

AGENDA
BOARD OF EQUALIZATION
THE CITY AND BOROUGH OF JUNEAU, ALASKA
Wednesday, September 8, 2021 at 5:30 PM
Virtual Meeting Only via Zoom Webinar
<https://juneau.zoom.us/j/99741860260>
or call: 1-253-215-8782 Webinar ID: 997 4186 0260

BOE PACKET PAGE 001

- I. Call to Order**
- II. Roll Call**
- III. Selection of Presiding Officer**
- IV. Approval of Agenda**

V. Property Appeals

Attached is a 2021 commercial property appeal being brought before the Board of Equalization for final value determination. The Appellant and the Assessor were unable to reach an agreement for the parcel values. You will find for each parcel the following –

- Appellant's Appeal
- Appellant's Documentation at the time of Appeal
- Board of Equalization Presentation

Appeal No. 2021-0227

Appellant: Robbins-Hattrup Partnership/Joe Brotherton Location: 230 S. Franklin St
Parcel No.: 1C070K820010 Type: Commercial - MU

Appellant's Estimate of Value	Original Assessed Value	Recommended Value
Site: \$4,403,700	Site: \$4,403,700	Site: \$4,403,700
Buildings: \$3,558,800	Buildings: \$4,649,300	Buildings: \$4,649,300
Total: \$7,962,500	Total: \$9,053,000	Total: \$9,053,000

VI. Adjournment

BOARD OF EQUALIZATION ORIENTATION

NOTE: Members are encourage to review, from your training material, the April 19, 2013 Memorandum prepared by former City Attorney John Hartle, for further helpful guidance.

A. Quasi-Judicial Role & Responsibilities - CBJ 15.05.185

1. Be a fair & impartial tribunal - no bias/preconceived ideas; no ex parte contact
 - a. Member may not deliberate or vote on any matter in which member has a personal or financial interest (defined in CBJ 01.45.360); conflict of interest check needed prior to hearing to allow substitution; may call legal advisor
 - b. **Avoid expressing opinions or including commentary in questions to the parties.**
 - c. **Opinions on the evidence/position of parties should await BOE deliberations.**
2. Afford both parties due process - fair notice and opportunity to be heard

Must allow both sides time to review new evidence presented at hearing
3. Decide appeals on *evidence presented* in packet and at hearing.
4. Make record of proceeding that clearly and accurately reflects:
 - a. Taxpayer/Appellant's claim and factual evidence offered to support it
 - b. Assessor's process/position and factual evidence offered to support both
 - c. That each side had adequate opportunity to present relevant evidence/review & rebut other party's evidence
 - d. BOE's thorough deliberations & consideration of the evidence
 - e. BOE's findings of fact & conclusions of law re burden of proof & the evidence relied on as basis of decision
 - f. Rationale & evidentiary basis of BOE's decision, to enable meaningful review by the Superior Court in the event of an appeal

B. Legal Standard for Granting Appeal on Merits for *Error in Valuation*

1. Starting point: under AK law, Assessor's **assessments are presumed to be correct.**
2. **Burden of proof on Appellant to prove error - unequal, excessive, improper, or under valuation based on facts** that are stated in a valid written appeal or proven at the appeal hearing
3. If and only if Appellant meets burden does burden shift to Assessor to rebut Appellant's evidence of error

4. Law does not bind Assessor to follow a particular formulas, rules or methods of valuation, but grants broad discretion in selecting valuation methods-as long as reasonable basis
5. Technical evidentiary rules don't apply
 - Relevant evidence admissible if sort relied on by responsible persons
 - May exclude irrelevant, repetitious evidence
6. **Only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts**

C. Alternative Actions for Appeals Heard on the Merits

- a. **Deny appeal** because Appellant failed to prove error in valuation with factual evidence.
- b. **Grant appeal & adjust assessment *as requested by Appellant***. (only if Appellant's valuation evidence supports proposed assessment value)
- c. **Grant appeal & *adjust (lower or raise) assessment differently***. (if and only if supported by sufficient evidence of value in record.)
- d. **Grant appeal & *remand* to Assessor for reconsideration of value** (remand is mandatory if error found, but insufficient evidence of value in record.)

