

MINUTES
BOARD OF EQUALIZATION
THE CITY AND BOROUGH OF JUNEAU, ALASKA

Tuesday, July 30, 2013 at 5:30 PM
Assembly Chambers, Municipal Building

I. CALL TO ORDER: Chair Ed Kalwara called the meeting to order at 5:30 p.m.

II. ROLL CALL

Board Present: Ed Kalwara, Chair, David Epstein, John Gaguine

Staff Present: Laurie Sica, Municipal Clerk; Jane Sebens, Deputy City Attorney; John Sahnaw, Appraiser III; Dora Prince, Appraiser; Mary Grant, Business Property Appraiser II; Bob Bartholomew, Finance Director.

III. PROPERTY APPEALS

Chair Kalwara explained the Board of Equalization process.

Appeal #1 -

Subject Property: Parcel # 4B3301000080, Location: 16216 Glacier Hwy

Appellant Name: Chris Bradley and Keith Imel

2013 Preliminary Assessed Value:

Site: \$ 138,700 Improvements: \$ 76,400 Total: \$ 215,100

Owner's Estimated Value:

Site: \$ 90,000 Improvements: \$ 76,400 Total: \$ 166,400

Assessor's Recommendation:

Site: \$115,100 Improvements: \$76,400 Total: \$191,500

Keith Imel was present and Chris Bradley could not be present. Mr. Imel said they purchased the property two years ago for \$150,000, in the present condition, with no water or sewer hookup, the structure was not completed, not painted. He said \$150,000 should be the fair market value of the property. He said the owner's estimated value in the Petition for Review / Correction of Assessed Value - Real Property form was not correct, he said it was worth \$150,000.

Mr. Gaguine asked what his breakdown was between site and improvements. Mr. Imel said he was not sure and that it would be \$100,000 for the land, and \$50,000 for the structure. The structure was 20 years old and had issues, needed siding, paint, and eventually the idea was to finish the structure. They purchased the property for \$150,000, that it was not a steal, and it was doubtful that it could be

sold for more now. There was a creek running through it and a large part of the lot was wetland and was unbuildable. He said the parcel was about 1.3 acres in size.

Mr. Gaguine noted that a reduction was made of \$25,000 because of the wetlands. Mr. Imel said that was not sufficient because if the land could not be used it had no value.

Mr. Epstein said the co-owner provided the owner's estimate. Mr. Imel said that if he did so, he did so unwittingly, and said that Mr. Bradley agreed that the property should be assessed at \$150,000.

The Board said that they were presented with different information from Mr. Bradley in writing and there was a discussion about the co-ownership of the property and a disagreement between Mr. Imel's valuation and Mr. Bradley's. Chair Kalwara and Mr. Gaguine said that the Board would have to rely on the certified statement filed by the appellant, Mr. Bradley.

Mr. Kalwara said that the appellant certified the value at \$166,400 and the Assessor valued the property at \$215,100. The appellant had stated that the assessment was excessive and he asked Mr. Imel to make the case. Mr. Imel said he had made his case and that by their own admission, the Assessors were trying to get properties to fair market value, and Mr. Imel said that fair market value of that property was \$150,000.

Mr. Epstein said that the value was based on site value and improvements. The case had to be made on the value of the site, because the certified statement on the appeal said there was no argument on the value of the building at \$76,400. Mr. Epstein said Mr. Imel had the burden of proving that the assessment was excessive, unequal or improper. The bar was high on those three things. The Assessor provided information in the packet about the assessments in the neighborhood and Mr. Epstein said he did not see that the site value was excessive. The neighbor's property was also downgraded in value due to wetlands issues, which demonstrated that it was not disproportionate.

Mr. Imel said his property was not equal with the neighboring properties in any way, as they had a creek running through the property.

Mr. Gaguine said he agreed with Mr. Epstein, that looking at the assessments of neighboring properties, the assessment did not seem out of line. He asked Mr. Imel to explain what made his property different.

Mr. Imel said they have the creek, and a large part of the property was unbuildable. Mr. Imel said the aerial view showed the structure location in comparison to the creek and wetlands. He explained there was not a way to build

anything else on the property due to the topography, creek and wetlands. The cost to bring in fill was prohibitive and he doubted the ability to obtain permits to fill. He said the fair market value was \$150,000, it was not bank financeable, and the unfinished structure was not worth \$76,400.

Mr. Sahnaw said the Assessor's office developed a model of the neighborhood, which took into consideration the typical size of the sites and the topography, to understand the lay of the land. It was typical for that neighborhood to have some amount of wetness. When a stream was identified, generally through the appeal process, the appraiser did a site visit and met with the owner, and the owner provided more information. Dora Prince did a site visit of the property and following that made an adjustment for wetlands on the site.

Ms. Prince said she visited the site and met both owners. She walked the site and did note wetness on both sides of the lot, more so on the creek side. They did not want an interior inspection of the building so she did not enter. The site was valued with the method used for the neighborhood and she believed it was fair and equitable.

Mr. Gaguine asked for last year's assessment information and thought that should have been brought forward. Mr. Epstein disagreed and said that each year the assessment rose and fell on its own merits. There was also a new methodology used this year.

Mr. Epstein said that Mr. Imel needed provide proof that the assessment was excessive, grossly disproportionate with other assessments of surrounding properties, unequal and the method was different for his property vs. others. Mr. Epstein said Ms. Prince said the method used was the same for surrounding properties. The third bar was improper, which meant a fraudulent action, which he did not see. Mr. Epstein said that according to the standards of review the Board needed to comply with, he did not believe that Mr. Imel had met the burden of proof.

Mr. Gaguine asked Ms. Prince if she adjusted the adjacent property value for the same reason and Ms. Prince said yes. He asked if she walked both properties and Ms. Prince said she walked as much as possible given that she had a therapeutic boot on her foot at the time. Mr. Gaguine asked Ms. Prince if her gut theory was that the two properties were similar and Ms. Prince said yes.

There was some discussion about ability to develop of the lot, the zoning and number of units that could be built on the lot.

Mr. Epstein said Mr. Imel's argument seemed to be based on opinion and not facts. Mr. Imel said he did not have any facts.

MOTION, by Epstein, to grant the appeal, and he requested a “no” vote based on the reasons provided by the Assessor. Mr. Gaguine seconded and noted that there was not significant factual information provided to grant an appeal. All members voted no, and the appeal was denied.

IV. ADJOURNMENT – 6 pm.

Submitted by
Laurie Sica, Municipal Clerk