

**Town of Williston
Board of Civil Authority
Public Hearings: BCA Appeal of Listers Decisions
Williston Town Hall
August 6, 2018**

Members Present: Joy Limoge Deb Beckett
 Terry Macaig Theresa Zittritsch
 Ben Rose Carter Smith
 Joshua Diamond Jim McCullough
 Jeff Fehrs

Others Present: Bill Hinman Ryan James (via speaker phone)

Acting Ch., Joy Limoge, opened the Public Hearing at 6:00 PM –

1. ***WalMart USO 2224 863 Harvest Lane #12106.032000***

Bill Hinman, Town Assessor and representing the Listers, gave a property description and explained how the valuation was attained. He noted the current assessment is \$86.20 per square foot and added that the adjacent Home Depot property is at \$89 per square foot.

Mr. Hinman also explained that Maple Tree Place was purchased for \$90,000,000. The total square footage for the sale was approximately 508,000 and the assessment per square foot is \$164. He further explained that while the buildings are of better quality and construction it is likely that from an income stand point, Maple Tree Place has similar appeal as a big box store.

He pointed out that the appellant has indicated that similar properties in more metropolitan areas are between \$70 and \$75 per square foot but the Listers cannot make a comparison between these areas and Williston without information such as gross sales from the subject store and other stores that are assessed in the \$75 range. The Lister's office has requested this information and it is unknown if the appellant will provide that information.

The Lister's office did reach out to Essex and South Burlington to find out what the two Lowe's properties are assessed at. The Essex Lowes is assessed at \$92 per square foot and the So. Burlington Lowes is assessed at \$94 per square foot.

Mr. Hinman presented a document "Commercial Big Box Retail: A Guide to Market-Based Valuation", published by the International Association of Assessment Officers.

He concluded that the subject is an investment class property and should be evaluated by the Cost approach which reflects the value of land and depreciated value of the improvements.

James Ryan of Stavitsky & Associates, representing WalMart, stated that the report mis-characterized the dark store theory. These are build to suit properties and this property is being valued in part because it has a WalMart sign at the door. He added that Lowe's has more market share rather than sales throughout New England to show the fee-simple argument. He stated that this should be a lease-fee valuation.

He added that any second-generation user would have to invest considerably to repurpose its use which leads to its value being discounted.

Mr. Ryan reviewed expense statements.

Joshua Diamond asked about lease payments.

Mr. Ryan noted there is an 8.2% capitalization rate.

Joshua Diamond asked how the cost approach is calculated.

Mr. Hinman explained that the Marshall & Swift program is used.

Ch. Limoge recessed the hearing and appointed the investigation committee of Terry Macaig, Carter Smith and Theresa Zittritsch. (Note: due to a potential appearance of a conflict of interest Theresa Zittritsch stepped down and Joshua Diamond was appointed to the investigating committee).

2. IS Enterprises 174 Avenue C #02052.140000

Ben Rose read the report of the Investigating Committee and recommended that the effective date of the building be changed from 1990 to 1988 based on witnessed conditions during the site visit and as a result the assessed value be reduced to \$612,350.

On a motion by Terry Macaig and seconded by Theresa Zittritsch it was unanimously voted to accept the recommendation of the Investigating Committee and that the effective date of the building be changed to 1988 and the assessed value reduced to \$612,350.

Ch. Limoge recessed the meeting at 6:45 PM.

Minutes Submitted by
Deborah Beckett
Town Clerk