

Appeal for property at 97 Kerwin Hill Road, Norwich VT. Parcel 05.095.300.

21.19 acres, dwelling, and barns

Note: This parcel is linked by the easement and deed to the property at 742 Rt 132 Norwich. Treatment of them as separate by the town is a fiction. When talking about a potential sale price, this can only be the sale price of the entire OPAV farm, since the linked components cannot be separated.

Easement: Our property has been subject to some contention about its valuation because of the conservation easements and option to purchase at agricultural value (OPAV) that it has upon it. The purpose of the OPAV is to preserve the working farm by reducing the value of property to make it accessible to those who earn their living from the land. It does this by prohibiting sales to other classes of buyer. Since this impacts the potential sale value of the property, it impacts our tax assessment.

History: We have previously fought the town over our property valuation, resulting in a Superior Court settlement. Both we and the town spent many thousands of dollars on attorneys and independent appraisals. The town ultimately hired a well-qualified independent appraiser as their expert, who returned with a value 34% of what the town had tried to assess our property at. This largely agreed with the independent appraisal we commissioned that came in at 31% of what the town had tried to assess our property at. We settled halfway between the two and the town repaid substantial taxes, with interest.

Expertise: Unfortunately, as they admitted to us willingly, the town's contract appraiser has no expertise with assessing OPAV properties like ours. Instead of using any of the approved approaches for property valuation, KRT applied what they admitted are arbitrarily selected reductions. For example, they applied a "restriction factor" of exactly 50.0% to the land. While such a round number may be pleasing, chances are it is inaccurate. OPAV properties in desirable neighborhoods like Norwich often sell for much less than half the un restricted value.

The listers note that they were unable to find comparable sales. We feel this isn't quite true. We provided a pretty good one of an OPAV property in Strafford during our prior appeal. The property is virtually identical to ours in configuration and its sale for \$875,000 in 2022 does not support the existing valuation placed on our property of over \$2M. This property's profile is attached at the end with details that are nearly identical to our overall farm highlighted.

We feel the town has failed in its statutory responsibility to gather the necessary expertise to provide us with a fair and accurate assessment. In the end the town has used admittedly arbitrary approaches, with no basis in comparable sales, to arrive at a total valuation that

to the best of our knowledge, would make our farm the single most expensive OPAV farm property in the state.

Most of the impact of this excessive valuation on our taxes is mitigated by Current Use enrollment, so while we feel that some of the valuations the town has imposed are objectively unsupportable, we also aren't eager to take on the responsibility of preventing the town from fleecing the state current use program.

Request:

We've elected to not appeal the entirety of the assessment to try to make a simple and easy to grant request. Our upper parcel contains our house, several barns and outbuildings, and 21.19 acres in Norwich (plus 9.6 acres in Thetford). These were valued as in the table below:

	2025	2016-2024	Change
House+2 acres	\$301,900	\$157,600	+\$144,300 (+91.6%)
Barns	\$99,000	\$90,200	+\$8,800(+9.7%)
19.19 Acres	\$46,100	\$26,800	+19,300 (+72%)
Total	\$447,000	\$274,600	+172,400(+63%)

As you can see our overall increase in valuation of 63% was in line with townwide increases, but the bulk of this increase was applied to the house alone – placing the increase explicitly where it hurts us most. But, this is not really sensible. Since the prior townwide reappraisal in 2016, we've made no improvements to the house. Meanwhile, we've made improvements to the barns; insulating space, installed heat pumps, lighting, and water services. And on the land, we've dug ponds, installed buried irrigation, planted and matured an orchard and perennial crops like asparagus, removed invasive species, and improved soil fertility. Yet the house increased by 92% in value and the barns only 9.7%.

We are simply requesting the increase be applied evenly across the portions of the property.

	2025	Proposed	Proposed
House+2 acres	\$301,900	\$157,600	\$256,541 (+63%)
Barns	\$99,000	\$146,827	\$56,627(+63%)
19.19 Acres	\$46,100	\$43,625	+16,825 (+63%)
Total	\$447,000	\$447,000	+172,400(+63%)

More of the increase really ought to fall on the barns and land, where improvements were made, and we'd welcome that, but figured this was a simple to understand easy appeal to sense.