D. LATE-FILED APPEALS – Legal Standard for Accepting

1. Potential *merit* of appeal is irrelevant.
2. Jurisdictional authority to hear only *timely-filed appeals*
3. Appeal must be filed w/in 30 days from date assessment notice is mailed
4. Only “accepted” late-filed appeals may proceed to a hearing on the merits.
5. If 30 day deadline missed, RIGHT to appeal CEASES and BOE **cannot accept or hear** appeal, **unless BOE finds that taxpayer was unable to comply due to situation beyond taxpayer's control** (See Hartle memo)
6. Burden to prove inability to comply is on Taxpayer.
7. BOE Action Alternatives: **Deny** Late-file or **Accept, so hearing can be scheduled.**

BOE HEARING GUIDELINE

- I. Call to Order
 - II. Roll Call - Chairs asks clerk to call the roll
 - III. Appeals will be heard first, followed by *Timeliness* Hearings on Late-filed Appeals
 - IV. Introduce first Appeal case for hearing:

We're on the record with respect to 'Petition for Review of Assessed Value' filed by _____ with respect to Parcel Id. No. _____
 - IV. Review Hearing Rules/Procedure (For each appeal, unless all in attendance at beginning)
 - A. Time allocated to each side: approx. 15 min, including BOE questions
 - B. State name for record and speak clearly in to mic, use surnames/maintain decorum
 - C. Appellant taxpayer goes 1st
 Has **burden to prove an error—an unequal, excessive, improper or under valuation** based on presented factual evidence
 - D. Assessor - presents Assessor's evidence in response
 - E. Appellant rebuttal, if time reserved
 - F. Hearing closes after presentations
 - G. BOE action/deliberation
 - H. Any questions? Parties ready to proceed?
 - V. Hearing - party presentations & all BOE questioning
 - VI. Close Hearing, move to BOE action
 - A. BOE reviews/discusses evidence presented, or goes directly to B.
 - B. Member makes motion, Chair restates motion
 - C. Members speak to the motion/make findings
 - D. BOE votes/takes action on motion
 - E. Chair announces whether motion carries/fails
 - VII. Call next appeal, repeat IV – VI
 - VIII. Late-Filed Appeals, if any (SEE LATE-FILED APPEALS – PROCESS)
 - IX. Adjourn
-

BOE Action Options:

- 1. **Deny appeal** because Appellant failed to prove error in valuation with factual evidence.
- 2. **Grant appeal & adjust assessment as requested by Appellant.** (if Appellant's evidence supports proposed assessment value)
- 3. **Grant appeal & adjust (lower or raise) assessment differently.** (if and only if supported by sufficient evidence of value in record.)
- 4. **Grant appeal & remand to Assessor for reconsideration of value** (remand is mandatory if error found, but insufficient evidence of value in record.)

SAMPLE MOTIONS

1. To DENY appeal

I MOVE that the Board *GRANT* the appeal and I ASK for a NO VOTE

Because . . .

Appellant didn't prove/provide evidence of error in assessment
and/or

For the evidence/reasons provided by the Assessor . . .

2. To GRANT appeal & ADJUST assessment AS REQUESTED

I MOVE that the Board *GRANT* the appeal and ADJUST the assessment AS REQUESTED BY APPELLANT to \$_____, and I ask for a YES VOTE

Because . . .

Appellant proved there was error . . .

[specify . . . **unequal, excessive, improper, or under valuation**]
based on facts

AND

We find requested assessment is supported by sufficient evidence in the record

3. To GRANT appeal & ADJUST assessment OTHERWISE

I MOVE that the Board *GRANT* the appeal and ADJUST the assessment to \$_____, and I ASK FOR A YES VOTE

Because . . .

Appellant proved there was error . . .

[specify . . . **unequal, excessive, improper, or under valuation**]
based on facts

AND

We find sufficient evidence of value in record to support this assessment

4. To GRANT appeal & REMAND for RECONSIDERATION of ASSESSMENT

I MOVE that the Board *GRANT* the appeal and REMAND to the ASSESSOR for RECONSIDERATION of the ASSESSMENT, and I ASK FOR A YES VOTE

Because . . .

Appellant proved there was error . . .

