

Haines Borough
2013 Board of Equalization
April 29, 2013
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 6:00pm by Mayor Stephanie Scott.

2. **ROLL CALL: Present:** Mayor Stephanie **SCOTT** and Assembly Members Jerry **LAPP**, Norm **SMITH**, Dave **BERRY** Jr., Steve **VICK**, Joanne **WATERMAN**, and Debra **SCHNABEL**.

Staff Present: Julie **COZZI**/Borough Clerk, James **CANARY**/Contract Assessor, Dean **OLSEN**/Assistant Assessor, Jila **STUART**/Chief Fiscal Officer, Mark **EARNEST**/Borough Manager, and Carlos **JIMENEZ**/Director of Public Facilities.

Appellants Present: Richard **BUCK** and Glenda **GILBERT**.

Visitors Present: Karen **GARCIA**/CVN, Don **TURNER** Jr., Shirley **BRETTHAUER**, and others.

3. **APPROVAL OF AGENDA**

Motion: **BERRY** moved to "approve the agenda," and it was seconded. The motion carried unanimously.

4. **SWEARING IN OF BOARD MEMBERS:** **COZZI** administered the following oath to the members of the Board of Equalization:

Do you solemnly swear (or affirm) that you will support the Constitution and laws of the United States, the Constitution and laws of the State of Alaska, and the Charter and laws of the Haines Borough, and that you will faithfully and impartially perform the duties of 2013 Board of Equalization Member to the best of your ability, and that you will not allow your actions as a member of the Board of Equalization to be influenced by personal or political relationships or obligations?

COZZI administered the following oath to the assessment team and the appellants:

Do you solemnly swear (or affirm) that the testimony you shall give shall be the truth, the whole truth, and nothing but the truth?

5. **OVERVIEW AND INSTRUCTIONS:** **CANARY** provided a brief overview of the BOE roles and responsibilities. He also summarized his assessment and the process of reviewing the appeals and sales data.

6. **APPEALS**

A. **Appeals # 2013-12**

Subject properties: **2-LTI-02-0D00**

Appellants: **Richard Buck**

BUCK said he owns two pieces of property that go just up to the right of way, and he does not own the beach at all. His garage is 22x22 and he's up against the bank. He cannot get up to the rest of his property. It's a moraine from a glacier---all sand. Roger Schnabel said it is not possible to build a road up to the rest of his property. Other neighbors have more usable land. Three houses out in that neighborhood have sold in the last three years, and those values have all gone down when you look at sales. He should be given a pretty good valuation adjustment.

CANARY said he went out to both properties with the assistant assessor to measure and inspect. They looked at the information provided by the appellant and also spoke with the neighbors who had some of the same concerns. They also spoke with both real estate agents in town who did not believe there was a market difference. The people with property across the road can't do much with it. About all they can do is to ask people to leave that are camping or having a bon fire. They compared sales properties with the appellant's properties. The reason for the increase in value is based on the two sales they acquired. Based on the market grid for these properties, the assessor recommends no change.

SCHNABEL asked about the guest cabin that was missed and subsequently picked up. **CANARY** said it will increase the value next year since it was the borough that missed it this year. **SMITH** has a problem with the comparables. The smaller pieces are assessed at a higher rate. How much is buildable? **CANARY** said the only person who has a lot of buildable land is Holmes. Everyone else, including the comparables, are built up next to the hillside---all are moraine. **VICK** asked why there is such an increase in the land this year. **CANARY** said he cannot speak for those reasons since he wasn't here, but they have been grossly undervalued for a long time. Assessments are based on January 1. The number is locked in based on the sales information on hand to that date. His job is to bring it up as close as possible to market value. **LAPP** said the more work you do on a parcel, the higher the value. **SCHNABEL** asked **CANARY** to address the per acre price variations in the neighborhood. **CANARY** said everyone was run through the same process.

Motion: WATERMAN moved to "sustain the assessor's 2013 valuation of \$275,100 for parcel 2-LTI-02-0D00," and the motion carried 4-2 in a roll call vote with **BERRY** and **SMITH** opposed.

WATERMAN said it is the appellant's responsibility to prove a difference and she doesn't believe that happened.

B. Appeal # 2013-11

Subject properties: **2-LTI-02-0E00**

Appellant: **Highland Estates Inc.**

BUCK said he has the same arguments as his other property. There is not much buildable space.

CANARY recommends no change to the value. **SMITH** asked how much of an impact the ocean view has on the value of the property. **CANARY** said waterfront view property is higher value. The view of these two properties is the same. This cabin is not up against the hillside like the big house in the previous property. **VICK** asked if the buildable areas are similar. [Yes]

Motion: WATERMAN moved to "sustain the assessor's recommendation to value parcel 2-LTI-02-0E00 at \$195,300," and the motion carried 4-2 in a roll call vote with **BERRY** and **SMITH** opposed.

SCHNABEL asked if there were other appeals in that area and if adjustments were made. **CANARY** said there were three out there that signed off. Basically the land did not change.