We note that the parity between the townwide valuation increase (averaged 59%) and our increase (63%) is not evidence of reasonableness of the increase. The point of the Option to Purchase at Agricultural Value does not only create a one-time reduction in value. It's intended to create a permanent slowdown in the growth rate of farm valuations. Our property should increase in value more slowly than the rest of town, particularly during a period of time when valuation increases in VT were forced by an influx of city buyers (who are extremely unlikely to be qualified farmers), rather than a rash of new farms starting in Norwich.

We hope the BCA can grant us this simple request to apportion the increase equally so we can just go back to farming. In the future, we would really appreciate it if the if the town would take their responsibility to hire appropriate expertise to value our property more seriously.

Appendix 1: Comparable OPAV Sale: Closest OPAV encumbered comparable sale was 375 Justin Morrill Highway in Strafford (10 mi away). It is comparable or superior in most respects.





Location: 375 Justin Morrill Highway, Strafford, Orange County, VT

Grantor: William Franklin Miller III and Shannon Varley

Grantee: Sloan Six LLC

Sale Date: August 18, 2022

Sale Price: \$875,000

Lot Size: 178.91 acres

Conditions of sale: Pvt arm's length sale

Parcel ID: Strafford tax parcel 02.375

Strafford Parcel ID 02.375

Conservation Easement: The conservation easement encumbers a 100-acre portion of the farm-78 acres are unencumbered. A non-subdividable farmstead complex of 5.8 acres was established around the existing improvements. Within this complex, new agricultural structures can be built without prior approval from the easement holders. The two existing dwellings are permitted. The easement also allows for additional "sole discretion" farm labor housing. A primitive, size restricted camp is allowable in the non-agricultural land. A 6.6-acre portion along the West Branch of the Ompompanoosuc River was further encumbered by a Riparian Buffer Zone, extending 50' from either bank. A right of way will be permitted to access the excluded woodland, so it is developable. The easement includes the OPAV provision.

Land Description: The farm slopes down from the road to the river bottom cropland along the West Branch Ompompanoosuc River. The farm then slopes up gently to the west to the back

portions of the ag land. The back of the parcel is mountainous wooded land. The farm has about 27 acres of cropland along either side of the Ompompanoosuc River. The existing improvements along the road appear to be out of the floodplain and the back meadows are well above the river valley. USDA Soils maps show the farmstead and much of the cropland on either side of the Ompompanoosuc River is Winooski very fine sandy loam. This is a prime ag soil.

Dwellings: The sale is improved with c. 1880 2-story, 2-dwelling adjoined farmhouses offering 3,400 sf, 6 bedrooms and 5 bathrooms. Siding is wood, and roof is standing seam metal. Heat is from a gas furnace with baseboard heat throughout. The dwellings were reportedly gutted and renovated around 2000, at which time a new foundation was poured under the entire house. The kitchen and baths were re-done at this time. New electrical and plumbing was installed, as well as new windows and doors. Insulation is traditional fiberglass. An attached barn offers an additional finished 1,353 sf. The dwellings are in good condition, with modern and updated features.

Historic Barn: There is a large 3-level post and beam barn right near the dwelling. It has a high drive from the road level to the upper center drive. The intermediary level is suitable for storage, though there is only one exterior access. The lower level has very old pipe stanchions. The barn appears sound. Attached to the barn is a new 16' x 20' farm stand. It is insulated with a wood sheathed interior. Horse Barn: The horse barn was constructed in the 1990's. It consists of a metal clear span structure over a center drive with 5 stalls on either side. There is a former tack room at the end of the barn, insulated and heated with a half bath. Along with the tack room, the barn offers 4,660 sf in good condition.

Arena: Also constructed in the 1990's is a "Morton" brand metal clear span arena measuring 70' x 144' for 10,080 sf. It has a dirt floor and wood and poly siding. There are sliding doors on the front. A short connector leads to the nearby stable area. The arena is in average condition.

Total Sold 8/18/2022 at arms length for \$875,000.