[specify . . . **unequal, excessive, improper, or under valuation**]
based on facts

AND

We find insufficient evidence of value in the record



Office of the Assessor
155 S Seward Street
Juneau AK 99801

Petition for Review / Correction of Assessed Value Real Property

Assessment Year	2021
Parcel ID Number	1C070K820010

For Office Use:	Review #	Appeal #
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2021 Filing Deadline: MONDAY, MAY 3

Please attach all supporting documentation

ASSESSOR'S FILES ARE PUBLIC INFORMATION - DOCUMENTS FILED WITH AN APPEAL BECOME PUBLIC INFORMATION

Parcel ID Number	1C070K820010		
Owner Name	Robbins-Hatrup Partnership	Name of Applicant	Joe Brotherton
Primary Phone #	907-463-3062	Email Address	Joe.Brotherton@juneau.ak.gov
Physical Address	230 S. Franklin St. Juneau, AK 99801	Mailing Address	2900 NE Blakeley St. # B Seattle, WA 98105
Why are you appealing your value? Check box and provide a detailed explanation below for your appeal to be valid. ☒ My property value is excessive/overvalued ☐ My property value is unequal to similar properties ☐ My property was valued improperly/incorrectly ☐ My property has been undervalued ☐ My exemption(s) was not applied THE FOLLOWING ARE NOT GROUNDS FOR APPEAL - Your taxes are too high - Your value changed too much in one year. - You can't afford the taxes			
Provide specific reasons and provide evidence supporting the item(s) checked above:			
We used the City's land value, although it is not supported by the market. This is an income property and we used an 8 cap on NOI which is low in this market. Retail is unable to pay and deferred maintenance is \$125k			
Have you attached additional information or documentation?		☐ Yes ☒ No	
Values on Assessment Notice:			
Site	\$4,403,700	Building	\$4,649,300
Total	\$9,053,000		
Owner's Estimate of Value:			
Site	\$4,403,700	Building	\$3,558,800
Total	\$7,962,500.00		
Purchase Price of Property:			
Price	\$1,005,000	Purchase Date	9/12/1986
Has the property been listed for sale? ☐ Yes ☒ No (if yes complete next line)			
Listing Price	\$	Days on Market	
Was the property appraised by a licensed appraiser within the last year? ☐ Yes ☒ No (if yes provide copy of appraisal)			
Certification: I hereby affirm that the foregoing information is true and correct, I understand that I bear the burden of proof and I must provide evidence supporting my appeal, and that I am the owner (or owner's authorized agent) of the property described above.			
Signature		Date	
Joseph L. Brotherton		4/21/21	

CPA - Attorney

(206) 325-3337 (206) 972-2727

Contact Us: CBJ Assessors Office

Phone/Fax	Email	Website	Mailing Address
Phone: (907) 586-5215 Fax: (907) 586-4520	Assessor.Office@juneau.org	http://www.juneau.org/finance	155 South Seward St. Juneau AK 99801

Step 1 – Administrative Review

Appraiser to fill out			
Appraiser		Date of Review	
Comments:			
Post Review Assessment			
Site	\$	Building	\$
Exemptions		\$	
Total Taxable Value		\$	
APPELLANT RESPONSE TO ACTION BY ASSESSOR My acceptance or rejection of the assessment valuation in the amount of \$_____ is indicated below. ☐ Accept New Assessed Value ☐ Close Review (Assessment Remains Unchanged) ☐ Reject and Appeal If appealed, appellant will be scheduled before the Board of Equalization and will be advised of the date & time to appear. Appellant's Signature _____ Date: _____			

Appellant Accept Value	☐ Yes ☐ No (if no skip to Board of Equalization)
Govern Updated	☐ Yes ☐ No
Spreadsheet Updated	☐ Yes ☐ No
Corrected Notice of Assessed Value Sent	☐ Yes ☐ No

Step 2 – Appeal

Appeal # _____

BOARD OF EQUALIZATION	
Scheduled BOE Date	☐ Yes ☐ No
10-Day Letter Sent	☐ Yes ☐ No
The Board of Equalization certifies its decision, based on the Findings of Fact and Conclusion of Law contained within the recorded hearing and record on appeal, and concludes that the appellant ☐ Met ☐ Did not meet the burden of proof that the assessment was unequal, excessive, improper or under/overvalued. Notes:	
Site	\$
Building	\$
Total	\$
Exemptions	\$
Total Taxable Value	\$

