accountable.

C Abraham: Are there any buildable lots or empty lots that are buildable like say Front Street where it's low? I'm just trying to think.

C Prettyman: Front Street down there is a flood zone, because on the corner of Collins and Front Street where Dr. Howard's office is... No one wants me to talk.

C Abraham: I can't hear.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Front Street is just around the corner and going down, right? I think they would be assessed at \$80,000; Broad Street lots at \$80,000; Federal Street...

C Prettyman: There's no way because right down the corner of Collins and Front Street it is in a 100 year flood zone there, they got Dr. White built those apartments there back in the 1950's and then when he got rid of them, it went into the flood zone because it flooded all the time there and it is in that flood zone plan. There's nothing that can be done there; they were lucky to build where they built the trucks and things.

C Abraham: I get the value of Town Center; I understand that; but then you also have to look at the flood zone; what you can put there; what you have to build up; I'm just thinking about the low land; I'm thinking about the low lying land; Town Center should be a value, I get that; but the flood is what...

Mayor Post: Then you would have to have the improvements on that lot; it would have to be backfilled on that lot to build it up.

Leah Betts: That's why it's not worth it to me.

C Abraham: Right now.

Leah Betts: If it was built up, yes, I could see it.

C Prettyman: I still don't see it. Even if it was built up, they're going to have whatever is still going...

C Abraham: The corner is high; your corner property is higher; no, it's higher, even though it's Town Center, it's higher.

Leah Betts: And I'm not appealing that.

C Abraham: No.

C Prettyman: And it really doesn't take that much rain for us to get the flood there.

Leah Betts: Even the back of the house.

C Prettyman: Even Magnolia and Front Street and I've grown up here all my life and everything, so I know. I didn't move here.

Mayor Post: Okay, but C Prettyman I know; but you know things have changed since then; if you look at the marina; the marina looks like a piece of junk as far as I'm concerned; even how it sits today; it's overgrown; it does flood even in there in parts of the marina; and what did it sell for; \$2+ million. It sold for a large amount of money; it was \$2+ million is what I believe the person who purchased it, to develop it; who would have to spend several million dollars for developing it; I mean that's what development is all about; is to find good, raw land to build on. This is good raw land. It might be low. It might be interesting to just see down the road with values and resale values and everything, because I'm amazed at somebody that wouldn't think that their lot wasn't worth \$112,000.

C Prettyman: And where are you talking about the marina?

Mayor Post: I'm talking about the low lying lot.

C Prettyman: Are you talking about where the marina was, that was a plant there, Delaney's had a plant there and trucks and everything were going in and out of there for years.

Mayor Post: I'm just saying it's an undeveloped parcel of land that flooded with bad property with overgrowth and everything on it and it brought over \$2 million and it's not a large piece; it's a couple of acres, so it is bigger, yes, obviously; I'm not saying that; but again we're not talking about a \$2 million assessment. I absolutely did agree that I thought \$200,000 was over assessed for that property with that lot.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: In our defense the last meeting we came to over at the Theater, I didn't realize the flooding conditions, but we parked right across the street there; and we went back out that night and our truck was up to the hub caps in water; so when they brought the pictures I said, I know exactly what she's talking about here.

Leah Betts: This is right even at 50%; the different assessment of \$220,000; you say now that the value is still \$112,000.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: It was \$125,000 something, wasn't it?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Yeah, whatever \$112,600 is half what it is currently assessed at.

Leah Betts: Well, it was assessed at \$220,000, so it has gone up.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It was \$225,000, I think.

Leah Betts: \$225,000; that's even more.

C Abraham: \$225,200 is adding both of them together. Well I'm just going to throw this out there and I'm not by means making a motion, but I'm just thinking if it were down to \$112,000; but yet they were saying that buildable lots were \$90,000; the difference between the two is \$22,000; if you split that difference it would make it \$100,000 or \$101,000.

C Prettyman: I can't hear you.

C Abraham: I'm just throwing that out there.

C Prettyman: Well, just make me hear you.

C Abraham: I'm just saying.

C Martin-Brown: C Abraham, what is the number you are thinking about?

