BOARD OF EQUALIZATION
Minutes
THE CITY AND BOROUGH OF JUNEAU,
ALASKA Wednesday, June 27, 2018 at 5:30 PM
Municipal Building – Assembly Chambers

I. Call to Order

Chair Paul Nowlin called the meeting to order at 5:30 p.m. Mr. Nowlin explained the hearing process to all present.

II. Roll Call

Panelists Present: Stephen Moseley, Paul Nowlin, Kenny Solomon-Gross

Board of Equalization Members present: Barbara Sheinberg

Staff Present: Jane Mores, Deputy Attorney; Laurie Sica, Municipal Clerk; Robin Potter, Assessor; Mary Grant, Appraiser III; Aaron Landvik, Appraiser I; Arthur Drown, Appraiser I.

Appellants Present: Dean and Julie Blood, Janus Kunat.

III. Approval of Minutes

The May 29, 2018 Board of Equalization Panel #1 minutes were presented for review. Hearing no objection, the minutes were adopted.

IV. Property Appeals

Appeal No. 0185
Appellant: De Master/Atkinson Location: 18175 Pt Stephens Rd
Parcel No.: 8B3601000021 Type: Single Family Residence

Appellant's Estimate of Value		**Original Assessed Value**		**Recommended Value**	
Site:	310,000	Site:	365,600	Site:	365,600
Buildings:	272,686	Buildings:	302,400	Buildings:	274,000
Total:	582,686	Total:	688,000	Total:	639,600

Chair Nowlin noted that the Appellant withdrew the appeal prior to this hearing as acknowledged in an email between the Assessor's Office and the Appellant that was provided to the BOE. The correspondence indicated that the Assessor amended the site value to $321,100, the improvement value to $275,000, for a total value of $596,100, which was accepted by the Appellant.

Appeal No. 0194

Appellant: Blood
Parcel No.: 4B2901360080

Location: 8001 Magnolia Ct
Type: Single Family Residence

Appellant's Estimate of Value		**Original Assessed Value**		**Recommended Value**	
Site:	152,000	Site:	166,700	Site:	166,700
Buildings:	450,000	Buildings:	489,700	Buildings:	495,200
Total:	602,000	Total:	656,300	Total:	661,900

Dean and Julie Blood, Appellants, were present. Mr. Blood said the assessment was incorrect as there have been no improvements or changes to the building since the original home was built in 2004. There is no small extra kitchen, the apartment was part of the original building plan and the roof over the porch has been there since the home was built. He said the home value has increased by 6.5% over the last year, but the Assessor's say that home values increased in Juneau by 4.4% and Juneau lending agents say home values have gone up by 1.6%. He spoke about neighboring property values. He said the value of the building was excessive.

Aaron Landvik explained the Assessor's methodology of valuation as outlined in the materials presented in the packet.

BOE panelists asked for clarification regarding valuation of the porch and apartment. Mary Grant explained the site inspection she made of the property during the appeal period and the subsequent increase made to account for a covered porch, which had not been calculated in previous assessments. Mr. Landvik stated that extra kitchen had not been picked up in prior improvement calculations and the property had been historically undervalued. The Assessors explained how the new system for calculating assessments affected the assessment of this property.

MOTION, by Moseley, to accept the appeal and asked for a no vote, based upon the evidence provided by the Assessor. All members voted no to granting the appeal, and the final recommended value of the Assessor was adopted.

Appeal No. 0103

Appellant: Kunat
Parcel No.: 5B2401030010

Location: 8399 Nugget Drive
Type: Single Family Residence

Appellant's Estimate of Value		**Original Assessed Value**		**Recommended Value**	
Site:	n/a	Site:	170,600	Site:	156,500
Buildings:	n/a	Buildings:	219,000	Buildings:	201,100
Total:	220,000 – 250,000	Total:	389,600	Total:	357,600

Janus Kunat was present to represent the Appellant, David M. Kunat. Mr. Kunat said his son, David, passed away and Mr. Kunat had power of attorney to address property issues. He said his son purchased the property in 2011 for $150,000, as the building was in poor condition. When David received his assessments in the past, he complained privately, but never came to the board with an appeal. Mr. Kunat explained condition of the house and said his son had made some improvements, but the kitchen was small, the house was cold, the upstairs is unfinished, and there is quite a bit of work to be done. It is unfairly assessed. There is a trailer for the workers to work on the house, it is wrongly measured, and every wall is cracked. The assessor says it is valued at $45,000, however, appraisers told him it was only worth $25,000. He distributed valuation opinions from three separate real estate brokers to the BOE at the meeting, all with a lower value. He said he went to bank to seek a loan to assist the estate, based on using the property as collateral. He asked for a $280,000 loan, and the bank did not believe the property was worth that amount.

Mr. Landvik explained the Assessor's methodology of valuation as outlined in the materials presented in the packet. He said site inspections were made and due to the ongoing construction on the home, the Assessors moved the property out of the neighborhood market it was in to an areawide, non-conforming neighborhood, so that it would not be subject to any market increases until the project is complete. He said a building permit was filed in 2015 and at the same time the mobile home was hooked up to electric. An electrical connection is a factor in considering a mobile home taxable as real property, and he read the state statute. Upon a site inspection to the interior of the building he noted that the lower structure is 100% complete, the upper level is 88.6% complete, so the total value was based upon 90% completion for the entire house. Mr. Landvik said this home is considered in the same manner as all homes with a prolonged construction.

BOE panelists asked questions about the condition of the mobile home and its connections to utilities. Mr. Landvik said the trailer was connected to electricity and it explained the construction of this type of mobile home, which he said had reinforced concrete walls. Mr. Kunat disagreed with Mr. Landvik's description of construction and said the mobile home as no studs, it is framed from outside, there are no reinforced concrete walls, all walls are cracked, and the floors were flooded because there is no overhang of the roof – the whole floor is ruined and there is mold all over the place.

MOTION, by Solomon-Gross, to accept the appeal, and requested a no vote, based upon the evidence provided by the Assessor.

Mr. Solomon-Gross said the assessor had done due diligence, inspected the property and made a reduction by taking the property out of the neighborhood market and adding it to an area-wide market.

All members voted no to granting the appeal, and the final recommended value of the Assessor was adopted.

Appeal No. 0164

Appellant: Smith/Cheng
Parcel No.: 8B3701050084
Location: 19450 Beardsley Way
Type: Single Family Residence

Appellant's Estimate of Value		**Original Assessed Value**		**Recommended Value**	
Site:	206,000	Site:	221,100	Site:	221,100
Buildings:	175,000	Buildings:	182,700	Buildings:	182,700
Total:	383,000	Total:	403,800	Total:	403,800

No one was present to represent the appellant.

Mr. Landvik explained the Assessor's methodology of valuation as outlined in the materials presented in the packet. He said that this property was treated similarly to the property in the previous appeal, in that it was experiencing a prolonged construction period and it was not included the neighborhood market but put into the areawide neighborhood.

Mr. Solomon-Gross confirmed that the Assessor recommended no changes to the original assessed value.

MOTION, by Moseley, to accept the appeal and asked for a no vote, based upon the evidence provided by the Assessor. All members voted no to granting the appeal, and the final recommended value of the Assessor was adopted.

V. Late Filed Appeals – None.

VI. Adjournment

There being no further business to come before the Board of Equalization, the meeting was adjourned at 6:48 p.m.

Submitted by Laurie Sica, Municipal Clerk