Contact Us: CBJ Assessors Office			
Phone/Fax	Email	Website	Mailing Address
Phone: (907)586-5215 Fax: (907)586-4520	Assessor.Office@juneau.org	http://www.juneau.org/finance	155 South Seward St. Juneau AK 99801



**Office Of The Assessor
155 South Seward Street
Juneau, AK 99801**

ROBBINS-HATTRUP PARTNERSHIP
PO BOX 33136
JUNEAU AK 99803

Meeting of Board of Equalization (BOE) and Presentation of Real Property Appeal

Date of BOE	Wednesday, September 8, 2021
Location of BOE	VIA Zoom Webinar
Time of BOE	5:30 pm
Mailing Date of Notice	August 24, 2021
Parcel Identification	1C070K820010
Property Location	230 S FRANKLIN ST
Appeal No.	APL20210227
Sent to Email Address:	joeb@joebrotherton.com

ATTENTION OWNER

Under Alaska Statutes and CBJ Code, you, as the appellant, bear the burden of proof. The only grounds for adjustment of an assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in your written appeal or proven at the appeal hearing.

Any evidence or materials you would like to include in your appeal must be submitted to the City Clerk's Office {preferred method via email to city.clerk@juneau.org Attn.: Assessment Appeal} by **4:00 PM August 31, 2021** and will be included in the packets for the Board so the members have an opportunity to review the materials before the hearing.

Your Board of Equalization packet will be ready for you to pick up in the Clerk's office after **2:00 PM September 1, 2021** or it will be emailed and/or mailed to the above address(es) on this notice.

You or your representative may be present at the hearing {via Zoom Webinar, participation/log in information will be listed on the agenda packet you receive for the hearing your appeal is scheduled for}. If you choose not to be present or be represented, the Board of Equalization will proceed in the absence of the appellant.

It should be noted that, between the date of this letter and the Board hearing date, your appeal may be resolved between you and the Assessor. If your appeal is resolved, you will not need to appear before the Board.

If you have any questions please contact the Assessor's Office.

Attachment: CBJ Law Department Memorandum April 19, 2013.

CONTACT US: CBJ Assessor's Office

Phone	Email	Website	Physical Location
Phone (907) 586-5215 Fax (907) 586-4520	assessor.office@juneau.org	http://www.juneau.org/finance/	155 South Seward St Room 114

PROPERTY TAX BILLS MAILED JULY 1

PROPERTY TAXES DUE SEPTEMBER 30



APPEAL #2021-0227

2021 REAL PROPERTY APPEAL PACKET

BOARD OF EQUALIZATION September 08, 2021

ASSESSOR OFFICE

Appellant: Robbins-Hatrup Partnership / Joe Brotherton

Location: 230 S Franklin St

Parcel No.: 1C070K820010

Property Type: Commercial / MU

Appellant's basis for appeal: "My property value is excessive/overvalued"

	Appellant's Estimate of Value	Original Assessed Value	Recommended Value
Site:	\$4,403,700	\$4,403,700	\$4,403,700
Buildings:	\$3,558,800	\$4,649,300	\$4,649,300
Total:	\$7,962,500	\$9,053,000	\$9,053,000

Subject Photo



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OVERVIEW

The subject is a 91,169 SF, 9 story mixed use commercial building including first floor retail, private and government offices and residences. The building is located on a 20,247 SF corner lot and includes a 5,859 SF parking structure. It enjoys channel and mountain views and is located in the transition zone for the Central Tourism Area and the Peripheral Tourism Area. The original structure was built in 1973 according to CBJ records and appears to be well maintained.

