

  
**Haines Borough**  
**2006 Board of Equalization – Part III**  
**June 6, 2006**  
**MINUTES**

**Approved**

1. **CALL TO ORDER:** The Board of Equalization meeting of the Haines Borough, held in the Assembly Chambers of the Public Safety Building, was called to order at 4:15pm by Mayor Fred Shields.
2. **ROLL CALL: Present:** Mayor Fred **SHIELDS** and Assembly Members Norm **SMITH**, Stephanie **SCOTT**, Jerry **LAPP**, Scott **ROSSMAN**, and Deborah **VOGT**. **Absent:** Assembly Member Luck **DUNBAR**.

**Staff Present:** Julie **COZZI**/Borough Clerk, Wayne **HAERER**/Borough Assessor, and Scott **HANSEN**/Planning & Zoning Technician.

**Visitors Present:** Paul **NELSON** and Mirinda **STUART**.

3. **PROPERTY APPEALS**

**HAERER** suggested hearing the appeals of the taxpayers present before going back to the others. There was no objection.

- A. **Appeal 06-20**

Subject property: C-735-01-0100

Appellant: **Paul Nelson, Big Foot Auto Service**

Preliminary 2006 Assessed Value: Site-\$49,910; Building-\$302,665 Total: \$352,575

Owner's Estimated Value: Site-\$35,500; Building-\$245,200 Total: \$280,700

Assessor's Recommendation: No change

**NELSON** reiterated his concern at the lack of response to his requests for information from the assessor. He said he believes there is no justification for the 2006 assessment increase and said it is unequal, excessive, and unfair. It is a 26-year-old building and is assessed at \$50/per square foot. He went to other commercial buildings and the only one he found as old or older is the former Charlie's Repair building which is assessed at \$26/per square foot. He noted that Big Foot has provided an easement access to Acme Transfer. **ROSSMAN** observed that the land assessment was never appealed until this year and sees that the land has only increased about \$35,000 in all those years. **NELSON** admitted he had ignored the land assessment until this year but believes he has the right to appeal it in spite of that. **HAERER** said that **NELSON** has been provided all of the same information that the assembly has except for the map, and everything is available at the borough as public information. He noted that until 1995, the "bus barn" was included in the parcel's assessment. The difference in the building value changed from 1995 to 1996. The land value stayed the same until 2005 when it was raised along with everyone else. He cautioned the Board to be careful in comparing buildings saying that the two buildings on **NELSON**'s properties are very different in themselves. They are made up of different types and combinations of materials and a varied mixture of interior spaces that have been taken into account. These properties

received the market trending as all other properties in the borough. They typify other properties in that area. No other reevaluation had been given this property nor was it given subsequent to the appeal. No other appraisal has been provided to this property. The Board reviewed a list of adjacent properties and their values. **SCOTT** asked **NELSON** if he agrees that all of the adjacent properties have been assigned the same market trend increase. **NELSON** said he doesn't know what that means. **SCOTT** said buildings were all increased 15% and the land was all increased 12%. **NELSON** said he doesn't believe it is fair. **SCOTT** said this was the assessor's methodology. The trend analysis would have to be proven as inaccurate or that the assessment of the building is problematic. Therefore, she would need to hear an argument that contests one of those two things in order to overturn the assessor's amount. **NELSON** said he specifically asked, in writing, for all information. He had no way of knowing what the Board would receive so that he would know what to argue against. Regarding market trends, he asked when the last time was that a new business moved to Haines. **ROSSMAN** responded that there is no parcel that has not gone up in value in ten years. **NELSON** believes he has had an "unconstitutional taking."

**Motion** by **ROSSMAN**: Leave the land assessment at \$49,910 but return the building to the 1999 assessment of \$275,150. It was seconded by **LAPP** for the sake of discussion.

**ROSSMAN** said the building is pushing 30-years old. **VOGT** disagreed with **ROSSMAN**'s thinking and said there is a lot more retail space in the Big Foot building. **SHIELDS** said he understood the assessor took into account the different uses and materials. **VOGT** said she does not believe assessment is out of line.