C Abraham: I just said it dropped down to \$112,600; and they were saying earlier that a buildable lot is \$90,000 and the difference would be \$22,600 and if we split the difference it would be \$11,300 and I thought well that comes to about \$100,000. I just thought about it.

Leah Betts: The water comes up in the back and you can't even...

C Abraham: That's what they assessed it at.

C Prettyman: That's still smaller than Mr. Alexander.

C Abraham: I'm just taking into consideration that she's in Town Center.

C Prettyman: I know what you're taking into consideration.

Leah Betts: If you do \$80,000 and the other one is down to \$40,000; and I think that should _____.

Mayor Post: \$40,000 is not a buildable lot, correct? It is not a buildable lot; meaning it can not be built on without special; I guess they could always go and try to get some weird variance because it's a very bizarre shaped lot; it is not a rectangular shaped lot.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: It is not an independent lot.

Mayor Post: You can't compare that to that. What you would have to compare this parcel, even though you have a piece of fence going across it would be the same as a parcel such as what Mr. Alexander has; it would be not much difference there; it's a square parcel that is permitted buildable in the Town of Milton and that's what you have. So if we're sitting here saying now tonight that no, none of these lots are worth \$80,000, \$90,000 then we're going to have to go back to the drawing board and we're going to have to adjust a lot of people's parcels in this town; because this was all about equitable reassessment.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Ms. Betts, you own other houses in then neighborhood; each one of those lots you have a total value for those houses and those lots; that is based on \$80,000 value for the land those houses sit on. The point you made to us earlier as your fence crosses this lot so that makes it not buildable and you could in one day move that fence corner over.

Mayor Post: It's like saying that because there's a swimming pool on the lot it's not buildable anybody can fill it in. I mean you've got to look at the...

Leah Betts: Okay, Mr. Alexander, I'm not trying to compare with his, but his is 0.290 and he has a problem and I can see why.

Mayor Post: And his is residential and yours is Town Center.

C Abraham: Who has the assessment? I didn't have that paper anyway.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Ms. Betts' second lot is .1768.

Leah Betts: Right and his is .290.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: And we have \$90,000 on him and \$80,000 on you.

Leah Betts: And they brought it down to \$80,000.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Therein lies the problem of reducing one lot.

Leah Betts: No, I'm not trying to get his changed, believe me. I'm not.

C Prettyman: The one that made sense was his.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Do you have a problem with the valuation of any of your other properties?

Mayor Post: It was the same calculation of formula for the land.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Yes.

Leah Betts: No.

Mayor Post: So that land value of all the other properties, I would assume my property is done the same way because you're measuring by square footage

C Prettyman: Because the other ones are livable. This is not.

Mayor Post: You've got your ratio.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Mr. Alexander he's going to save \$18 a year; but if we went through and we lowered every lot in this town \$10,000 or whatever, then instead of having an \$0.18 tax rate, you would have to increase your tax rate and in essence he would have a wash. He would pay the same amount of taxes tomorrow as he was paying today.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: And if we merely took \$10,000 off every property here we would reduce the land value we would be \$10,000 then the sales values were mostly lowered already.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It was based on \$10 per square feet.

C Prettyman: They took \$10 per square feet.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: That was beyond an acre of property.

Leah Betts: This is not even; I mean there's water back there.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: We've suggested that the value will be \$5 a square feet on this ground.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: On the other side we said \$20 a square feet along the street.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Between your lot and the street right in front here, the first lot is valued at \$20 a square feet and the adjoining lot is valued at \$10 a square feet.

Leah Betts: [garbled]

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: We recognize that and that's why suggested the values go down on yours.

Leah Betts: That's why we added the foot _____. That property, the front was commercial and then the back you took it down to \$7.

C Martin-Brown: But the lot's not comparable, Ms. Betts.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Would you like yours at \$7 per square feet?

Mayor Post: No, I don't think she does.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: No, I don't think so.

Mayor Post: Because that would raise it.

C Martin-Brown: C Abraham do you have a motion?

C Abraham: I just threw that out there just on passing. I didn't get anybody's approval that that was good or bad.