Subject Characteristics:

- Land
 - 20,247 SF corner lot
 - Channel and mountain views
 - Transition Zone for Central Tourism Area vs Peripheral Tourism Area
- Building
 - Good Quality
 - Good Condition
 - 91,169 SF GBA

SUBJECT PHOTOS



Front: Corner of S. Franklin St. and Ferry way

Side along Ferry Way/Rear of building and parking lot facing Marine Way



Front Entrance



Retail space on lower level



Off-street parking upper level



Off-street parking lower level



Front Entrance way



Rear Entrance



1st floor elevator



AREA MAP & AERIAL:





ASSESSED VALUES

Remember that the total assessed value is the primary test against market. The distribution of that value between the Land Component and the Building Component is secondary and can vary from one model to another. The total assessed value is tested against market indicators (sales, lease rates, etc.) and is adjusted to market value by application of market area and feature adjustments.

All three approaches to value (Cost, Sales Comparison and Income) are considered for commercial properties

LAND

Land values are developed on a market area basis. The land is examined to understand the typical land characteristics in the market area. These characteristics include size, slope, view, water frontage, significant wetlands and others. The characteristics are used to develop a market area land valuation model. This model is tested and refined in consideration of sales of both vacant and developed parcels. The resulting model is then applied to all of the land in the market area to establish assessed site values.

The subject site features are a level lot, channel and mountain views, and close proximity to the cruise ship docks. The subject parcel's land value is not excessive and is equitable.

Land Characteristics:

- 20,247 SF corner lot
- Channel and mountain views
- Transition Zone for Central Tourism Area vs Peripheral Tourism Area

Land rate as a PPSF

BUILDING(S)

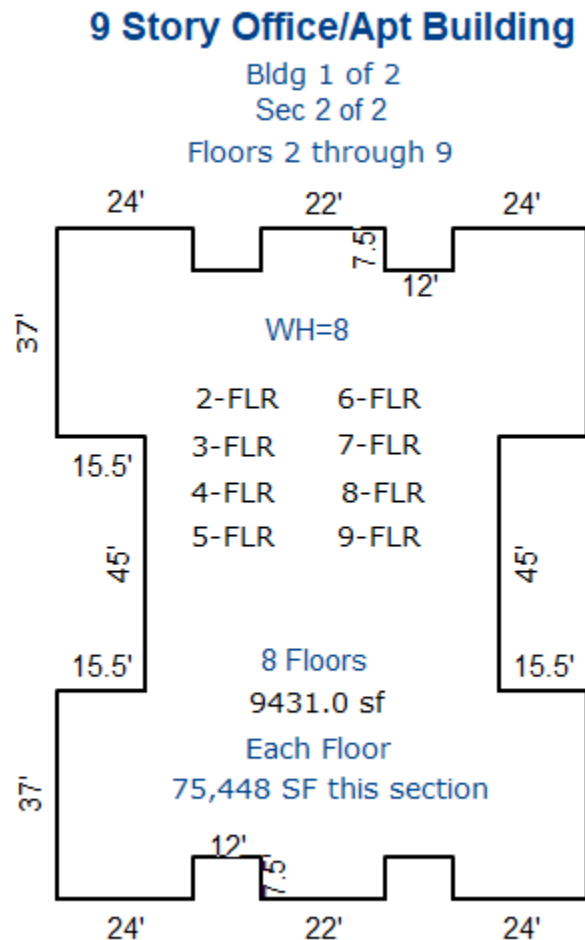
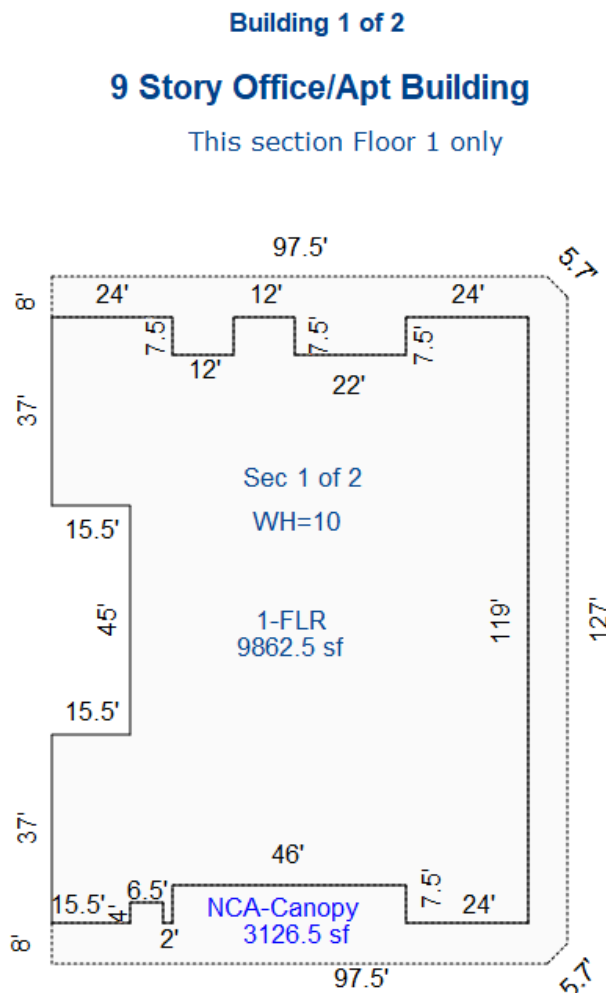
The building component may be based on market adjusted cost tables, residual from sales after extraction of the land value or other appropriate means.