C. Appeal # 2013-393

Subject properties: **4-RBA-01-0400**

Appellants: **Judith Clark**

CANARY said the appellant is concerned that the value went down. He visited it---it's in Paradise Cove and a beautiful parcel. He recommends increasing the value to \$42,300 as requested by the appellant.

Motion: VICK moved to "sustain the assessor's recommendation to value this parcel at \$42,300," and the motion carried unanimously in a roll call vote.

D. Appeal # 2013-392

Subject properties: **4-RBA-02-0900**
Appellants: **Judith Clark**

CANARY said the appellant is concerned that the value went down. He visited it---it's in Paradise Cove and a beautiful parcel. He recommends increasing the value to \$23,800 even though the appellant asked for \$26,500. He is trying to be consistent with the view adjustments. It has been tagged as an area that the borough will reinspect next year.

Motion: VICK moved to "sustain the assessor's recommendation to value this parcel at \$23,800," and the motion carried unanimously in a roll call vote.

E. Appeal # 2013-301

Subject properties: **4-LAS-00-0100**
Appellant: **Richard Walsh**

CANARY said this is in Viking Cove out at the end of Mud Bay Road. This lot is two lots separated from the turnaround. It does not currently have electricity to the site. It is just a waterfront lot with a "jeep trail" in front of it. He inspected the property. There is a very nice building site on the lot. The value was based on the sale of parcel 4-LAS-00-0300.

Motion: LAPP moved to "sustain the assessor's recommendation to value this parcel at \$126,500," and the motion carried unanimously in a roll call vote.

F. Appeal # 2013-302

Subject propert: **4-LAS-00-0200**
Appellant: **Richard Walsh**

CANARY said this is in Viking Cove out at the end of Mud Bay Road. This lot does not currently have electricity to the site. He inspected the property.

Motion: LAPP moved to "sustain the assessor's recommendation to value this parcel at \$106,900," and the motion carried unanimously in a roll call vote.

G. Appeal # 2013-145

Subject properties: **2-RBA-02-0C00**
Appellants: **Marla and Kevin Brownlee**

CANARY said this property has a good view. He re-measured the exterior of the building and recalculated from \$63,300 to \$61,300. He recommends no change to the land value.

Motion: LAPP moved to "sustain the assessor's recommendation to value this parcel at \$186,300," and the motion carried unanimously in a roll call vote.

H. Appeal # 2013-344

Subject properties: **C-STR-02-3210**
Appellant: **Travis Stuart**

Motion: SMITH moved to “postpone the Travis Stuart appeal until the next Board of Equalization because the appellant is out halibut fishing,” and it failed 3-3 with **SMITH, BERRY, and LAPP**.

CANARY said the Board should hear it this evening as the appellant was aware of the BOE date and also knew the property was going to be inspected as a result of the appeal.

Motion: VICK moved to “sustain the assessor’s recommendation to value this parcel at \$116,100,” and the motion carried unanimously in a roll call vote.

I. Appeal # 2013-430, 431, 432, 433

Subject properties: **4-MBR-07-0110, 4-MBR-07-02B0, 4-MBR-07-0330, 4-MBR-07-0430, and 4-MBR-07-0220**

Appellant: **Henry Clay Frick**

CANARY said this is several parcels that he bundled for this appeal. Adjustments were made based on the appraisal provided by appellant as well as accreted land that was useless. There is ponding, no view, and other issues. He looked at each and every parcel and came in at a total of \$699,500.

Motion: VICK moved to “sustain the assessor’s recommendation to value these parcels for a total of \$699,500 [(4-MBR-07-0110 (\$107,700), 4-MBR-07-02B0 (\$153,400), 4-MBR-07-0330 (\$243,700), 4-MBR-07-0430 (\$181,800), and 4-MBR-07-0220 (\$12,900)],” and the motion carried unanimously in a roll call vote.

J. Appeal # 2013-390

Subject properties: **C-STR-02-16D0**

Appellant: **Kevin Shove and Lisa Sele**

CANARY said the owner paid \$50,000 for this property.

Motion: LAPP moved to “sustain the assessor’s recommendation to value this parcel at \$29,600,” and the motion carried unanimously in a roll call vote.

K. Appeal # 2013-246

Subject properties: **C-HEM-23-0100**

Appellant: **Jacqueline Acquistapace**

CANARY said this is a very large house. The property appears to be unfinished. He left a note on the door. He recalculated the property and dropped the value because of the unfinished nature.

Motion: LAPP moved to “sustain the assessor’s recommendation to value this parcel at \$169,600,” and the motion carried unanimously in a roll call vote.

L. Appeal # 2013-349

Subject properties: **1-CAR-00-0800**

Appellant: **Mary Jean Sebens**

CANARY said part of the building is unfinished and there was an error in the square footage, so he recommends lowering it to \$59,900 for a total assessment of \$479,300.

Motion: LAPP moved to “sustain the assessor’s recommendation to value this parcel at \$479,300,” and the motion carried unanimously in a roll call vote.