Leah Betts: What would mine be if I joined the lot?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Well the value of the additional house lot is at \$80,000 right now, it would probably go down to about \$10,000 and if you join the other land to it another 1/2 acre, I don't know the size of the lot that your house is on right now.

Leah Betts: Suppose I join it to the house on the corner?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: If you join it to the house on the corner, it would go down to about \$10,000; but that's not done tonight.

Leah Betts: I know that.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Okay.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: That's cutting your nose off to spite your face, because you've got a valuable economic asset and you're wanting to save a few dollars in taxes and you think you will be giving that up. Of course, I guess you can resubdivide it down the road.

Leah Betts: I'm not going to sell it, so what's you know.

C Abraham: Do you have a thought about... The other piece was left alone and it was \$80,000. That's between the Historical and you.

Leah Betts: [garbled]

Mayor Post: Isn't it between your house and the house on the corner?

Leah Betts: That's part of the lot.

Mayor Post: But she said it's between the Historical and you.

C Abraham: I got confused. The one that's down at 112 is between Historical and you. Are they \$80,000 or are they \$90,000?

C Prettyman: They are \$80,000.

C Abraham: Here I'm just going to throw this out; because I made a mistake; if it were reduced down to \$112,600, buildable lots are \$80,000; the difference between the two is \$32,600 and if you split that difference you get \$96,000.

C Prettyman: On that lot.

C Abraham: But that is for the lot that's between the Historical and that may not be...

C Prettyman: We have to make a decision.

C Abraham: To me it is not buildable as it sits. With improvements, yeah, but...

C Prettyman: Then at the time of the improvement then you can reassess it.

C Abraham: That's my opinion.

C Prettyman: The thing that would make sense at the time you're going to build on it, you reassess it and go from there, but right now it is not buildable and it doesn't make sense at all.

Leah Betts: At the Preserve on the Broadkill there's one that's valued at \$100,000 and that's per acre and mine isn't and I know its commercial; but...

C Abraham: I don't know; I'm going to make a motion that it be assessed at \$80,000; it is supposedly what the lots are in Milton; I make a motion that that one be assessed at \$80,000; instead of the \$112,000.

C Prettyman: I second that motion.

Mayor Post: So what are we saying now?

C Abraham: I'm only talking about the one lot for \$112,000.

C Prettyman: You're talking about the 01.76.

Mayor Post: Well we've dealt with all the other parcels as one, so are we talking about...

C Abraham: So do you want to do a total?

Mayor Post: Yeah, I would like to know what we're talking about here.

C Abraham: Ha, ha, ha. Oh, my God.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: In this case, I think you need to tell us a value you want on an individual parcel.

Mayor Post: I know that, but I want it to both of them at the same.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Okay.

C Abraham: The lot that has the fence is assessed at \$104,000; is that correct?

Mayor Post: Which is what they're saying everybody in the Town of Milton is assessed at that calculation.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: That's a slight misstatement. There are some neighborhood variations in value. But \$80,000 is typical of that neighborhood for a residential lot.

Mayor Post: Okay, thank you. The fence is irrelevant.

Leah Betts: What did you base the property ____; I would like to know why is that placed much better in the town or the Preserve or anything like that?

Mayor Post: I think he's saying it would be higher, probably.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Yes, your property right there is looked at as one of the lower valued neighborhoods, as far as residential values get.

Leah Betts: So that lot is lower value, but it is still \$80,000?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: If it were up on the Preserve on the Broadkill, it would be \$140,000; if it were out in Wagamon's Pond, it would be \$120,000 or \$140,000 or \$200,000.

Leah Betts: The one that is flooding is \$112,000, right?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: That's a totally different issue Ma'am.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Yes that's \$20.

Mayor Post: And I would assume if you compared it by square footage even with it having water on it and it will need improvement with back filling; compared it to the Draper parcel right next door; you would probably see it being higher than what it is assessed at right now; because if you are taking what they purchased it for and if you did some depreciation because he purchased, I know for a fact, well into the \$500,000, and maybe even more than that; and was trying to sell it for; because we met with him at one time for the Town Hall; and it was like \$900,000; just for the lot.