The motion carried 5-1 with **ROSSMAN** opposed.

#### **B. Appeal 06-21**

Subject property: C-735-01-0400

Appellant: **Paul Nelson, Acme Transfer Co. Inc.**

Preliminary 2006 Assessed Value: Site-\$31,280; Building-\$120,725 Total: \$152,005

Owner's Estimated Value: Site-\$25,100; Building-\$95,200 Total: \$120,300

Assessor's Recommendation: No change

**NELSON** asked the Board to lower the assessment on the building because it is used for garbage and would have limited sales potential. The lot would require remediation prior to ever being able to sell it. **HAERER** said the property received the market trending percentages. Intermittently from 1996 to the present, assessments and appraisals have taken into account the property's uses including depreciation, etc. The trending applied to this building is indicative of depreciation and, as for the land, there is no known information provided relative to remediation. This is the first he has heard of that. **ROSSMAN** asked for the square footage. **NELSON** said 5,000 square feet. **SCOTT** asked what the comparable sales are that apply to this particular property. **HAERER** said he does not use sales outside of the borough. He said he used generalizations based on current listings and sales of commercial property that support the original market markets. He had provided that information to the Board the first evening. **SCOTT** asked what period of time he considered. **HAERER** said he used 2003 and 2004 sales initially because Alaska is not a mandatory full disclosure state. Therefore the number of sales available to the assessor is less than half. Sales created

the market trend. **SCOTT** said she would want to see the sales that were used in coming up with the marketing trends. **SMITH** said he does not believe the assessment is unreasonable.

**Motion** by **SMITH**: Accept the market trend and uphold the assessment as recommended by the assessor. It was seconded by **LAPP**.

**HAERER** said the market sales data that was put together was compared to the 2005 property data. State law requires assessments to be in line with market value.

The motion carried unanimously.

**C. Appeal 06-39**

Subject property: C-PTC-ON-0800

Appellant: **Mirinda Stuart**

Preliminary 2006 Assessed Value: Site-\$30,590; Building-\$77,055 Total: \$107,645

Owner's Estimated Value: Site-\$26,000; Building-\$70,000 Total: \$96,000

Assessor's Recommendation: No change

**SHIELDS** explained that **STUART** had been present at the first BOE session on 5/22 and had asked for a postponement to 6/6, and it was granted. However, the Board acted on her appeal during the second session on 5/23 in her absence. She should be given an opportunity to be heard. (There was no objection.) **STUART** contested the assessment on her 30-year-old trailer. **HAERER** offered to meet with her to consider an administrative adjustment. He will meet with her on 6/7/06, and she agreed.

**D. Appeal 06-22**

Subject property: C-SKY-08-1500

Appellant: **Paul Nelson, Big Foot Auto Service**

Preliminary 2006 Assessed Value: Site-\$69,575; Building-N/A Total: \$69,575

Owner's Estimated Value: Site-\$60,000; Building-N/A Total: \$60,000

Assessor's Recommendation: No change

**NELSON** said this property is on Skyline. He said he measured his property and has 150 feet of usable property beyond the right-of-way, and it tapers down to virtually nothing to a steep fall-away. He believes he paid too much for the property. He asked for a reduction to \$60,000. **HAERER** said he looked at what the adjoining lots are selling for. This lot should actually have a higher assessment, but he asked the Board to uphold the 2006 amount.

**Motion** by **LAPP**: Uphold the 2006 assessment as recommended by the assessor. It was seconded by **VOGT**. The motion carried unanimously.