Ratio studies are performed to determine market adjustments.

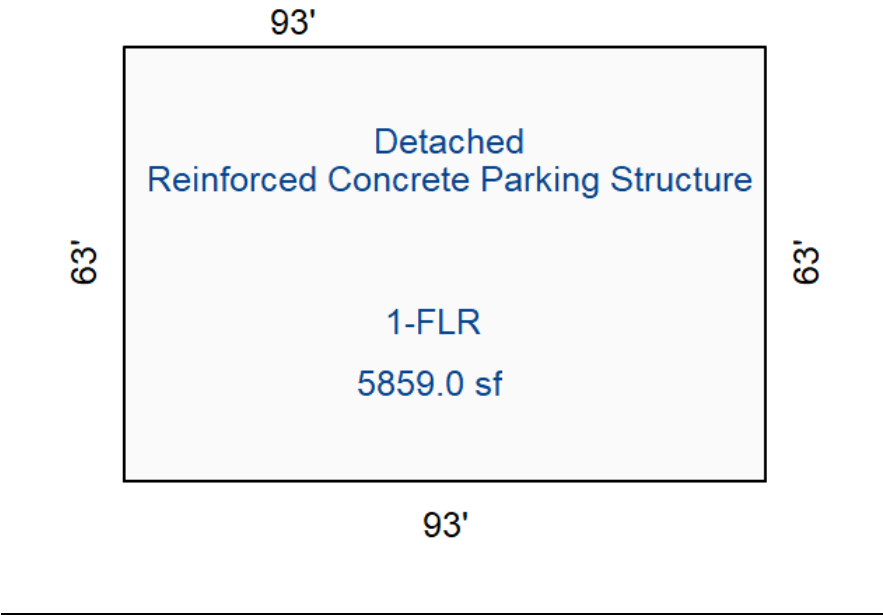
Building Characteristics:

- Good Quality
- Good Condition
- 91,169 SF GBA

Sketch of Improvements:



Building 2 of 2



COST REPORT

The cost report below was utilized in the review process in response to the filing of the Petition for Review by the appellant. It was not the basis for the assessed value. The cost report indicates that the building component value is not excessive.

Cost Report Cost Report - Commercial

1596		Record	1
Parcel Code Number	1C070K820010	Number of Stories (Building)	01
Owner Name	ROBBINS-HATTRUP PARTNERSHIP	Number of Sections	1
Parcel Address	230 S FRANKLIN ST	Perimeter	510
Effective Year Built	2001	Class	C
Year Built	1973	Height	10
Building Model	C- 11 Apartments, Clubs, Hotels	Rank	Average
Building Type	Apartment	Total Area	9,862.00

1596		Record	2
Parcel Code Number	1C070K820010	Number of Stories (Building)	03
Owner Name	ROBBINS-HATTRUP PARTNERSHIP	Number of Sections	1
Parcel Address	230 S FRANKLIN ST	Perimeter	0
Effective Year Built	2001	Class	C
Year Built	1973	Height	8
Building Model	C- 11 Apartments, Clubs, Hotels	Rank	Average
Building Type	Apartment	Total Area	75,448.00