Leah Betts: It's a bigger lot.

Mayor Post: Bigger lot; better drainage; but not huge. What I'm saying is if \$900,000 was what he was asking; let's say his was worth \$500,000 and it was 3 times the size of yours; but yours still needed fill; it would probably be in calculation about right; because it would be...

C Abraham: How big is his?

Mayor Post: His is about an acre for that lot and I don't know what his assessment is. But fill isn't that expensive.

C Abraham: I think we went with what they suggested, anyway.

[Unidentified Speaker]: Garbled

C Abraham: Well, no because I was doing single lot and then when the Mayor said them all at once I got...

Mayor Post: Well we're doing two single lots at the same time; we're going to finish both of her parcels.

C Abraham: Two buildable lots; even though one has a fence on it and one's under water. We'll take just both of them at \$80,000. We'll make a motion that they stay \$80,000; each of them at \$80,000 apiece assessed value.

C Prettyman: Do you amend your motion?

C Abraham: Yes, I amend my original motion to include both lots assessed at \$80,000 each.

C Prettyman: Second it.

C Martin-Brown: So, C Abraham if the assessment has been dropped 50% to \$112,000; did this gentleman say he had a calculator?

Mayor Post: She's asking it to drop \$30,000 more.

C Martin-Brown: Yes, you dropped it \$30,000 more. So it would go from a 50% drop to what 65%? What was it, Sir?

[Unidentified Speaker]: \$225,600 down to \$80,000.

C Martin-Brown: Then it's been reassessed at \$112,000 and down to \$80,000; how much of a percentage is that?

[Unidentified Speaker]: 64.5%

C Martin-Brown: I came up with about 65%.

C Abraham: And the other was remaining as is.

C Martin-Brown: Is that your motion C Abraham?

C Abraham: And he seconded it.

Mayor Post: Abraham made the motion and Prettyman seconded it. Any more questions to the motion? All right, roll call:

C Prettyman	Yes
C Abraham	Yes
C Martin-Brown	Yes and I'm very uncomfortable with it.
Mayor Post	No, because I feel that the assessment was proper.

Motion carried.

Case No. 8: Mayor Post: Vice Mayor Betts has rejoined the Council. We have no action because there was no show for the hearing.

Case No. 9: Mayor Post: We have no action because the property was removed.

Case No. 10: Mayor Post: Chestnut Properties, very lengthy, very extensive and a lot of study went into this and the land values and lots and then there are

different size lots and then there are townhouse lots vs. single family lots and detached and all that; there were a lot that went into the whole calculation of this.

C Abraham: He wasn't here the first time.

Mayor Post: He was not here. But he still appealed it. Oh you're representing them.

_ You're saying you took your land value and you placed that as your X factor and extracted that out from your lot/home package to get your lot value; my point is that if you're basing it on a residual value of what the house is worth, you have to take the total package and if you take the house value, you have to include the property as part of it; so you have to know; you have to be comparing apples with apples there. If the sales prices is \$244,000, the average sales price in those other neighborhoods where you say that lot value is \$80,000; it's \$350,000 or \$300,000; well, there's a ratio there; from total value to lot value. You said here's a lot value in a neighborhood and you placed that in another neighborhood; you're not sure of what the total value of the...

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: What you're saying is technically true. I see where you're coming from now; you're trying to... We basically looked at the vacant land sales, in town; in the nicer subdivisions; and we said we had vacant land sales to support anywhere from the \$80,000 up to \$140,000; and we chose \$80,000 on the Cannery Village more because everything's jammed in there so tight together, okay. If those houses were spread apart more and we had slightly larger lots, we probably would have had \$125,000 on those lots; but they're all jammed in there together so we went with the a lower value; but you know, there was stuff in there selling for the \$300,000's and \$400,000's range but there are other subdivisions that have prices in that range, in this town. But, no, we looked at the vacant land sale and we chose a number and then once we chose established a number for that area, then we applied that number against the other properties to make sure that once we applied the rates and factors on the houses, that we came out and hit this and we would be under the sales prices; because if a house sold in 2008 we were trying to hit underneath it. We recognized the declining market.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Basically if there was a sale in 2007 in Cannery Village, we're about 30% under that sale; if there was a sale in 2008, we're in 20% under.