**E. Appeal 06-23**

Subject property: C-SKY-08-1600

Appellant: **Paul Nelson, Big Foot Auto Service**

Preliminary 2006 Assessed Value: Site-\$86,020; Building-N/A Total: \$86,020

Owner's Estimated Value: Site-\$62,000; Building-N/A Total: \$62,000

Assessor's Recommendation: No change

**NELSON** said this property is on Skyline. He said he measured his property and has 150 feet of usable property beyond the right-of-way, and it tapers down to virtually

nothing to a steep fall-away. He believes he paid too much for the property. He asked for a reduction to \$62,000. **HAERER** said he looked at what the adjoining lots are selling for. This lot should actually have a higher assessment, but he asked the Board to uphold the 2006 amount.

**Motion** by **LAPP**: Uphold the 2006 assessment as recommended by the assessor. It was seconded by **VOGT**. The motion carried unanimously.

**F. Appeal 06-24**

Subject property: C-SKY-08-1700

Appellant: **Paul A.L. Nelson**

Preliminary 2006 Assessed Value: Site-\$75,900; Building-N/A Total: \$75,900

Owner's Estimated Value: Site-\$65,000; Building-N/A Total: \$65,000

Assessor's Recommendation: No change

**NELSON** said this property is on Skyline. He said he measured his property and has 150 feet of usable property beyond the right-of-way, and it tapers down to virtually nothing to a steep fall-away. He believes he paid too much for the property. He asked for a reduction to \$65,000. **HAERER** said he looked at what the adjoining lots are selling for. This lot should actually have a higher assessment, but he asked the Board to uphold the 2006 amount.

**Motion** by **LAPP**: Uphold the 2006 assessment as recommended by the assessor. It was seconded by **VOGT**. The motion carried unanimously.

**G. Appeal 06-25**

Subject property: 3-HHY-33-0700

Appellant: **Paul A.L. Nelson**

Preliminary 2006 Assessed Value: Site-\$113,960; Building-\$9,184 Total: \$123,144

Owner's Estimated Value: Site-\$94,500; Building-\$7,500 Total: \$102,000

Assessor's Recommendation: No change

**NELSON** said this property is at 33-Mile. He walked down through the property following the November 2005 flood. The Klehini River has changed course and the waters are continuing to flood the lot. He asked for a reduction in the assessment. The lot contains a 50-year-old house with no foundation. He also believes the lot is unequally and improperly assessed. He asked that the land be dropped to \$50,000 and the building to \$7,500. **HAERER** said this property was provided the same market trending as adjacent properties, and he recommends no change to the assessment. **LAPP** said the house is old, and it seems to him that the value is rather high.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **ROSSMAN** for the sake of discussion.

**Motion to Amend** by **ROSSMAN**: Change the building assessment to \$7,500. It was seconded by **LAPP**. The amendment motion carried unanimously.

The main motion carried unanimously.

**H. Appeal 06-26**

Subject property: 3-HHY-33-0800

Appellant: **Paul A.L. Nelson**

Preliminary 2006 Assessed Value: Site-\$92,950; Building-N/A Total: \$92,950

Owner's Estimated Value: Site-\$71,200; Building-N/A Total: \$71,200

Assessor's Recommendation: No change

**NELSON** said this property is at 33-Mile. He walked down through the property following the November 2005 flood. The Klehini River has changed course and the waters are continuing to flood the lot. He asked for a reduction in the assessment to \$40,000 saying he believes that the lot is unequally and improperly assessed. It has the driving range on it and is flooded. **LAPP** asked how much he paid for the lot before he improved it. **NELSON** said about \$60,000 but it wasn't flooded at that time. **LAPP** noted that the river does change course and next year could be on the other side and add ten acres to the property. **HAERER** said he has not walked through the property so he is unable to testify to the meanderings of the river. It was provided the same market trending as adjacent properties and he recommended no change to the assessment.

**Motion** by **ROSSMAN**: Change the assessment to \$3,000/acre for a total of \$73,140. It was seconded by **VOGT**. The motion failed 3-2 with **LAPP** and **SMITH** opposed.

**Motion** by **LAPP**: Change the assessment to \$3,500/acre for a total of \$85,330. It was seconded by **SMITH**. The motion failed 3-2 with **VOGT** and **ROSSMAN**.

