



OFFICE OF THE ASSESSOR

City of Burlington

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MEMORANDUM

November 9, 2010

**To: Jonathan Leopold, CAO
Richard Goodwin, Assistant CAO**
From: John Vickery, City Assessor

Regarding:

As a result of an internal Equalization Study, I intend to correct the values of several neighborhood properties for equalization purposes.

Jonathan,

This correction will help equalize the tax burden to all Burlington taxpayers. Making these valuation corrections is part of municipal assessing offices standard procedures and best practices. Conducting valuation corrections between reappraisal projects will reduce the impact of the shift in the tax burden between properties during the next City-wide reappraisal. Also, valuation corrections made now could extend the date the State mandates a costly reappraisal.

I have recently conducted an internal "Equalization Study" of all the residential property sales within Burlington from the recent past. The Study indicates an acceptable overall median level of appraisal Level of Appraisal median ratio at 91% for single family homes, and a LOA median ratio of 93% residential condominiums. The State Tax department will mandate a city-wide reappraisal when the common level of appraisal (CLA) is below 80%*.

Sales indicate an acceptable overall coefficient of dispersion (COD) of 9.97% for 1-family and 2-family houses, and an acceptable overall COD of 9.9% for condominiums. The COD is a measure of tax equity within the group of sales sampled. The International Association of Assessing Officers (IAAO) standards state that CODs generally should be 15% or less as a measure of good overall equity. The State Tax department will mandate a city-wide reappraisal when the overall COD is higher than 20%. Overall sales in Burlington indicate average to good tax equity.

The next step in the review process is to analyze the property sales by neighborhood. We reviewed sale ratios from 1/1/2008 to 8/29/2010. This will show how each neighborhood compares to the overall medium LOA of 91%. Neighborhoods greater than 15% of the LOA indicate an inequity of that neighborhood's assessments as it relates to the majority of other property values. Corrective action should be made to property values in neighborhoods where the LOA is greater of less than 15% of the overall LOA.

The study revealed that several neighborhoods have sale ratios 15% lower than the median ratio. This is an indication that the property values within these neighborhoods are low or high and need to have their appraised values equalized with the majority of the other taxable properties throughout Burlington.

Below are the neighborhoods that indicate a need for equalization and that our staff should have time to conduct a thorough review. Our office will attempt to make equalization corrections to as many of the neighborhoods listed below. The overall changes to value should not have a significant impact on the Grand List because some appraised values are likely to be lowered and others are likely to be increased. The goal is for improved equity and tax fairness.

**Condominium values likely to be lowered;
Westlake Condos at 35 Cherry Street.
Champlain Commons
The Orchards
Redrocks Phase 1**

**Condominium values likely to be increased;
Town Center
337 College Street
Commadore Point
Rose Street
Author Court
Linsley House
Union Court
Newcastle of Willard
Calarco Court
Ethan Allen Parkway**