Mr. Carmine: The land or the lot, or what; 30% of what?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: You couldn't buy it. We're 30% under what a house sold for in 2007 in Cannery Village, approximately. About 20% under in 2008; and we're under almost all the sales in 2009 until they started building some of the really cheap houses. There's a new style of dwelling being build out there now that are a simpler design; but most of the design and already built properties out there are better than they are.

C Martin-Brown: Mr. Mayor, I would like to make a motion that we adopt the recommendation as written.

Mayor Post: Okay, want me to read that recommendation for you?

C Martin-Brown: No, I can do that, Sir. The entire recommendation? No change to all lots in Preserve on the Broadkill. All residential lots in Cannery Village and no change to TM235-21.00-01.00. The acreage parcels, TM235-20.00-42.00, TM235-20.00-43.00, TM235-20.00-48.00, TM235-20.00-53.00 and TM235-21.00-25.00 which were valued at \$100,000 per acre should be reduced to \$75,000 per acre each. TM235-20.11-52.00 and TM235-20.11-53.00 should be reduced to \$5.00 per square foot overall. Note also that parcel TM235-20.11-52.00 had been erroneously listed as non-taxable; this parcel should be made taxable. This issue may need further investigation by the Town Planning and Zoning Officials.

Mayor Post: But then if we are changing the parcels from \$100,000 per acre to \$75,000 per acre; it's my understanding that we need the additional equalization below; so you would have to read; we would at the same time have to propose the changes in those listed below and I would need you to read those; the amount of acreage and then the...

C Martin-Brown: All right. The additional equalization TM235-14.00-132.01, 3.32 acres, from \$332,000 to \$249,000; TM235-14.00-132.03, 63.48 acres, from \$6,348,000, recommended new value \$4,761,000; TM235-20.00-56.00, 71.31 acres, current value \$7,131,000, recommended value \$5,348,300; TM235-21.00-44.00, 67.22 acres, current value \$6,722,000, recommended value \$5,041,500.

C Abraham: Second.

Mayor Post: We have a motion and a second. We can discuss it. Why it came down I would assume, is at one time the value around here, the raw acreage land value was probably at \$100,000 an acre. In 2009, it had probably dropped to about \$75,000; is that what this is all about?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Mr. Carmine wanted some technical issues about development costs that he's much more familiar with and he made a very good case for making some adjustments. We have some listings that are much higher than this and, in fact, two of these parcels, the Dr. White had previously been sold and were under contract, which we verified with the realtor today at \$100,000 an acre; but that deal fell through for whatever reason; so...

Mayor Post: Just recently?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: No it was a couple of years ago. The \$100,000 I felt was a good number.

Mayor Post: Are you saying that the \$100,000 per acre of the Dr. White property are you changing that, based solely on; I have a little bit of a problem with basing it solely on that decision; considering it was Pret Dyer purchasing it. So are we saying that at \$100,000 an acre, that we're reducing it because of the Dr. White parcel falling through?

Dave Hickey/Blue Ridge Mass Appraisals/PTA: No, I'm saying if we lower the Dyer property then we have to lower these others; to be fair and equitable.

Mayor Post: What is land selling for currently outside, like if you go to, and it's on the market, so it doesn't mean a hill of beans; but do we have anything

local that is surrounding us that has sold in 2009, raw land, bulk and how much was it an acre?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: That's a question; I haven't looked at 2009 sales.

Mayor Post: Well this is all based on 2009; it's not based on how we stand today.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: We looked at some listings of properties for sale; when you are developing land like this you have to consider how many lots you can get there; the development costs; you have to look at the absorption rate; all these things need to be considered. Mr. Carmine made a very good case to me that those costs were higher and the absorption rate was lower; so therefore for somebody to purchase a piece of raw land for development purposes; they're not going to be able to get their profit margin unless they came off of that level; so I agreed that we come down to the \$75,000 per acre level. All I said on these other tracts was that there had to be equity because these are the only other large acreage tracts in town.