**Motion** by **ROSSMAN**: Change the assessment to a total of \$79,235. It was seconded by **SMITH**. The motion carried unanimously.

**I. Appeal 06-47**

Subject property: B-GLP-00-0300

Appellant: **Jacqueline & Robert DuRette**

Preliminary 2006 Assessed Value: Site-\$177,215; Building-N/A Total: \$177,215

Owner's Estimated Value: Not provided

Assessor's Recommendation: No change

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **VOGT**. The motion carried 4-1 with **SCOTT** opposed.

**J. Appeal 06-48**

Subject property: C-GGT-00-0100

Appellant: **Gray Ward**

Preliminary 2006 Assessed Value: Site-\$31,740; Building-N/A Total: \$31,740

Owner's Estimated Value: Site-\$20,000; Building-N/A Total: \$20,000

Assessor's Recommendation: No change

**HAERER** said this assessment is a result of market trending.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SCOTT**. The motion carried unanimously.

**K. Appeal 06-49**

Subject property: C-GGT-00-0300

Appellant: **Gray Ward**

Preliminary 2006 Assessed Value: Site-\$51,808; Building-\$34,903 Total: \$86,711

Owner's Estimated Value: Site-\$30,000; Building-\$34,900 Total: \$64,900

Assessor's Recommendation: No change

**HAERER** said this assessment is a result of market trending.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SCOTT**. The motion carried unanimously.

**L. Appeal 06-50**

Subject property: C-GGT-00-0400

Appellant: **Gray Ward**

Preliminary 2006 Assessed Value: Site-\$42,263; Building-N/A Total: \$42,263

Owner's Estimated Value: Site-\$25,000; Building-N/A Total: \$25,000

Assessor's Recommendation: No change

**HAERER** said this assessment is a result of market trending.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SCOTT**. The motion carried unanimously.

**M. Appeal 06-52**

Subject property: B-CKL-08-0600

Appellant: **Owen Schafer**

Preliminary 2006 Assessed Value: Site-\$9,315; Building-\$63,855 Total: \$73,170

Owner's Estimated Value: Not provided

Assessor's Recommendation: No change

**HAERER** read the property owner's appeal letter that claims an assessment error. The property went on the assessment roll because the assessor found a significant number of Chilkat Lake cabins in 2005 and raised the assessment in a supplement roll. The structures were newly appraised in 2004. He said over 100 new structures were found in the Chilkoot Lake area that were not on the assessment roll. He reminded the assembly that they have the authority to go back 5 years prior to discovery.

**Motion** by **ROSSMAN**: Uphold the assessment as recommended by the assessor. It was seconded by **LAPP**. The motion carried unanimously.

**N. Appeal 06-56**

Subject property: B-CKL-00-08E0

Appellant: **Thomas Hogan**

Preliminary 2006 Assessed Value: Site-\$8,625; Building-\$5,375 Total: \$14,000

Owner's Estimated Value: Not provided

Assessor's Recommendation: No change

**HAERER** said this is a similar situation to the previous appeal. It is a cabin on the island at Chilkoot Lake, and the same assessment percentages apply out there. The total assessment is \$14,000.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **ROSSMAN**. The motion carried unanimously.

**O. Appeal 06-58**

Subject property: 3-CLR-35-0301

Appellant: **David and Cindy Lohr**

Preliminary 2006 Assessed Value: Site-\$62,810; Building-\$12,712 Total: \$75,522

Owner's Estimated Value: Site-\$48,000; Building-\$12,000 Total: \$60,000

Assessor's Recommendation: Adjust to 2005 values

**HAERER** said a review analysis was done. He sent the appellant an email to inform them of his adjusted assessment upon further review. The assessor recommends the Board authorize an amendment which adjusts land values to represent surrounding properties and sales/listings. The parcel is 12.5 acres.