1596		Record	3
Parcel Code Number	1C070K820010	Number of Stories (Building)	01
Owner Name	ROBBINS-HATTRUP PARTNERSHIP	Number of Sections	1
Parcel Address	230 S FRANKLIN ST	Perimeter	312
Effective Year Built	2001	Class	B
Year Built	1973	Height	10
Building Model	C- 14 Garages, Industrials, Lofts, Warehouses	Rank	Low
Building Type	Parking Structure	Total Area	5,859.00

Section 1	Description	Units	Percent	Cost	+/-	Total
	Base Cost	9862		84.00		828,408
	Exterior Wall	Concrete, Formed	9862	17.95		177,023
	Heating & Cooling	Heating & Cooling	9862	603.00		603
	Heating & Cooling	Hot Water	9862	9.42		92,900
	Architect Fee		9862	6.20		61,144
	Sprinklers	Dry Sprinklers	9862	4.65		45,858
	Fire Alarm System		9862	1.46		14,399
	Sub Total					\$1,220,335.16
	Local Multiplier		1.43	[X]		\$1,745,079.00
	Current Multiplier		1.03	[X]		\$1,797,431.00
	Neighborhood Multiplier			[X]		\$1,797,431.00
	Depreciation - Physical		17.00	[-]		\$305,563.00
	Depreciation - Functional			[-]		\$0.00
	Depreciation - Economic		30.00	[-]		\$539,229.00
	Percent Complete		100.00	[-]		\$952,639.00
	Cost to Cure					
	Neighborhood Adjustment					
	Replacement Cost less Depreciation					\$952,639

Section 2	Description	Units	Percent	Cost	+/-	Total
Base Cost		75448		84.00		6,337,632
Exterior Wall	Concrete, Formed	75448		17.00		1,282,514
Heating & Cooling	Heating & Cooling	75448		603.00		603
Heating & Cooling	Hot Water	75448		9.42		710,720
Architect Fee		75448		6.20		467,778
Sprinklers	Dry Sprinklers	75448		3.26		245,960
Fire Alarm System		75448		1.46		110,154
Sub Total						\$9,155,361.47
Local Multiplier				1.43	[X]	\$13,092,167.00
Current Multiplier				1.03	[X]	\$13,484,932.00
Neighborhood Multiplier					[X]	\$13,484,932.00
Depreciation - Physical				17.00	[-]	\$2,292,438.00
Depreciation - Functional					[-]	\$0.00
Depreciation - Economic				35.00	[-]	\$4,719,726.00
Percent Complete				100.00	[-]	\$6,472,768.00
Cost to Cure						
Neighborhood Adjustment						
Replacement Cost less Depreciation						\$6,472,768

Section 3	Description	Units	Percent	Cost	+/-	Total
Base Cost		5859		39.50		231,431
Exterior Wall	Concrete, Formed	5859		10.50		61,516
Heating & Cooling	Heating & Cooling	5859		649.00		649
Architect Fee		5859		6.80		39,841
Sub Total						\$333,436.68
Local Multiplier				1.43	[X]	\$476,814.00
Current Multiplier				1.03	[X]	\$491,118.00
Neighborhood Multiplier					[X]	\$491,118.00
Depreciation - Physical				30.00	[-]	\$147,335.00
Depreciation - Functional					[-]	\$0.00
Depreciation - Economic					[-]	\$0.00
Percent Complete				100.00	[-]	\$343,783.00
Cost to Cure						
Neighborhood Adjustment						
Replacement Cost less Depreciation						\$343,783

Miscellaneous Improvements

Miscellaneous Improvement	Canopy John_Sahnow				[+]	92,800
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Total Improvement Value						\$7,862,000
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INCOME APPROACH

The income approach was not the basis for setting the assessed value for 2021. The appellant submitted income information which was considered. The indicated value was above the assessed value.

COMMERCIAL MARKET & ASSESSMENT ANALYSIS

The 2021 sales analysis for commercial properties included 57 qualified sales from 5 years of sales covering January 1, 2016 through December 31, 2020. The sales volume for the commercial market remained steady through 2020 and there was no indication of declining prices.