Mayor Post: I understand where you're coming from.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: That's all I was saying there.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Chestnut Properties has 138 lots listed going east through town. Did they tell you what the asking price on that is? I think it's around \$3.5 million.

Mr. Carmine: Are you aware of the parcel across the street that's listed as annexed to the town?

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: Yes.

Mr. Carmine: That's a \$10,000 lot.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: No I'm not; at \$10,000 a lot.

Mr. Carmine: \$10,000 a unit. Before you take a vote, can I just tell you one thing?

Mayor Post: Yes.

Mr. Carmine: It's obvious, I know the hour is late and this is a complicated matter. It's obvious your minds are made up; but I sat here tonight and I watched other constituents have an opportunity to plead their case. We haven't gotten any of these values or anything and I can appreciate the hour is late and I can appreciate that we're all tired; but I think it's just fair that the other people had time to digest the values and all I ask is go ahead and make your motion; I just request that we be sent a copy of the minutes and what these values are.

Mayor Post: Mr. Carmine, I also want to go on record to be fair, is that somebody could have showed up here with the original meeting representing your development and gave their presentation and when we're talking about fair; is that everybody else that did their appeal showed up; and I know that you have a large parcel, a lot of land; but at the same time; you could have showed up and gave that as your excuse. But you chose to be silent really just

with him saying that they were meeting with you again; I'm just saying that the fairness was there; you have to seize it sometimes.

Mr. Carmine: Let me explain to you that Mr. Dyer got a letter two days prior to the Hearing and it was our understanding that your own representative said they were meeting with us to resolve the issue. We were told by Property Tax Associates not to appear at the meeting.

Mayor Post: Okay, because I felt you should have been here, but okay, if that's the case, it's been presented tonight; you have worked through it; you've meet; they've made some of your recommendations in certain reductions and other areas they chose to go with what they know as their profession and their analysis throughout the town with other properties and to me it looks like we're talking about \$80,000 for an improved lot; without the house; but if you're just looking at the lot itself at for \$80,000; I think now that it is put into context with seeing hers at \$80,000 with C Betts on a flooded parcel of land, I might have changed that if I realized they were being adjusted to \$80,000; if that's the case; but to me I don't think that's very unrealistic and when I was familiar about 3 years ago; and this was from Mr. Dyer himself and quoted what he sold to the builder; what he was getting per lot; and it is under what he was getting back then. This certainly is taking into consideration. I certainly, at the same time, also understand this is not an easy time for developers and I recognize that and I appreciate that, but at the same time we're talking about being equitable; and we're trying to be fair and that's how we have to look at it. I certainly understand when he talked about the one parcel that it's no longer \$100,000 an acre; that's probably true; because I remember when we were looking and trying to seek land for the sewer plant and everybody wanted \$100,000 and a little more than \$100,000 an acre and I'm sure now the price has come down regarding that. So that's why I would assume we're looking at \$75,000 for bulk land. Can we sit here and split hairs and say well I could really have gotten it for \$59,500 or \$69,500 here; but here it might be \$90,000; we've got to use their expertise to come up with an idea.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: Can I just add one thing, Sir? This Lot No. 53, Mr. Carmine, when we met with him, he said, I'm not sure where it was and we were under the impression that it somehow was related to the area around where the new Community Center is and we spoke with Robin today in the Planning Office or whatever; and we found out that that parcel is, in fact, deleted. So that 53 is gone; however, 52 that we showed as [per Mr. Larson it is 1.32 acres is on the books right now] is really 2.4 acres; so it's like he said we're constantly changing and adjusting based on that; but parcel 53 is definitely a deleted parcel; so we have to adjust for that.

Mr. Carmine: Also in regard to Lot 52, when the construction of the Community Center for Cannery Village began, that was in an area where the map was Lot 52; since then the property was separated out and 1.1 acre a new Lot 888 for the Community Center; so at the time when they are building the Community Center on Lot 52; before this subdivision, I considered that Lot 52 was non-taxable property because it was going to have a Community

Center on it. They now show Lot 52 at 2.42 acres, plus .44 acres is going to be open space; but the 2.42 acres is going to be used as condominiums. So that will be taxable property.