**Motion** by **LAPP**: Adjust the assessment as recommended by the assessor. It was seconded by **SCOTT**. The motion carried unanimously.

**P. Appeal 06-63**

Subject property: 3-EMR-00-0100

Appellant: **Janis Merriman**

Preliminary 2006 Assessed Value: Site-\$9,790; Building-N/A Total: \$9,790

Owner's Estimated Value: Site-\$8,900; Building-N/A Total: \$8,900

Assessor's Recommendation: No change

**HAERER** said he has not physically inspected the property subsequent to the appeal. He made attempts to contact the property owner to request more information and to discuss the appeal but has had no response.

**Motion** by **SCOTT**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried 4-1 with **ROSSMAN** opposed.

**Q. Appeal 06-64**

Subject property: 3-MOL-01-1600

Appellant: **Janis Merriman**

Preliminary 2006 Assessed Value: Site-\$11,770; Building-\$89,936 Total: \$101,706

Owner's Estimated Value: Site-\$10,150; Building-\$80,300 Total: \$90,450

Assessor's Recommendation: No change

**HAERER** said he has not physically inspected the property subsequent to the appeal. He made attempts to contact the property owner to request more information and to discuss the appeal but has had no response.

**Motion** by **SCOTT**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**R. Appeals 06-65**

Subject property: 3-MOL-01-1700

Appellant: **Janis Merriman**

Preliminary 2006 Assessed Value: Site-\$11,110; Building-N/A Total: \$11,110

Owner's Estimated Value: Site-\$10,100; Building-N/A Total: \$10,100

Assessor's Recommendation: No change

**HAERER** said he has not physically inspected the property subsequent to the appeal. He made attempts to contact the property owner to request more information and to discuss the appeal but has had no response. He distributed current Mosquito Lake sales data for the assembly's consideration. There is a camper park on one of the lots right next to the appellant's residence and some question as to whether it has been properly registered with the borough and, as such, properly assessed as commercial property. **ROSSMAN** said that could be addressed next year.

**Motion** by **SCOTT**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**SHIELDS** called a dinner recess at 6:35pm. The Board of Equalization reconvened at 6:58pm.

**S. Appeals 06-66**

Subject property: 3-MLR-00-1200

Appellant: **Heidi Frederickson**

Preliminary 2006 Assessed Value: Site-\$15,950; Building-\$175,952 Total: \$11,110

Owner's Estimated Value: Site-\$10,100; Building-N/A Total: \$10,100

Assessor's Recommendation: No change

**HAERER** said the increase is consistent with the other assessments in that area.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**T. Appeals 06-67**

Subject property: 3-MQL-01-1400

Appellant: **Heidi Frederickson**

Preliminary 2006 Assessed Value: Site-\$31,240; Building-N/A Total: \$31,240

Owner's Estimated Value: Site-\$20,000; Building-N/A Total: \$20,000

Assessor's Recommendation: No change

**HAERER** said the increase is consistent with the other assessments in that area.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**U. Appeals 06-68**

Subject property: 3-MQL-01-1500

Appellant: **Heidi Frederickson**

Preliminary 2006 Assessed Value: Site-\$22,990; Building-N/A Total: \$22,990

Owner's Estimated Value: Site-\$20,900; Building-N/A Total: \$20,900

Assessor's Recommendation: No change

**HAERER** said the increase is consistent with the other assessments in that area.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**V. Appeals 06-69**

Subject property: 3-MQL-01-1800

Appellant: **Heidi Frederickson**

Preliminary 2006 Assessed Value: Site-\$13,530; Building-N/A Total: \$13,530

Owner's Estimated Value: Site-\$10,000; Building-N/A Total: \$10,000

Assessor's Recommendation: No change

**HAERER** said the increase is consistent with the other assessments in that area.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**W. Appeals 06-101**