- Assessment Year 2021 Summary for Commercial Properties
 - Level of Assessment – 85% overall, 60% for vacant land, and 91% for improved properties
 - Coefficient of Dispersion – 22% for the combined group, 20% for vacant land, and 17% for improved properties (For these types of property groups the Standard that we work towards would be 20% or less for the subsets of land and improved properties. The combined set would be expected to have a higher COD.)
 - Applied Time Trend for Sales Analysis – 5% per year (0.42% per month)

SUBJECT ASSESSMENT HISTORY 2011-2021

**City and Borough of Juneau
Assessment History Report**

1C070K820010
ROBBINS-HATTRUP PARTNERSHIP
230 S FRANKLIN ST
TIDELANDS ADDITION BL 82 LTS 1 & 2

<u>YEAR ID</u>	<u>LAND VALUE</u>	<u>MISC VALUE</u>	<u>BLDG VALUE</u>	<u>CAMA VALUE</u>
2021	\$4,403,700.00	\$92,800.00	\$4,556,500.00	\$9,053,000.00
2020	\$2,935,800.00	\$92,800.00	\$4,556,500.00	\$7,585,100.00
2019	\$2,935,800.00	\$92,800.00	\$4,556,500.00	\$7,585,100.00
2018	\$2,935,800.00	\$92,800.00	\$4,556,500.00	\$7,585,100.00
2017	\$2,935,800.00		\$4,564,700.00	\$7,500,500.00
2016	\$2,935,800.00		\$4,564,700.00	\$7,500,500.00
2015	\$2,935,800.00		\$4,564,700.00	\$7,500,500.00
2014	\$2,935,800.00		\$4,564,700.00	\$7,500,500.00
2013	\$2,935,800.00		\$4,564,700.00	\$7,500,500.00
2012	\$2,935,800.00	\$0.00	\$4,564,700.00	\$7,500,500.00
2011	\$2,935,800.00	\$0.00	\$4,564,700.00	\$7,500,500.00

SUMMARY

State statute requires the Assessor to value property at “full and true value”. According to appraisal standards and practices set by the Alaska Association of Assessing Officers, the State of Alaska Office of the State Assessor, and the International Association of Assessing Officers, correct procedures of assessment were followed for the subject. These standards and practices include consideration of any market value increase or decrease as determined by analysis of sales.

The assessed value was reviewed in response to the Petition for Review. Our findings are as follows.

The land and buildings are valued using the same methods and standards as all other properties in the Borough.

Additional Details:

- The appellant states that “My property value is excessive/overvalued.”
 - We find that the assessed value is not excessive and is equitable.

A common thread in the Petitions for Review and the Appeals that we are seeing is that the appellant will grab one or two low sales and claim that their property should be valued off of that one or two sales. In those one or two low sales referenced we see the same three, particular, low sales mentioned time after time. That is one of the advantages of mass appraisal and of the analysis work that the Assessor’s Office does. We do not focus on one sale (low or high) but instead look at all of the sales. We then set values based off of the mean and median indicators for all of the sales. That way we are not isolating to the lowest sale or the highest sale in determining what the market value is. Within this process we look at the overall market as well as indicators for sub-groups such as locational factors, property features, types of property, etc.

Another common thread that we see is related to marketing time and price. If a property is sold under duress, which needing to sell quickly would fall under, it is to be considered not a market sale. Under the market sale guidelines a sale that occurs in less than usual market time is also suspect. One of the aspects that is to be inspected besides exposure is marketing time. It should be noted that the typical marketing time for commercial properties is substantially longer than for residential properties.

CONCLUSION

The 2021 Assessed values were based on a simple methodology, analysis through ratio studies and subsequent trending of values base on the analysis findings. Underlying this standard compliant trending are the locational and feature influenced specific models that have been applied to Juneau commercial properties for many years. The ratio studies indicate that after our adjustments to values the level of assessment for commercial properties was 85% overall, 60% for vacant land, and 91% for improved properties.

For the subject property:

- The percentage change from 2020 to 2021 was 19%.
- The percentage change for ten years, from 2011 to 2021, was 21%.

We find that no change to the 2021 assessed value of \$9,053,000 is warranted. The analysis and ratio studies indicate that our 2021 values for improved commercial properties is at 91%. Based on that, the indicated market value for this property is around \$9,948,342.