Jonathan Larson/Blue Ridge Mass Appraisals/PTA: That one will be totally readjusted down the road.

Vice Mayor Betts: Excuse me, Don, why is the Community Center a private part of the development.

Mayor Post: Because its part of their Homeowner's Association. If they choose to open that to the public, to sell membership; but at this time it is closed.

Vice Mayor Betts: What I'm saying is why is it non-taxable?

Mayor Post: I don't know why it is non taxable; is it transferrable; it will probably go over...?

Vice Mayor Betts: He said non-taxable.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It's non-taxable because when you purchase a property in there, you get the right to use that building. Your proportional value is included in your purchase price.

Vice Mayor Betts: So their lots were...

C Prettyman: Purchased non-taxable.

Mayor Post: I'm a little confused on that, too.

Vice Mayor Betts: I am.

Mayor Post: They might pay to use it and there's a percentage of it that goes into the Homeowner's Association, but at the same time it goes to pay taxes and things, so I'm a little confused why that would be a non-taxable parcel.

Vice Mayor Betts: Exactly. I am too.

C Martin-Brown: With all due respect, Mr. Mayor, I think that judgment needs to be made by a tax attorney. That is something that we are not qualified to assess; but it's a very good question; and that question should be referred until we get a tax attorney's answer because our tax rolls should be adjusted according to that decision.

Mayor Post: Yes.

Vice Mayor Betts: I agree.

Mayor Post: As far as I'm concerned unless I can be proven differently, there should be no non-taxable land; unless they are a non-profit.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: The concept is this, Sir; you have a townhouse subdivision that has 100 units in it and they have a swimming pool complex and the swimming pool complex is worth \$100,000; so the proportion value to each one of those units is \$1,000 but when you purchase your townhouse for \$250,000, you're getting the right to use that.

Mayor Post: You pay a membership dues to use that.

Mr. Carmine: You're paying a membership dues or condominium fees or community fees for maintenance.

C Martin-Brown: It's under Homeowner's Association fees.

Mayor Post: And possibly taxes.

Vice Mayor Betts: Yeah, it should be taxes.

Mayor Post: Now, if you're telling me that... It's going to be interesting because you're telling me that something like Painter's Mill, that has a great green space out there, then has the big Community building on it, that none of that is taxed to the County; I find that hard to believe.

Dave Hickey/Blue Ridge Mass Appraisals/PTA: It gets into a question of double taxation; you have to separate it out from the value of the individual units and tax them separately.

Mayor Post: You know what, that needs to be and that's why you need, especially an attorney that knows Homeowner's Association, because that's not double taxation; because if you're tax exempting it they are not paying the tax on it. It may be where the tax goes to be collected.

Mr. Carmine: If you want to delve into this, there's another parcel in Cannery Village, Lot 57 and if you call up the GIS from the County and look at Lot 57, it is scattered around in about 13 different locations; it is streets and alleys and open spaces between houses; residual lands that are common.

Mayor Post: We'll talk more about this, because quite frankly I do want to get into it more.

C Martin-Brown: Mr. Mayor, one of our Council Members is leaving. I would like to have a point of order and call the vote.

Mayor Post: We're going to call the vote now, but this will be discussed. We're not looking at at this time, but any tax exempt we're going to do it in accordance with the law of what is permitted; of what can be taxed and what can not be taxed. But we're not looking at special tax free parcels in the Town of Milton if it's not a non-profit; then we'd have that case even at... Out at Wagamon's there's joint land that's owned by the Homeowner's Association; we're exempting all that... I don't know how it works, so we're going to have to look into that.

C Martin-Brown: Point of order Mr. Mayor.

Mayor Post: Point of order, we're going to go ahead and call it.

C Martin-Brown	Yes
C Prettyman	Yes
C Abraham	Yes
Vice Mayor Betts	Yes
Mayor Post	Yes

Motion carried.

7. Adjournment

C Prettyman: I make a motion we adjourn.

C Abraham: Second.

Mayor Post: All in favor say "aye". Opposed. Motion carried. Adjourning at 9:27 p.m.