Subject property: 3-MQL-01-2100

Appellant: **Heidi Frederickson**

Preliminary 2006 Assessed Value: Site-\$17,050; Building-N/A Total: \$17,050

Owner's Estimated Value: Site-\$15,000; Building-N/A Total: \$15,000

Assessor's Recommendation: No change

**HAERER** said the increase is consistent with the other assessments in that area.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**X. Appeals 06-102**

Subject property: 3-SKI-OC-0300

Appellant: **Heidi Frederickson**

Preliminary 2006 Assessed Value: Site-\$42,680; Building-N/A Total: \$42,680

Owner's Estimated Value: Site-\$37,000; Building-N/A Total: \$37,000

Assessor's Recommendation: No change

**HAERER** said the increase is consistent with the other assessments in that area.

**Motion** by **LAPP**: Uphold the assessment as recommended by the assessor. It was seconded by **SMITH**. The motion carried unanimously.

**Y. Appeals 06-70**

Subject property: Chilkat Acres (19 parcels)

Appellant: **Richard Gregg**

Preliminary 2006 Assessed Value: Site-\$319,930; Building-\$10,750 Total: \$330,680

Owner's Estimated Value: Site-\$120,000; Building-\$10,000 Total: \$130,000

Assessor's Recommendation: Roll back to 2005 assessment

**HAERER** said the property is located on Swanson Harbor. It was divided into 400 tiny lots (1/10 acre each) by a previous owner and sold off to people in the lower 48 that wanted to own a piece of Alaska...some of the lots below water (muskeg & wetlands). Gregg has been buying up lots and reassembling them. **HAERER** researched this and believes there is a market stigma until such a time as the land is reassembled and also because of wetlands issues. He recommends that the assessment be rolled back to 2005 due to the fact that he believes the market trending may have placed this property in a higher amount than it is worth.

**Motion** by **LAPP**: Adjust the assessment as recommended by the assessor to roll back to the 2005 certified amount. It was seconded by **SMITH**.

**ROSSMAN** said he doesn't know how many acres are actually owned by Gregg. **VOGT** asked if the borough knows whether or not the 2005 property is the same as the 2006 property. **HANSEN** said the borough has no sales records related to this property since the 2005 assessment.

The motion carried 4-1 with **ROSSMAN** opposed.

**Z. Appeals 06-71**

Subject property: C-MIS-OC-0100

Appellant: **Tresham Gregg**

Preliminary 2006 Assessed Value: Site-\$53,935; Building-\$143,220 Total: \$197,155

Owner's Estimated Value: Not provided

Assessor's Recommendation: Roll back to 2005 assessment totaling \$281,080

**HAERER** said he recommends, upon further review including some physical inspection, to adjust the 2006 assessment on the building down to \$128,800 due to physical depreciation. The assessed values of the properties related to tourism are seemingly running right close to the market value. When he looked at the condition of the building, he was motivated to suggest a reduction. He submitted this to the appellant via email and phone message but has received no response.

**Motion** by **LAPP**: Adjust the assessment as recommended by the assessor to reduce the building assessment to \$128,800 and to uphold the land assessment. It was seconded by **ROSSMAN**. The motion carried unanimously.

**AA. Appeals 06-73**

Subject property: 3-VVW-00-0A00, 0B00, & 0C00

Appellant: **Michael Stenerson**

Preliminary 2006 Assessed Value: Site-\$123,101; Building-N/A Total: \$123,101

Owner's Estimated Value: Site-\$78,850; Building-N/A Total: \$78,850

Assessor's Recommendation: Roll back to 2005 assessment totaling \$281,080

**HAERER** said he recommends an adjustment of the 2006 assessment to \$78,850 to reflect an actual documented and confirmed 2005 sales price.

**Motion** by **LAPP**: Adjust the assessment as recommended by the assessor to reduce the assessment to \$78,850. It was seconded by **ROSSMAN**. The motion carried unanimously.

**4. ADJOURNMENT – 7:35pm**

\_\_\_\_\_  
Fred Shields, Mayor

ATTEST:

\_\_\_\_\_  
Julie Cozzi, Borough Clerk