M. Appeal # 2013-297

Subject properties: **2-EVS-01-1000**

Appellant: **Mike and Judy Durand**

CANARY said the owner is having foundation issues. There has been flooding because of a large deep stream. A surveyor says the lot size on the plat is incorrect but the borough has not yet been provided with a new plat. Based on this information, a reduction is recommended for a total of \$90,600.

Motion: WATERMAN moved to "sustain the assessor's recommendation to value this parcel at \$90,600," and the motion carried unanimously in a roll call vote.

N. Appeal # 2013-409

Subject properties: **C-STR-02-2300**

Appellant: **Bruce Smith**

CANARY said he lowered the square footage after visiting, and some of the building is unfinished. He recommends a total of \$153,200.

Motion: LAPP moved to "sustain the assessor's recommendation to value this parcel at \$153,200," and the motion carried unanimously in a roll call vote.

O. Appeal # 2013-369

Subject properties: **C-STR-02-3110**

Appellant: **Bruce Smith**

CANARY said several of the buildings are no longer on the lot. Junk on the property does not diminish the value. He recommends a total of \$69,800.

Motion: WATERMAN moved to "sustain the assessor's recommendation to value this parcel at \$69,800," and the motion carried unanimously in a roll call vote.

P. Appeal # 2013-370

Subject properties: **C-STR-02-1400**

Appellant: **Bruce Smith**

CANARY said there is no building on the site. He recommends no change in the \$89,300 value. **WATERMAN** said she believes there is actually a metal building on this parcel. It was noted for review next year.

Motion: VICK moved to "sustain the assessor's recommendation to value this parcel at \$89,300," and the motion carried unanimously in a roll call vote.

Q. Appeal # 2013-09

Subject properties: **C-HEM-33-0500**

Appellant: **James Axsom**

GILBERT asked if this could be postponed to the next Board of Equalization to give an opportunity to work out the appeal. **CANARY** said, as of last night, the appellant rejected his action review and said he wanted to come to the BOE. The assessor inspected and found the square footage upstairs was incorrect. That has been corrected. There are three site pads on the property. In addition to the log home, there is a detached garage with an upper apartment and a detached RV shed. He did a sketch and a cost approach including a market analysis on the property. He tried to use sales within a stone's throw of this property. He also found two log home sales in the area with one being in Skyline Estates and the other at 25-mile Haines Highway. His analysis is that the value of \$340,000 is reasonable for this unique property. He made an adjustment on the site for a total of \$339,800. This parcel is 1.1 acres with $\frac{3}{4}$ of it developed.

Motion: LAPP moved to "sustain the assessor's recommendation to value this parcel at \$339,800," and the motion carried 5-1 in a roll call vote with **VICK** opposed.

SCHNABEL asked for square footage of living space. **CANARY** said the log house is 15,050 square feet. It is unique and well-built. **GILBERT** said this is a lot of money for a property on FAA Road with a filtered view. The land value seems high. It's a single lot. **BERRY** observed this is only a difference of \$9,000 between the owner's estimate and the assessor's recommended adjustment.

R. Appeal # 2013-08

Subject properties: **C-HEM-33-0500**

Appellant: **James Axsom**

CANARY said when the site was originally purchased the seller gave this land to the appellant. According to appellant, the right of way for FAA Road goes through part of the hillside. The appellant believes the value is \$25,000. The property does have value---privacy for one. The assessor recommends reducing it by basically 50% for the steep access and the ponding. There is a recent sale on FAA Road for \$18,000. He is not opposed to going down further on this. It is a very "what do you do with it" type of lot. **GILBERT** said there was a sale in the vicinity and very similar in size. There is very little value to this lot. **CANARY** respects **GILBERT**. He struggled with this value, trying to be as fair as possible. There is very steep access to this property. **CANARY** recommends a value of \$18,000.

Motion: LAPP moved to "value the this parcel at the owner's estimated value of \$25,000," and it was amended to accept the assessor's recommendation of \$18,000. The motion carried 4-2 in a roll call vote with **SCHNABEL** and **LAPP** opposed.

LAPP asked what if the owner's don't want it lowered. **SCHNABEL** noted the BOE has not gone lower than the owner's estimate. **WATERMAN** said she can accept this because of the sale found today, and it is the assessor's recommendation. **SCHNABEL** and **LAPP** were opposed to the amendment.

CANARY said there are still many appeals to review, and he asked the Board to set a date for a second Board of Equalization. Mayor **SCOTT** suggested May 21st. 6:00pm, and there was no objection.

8. PUBLIC COMMENTS - None

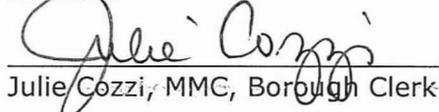
9. ANNOUNCEMENTS/BOARD COMMENTS

VICK likes the BOE packet very much. It has been easy to follow.

10. ADJOURNMENT - 8:27pm

Motion: BERRY moved to "adjourn," and it was seconded. The motion carried unanimously.

ATTEST:


Julie Cozzi, MMC, Borough Clerk




Stephanie Scott, Mayor