

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

Tuesday, September 12, 2013 at 5:00 PM
City Hall Assembly Chambers

I. CALL TO ORDER: Chair Pat Watt called the meeting to order at 5:00 p.m.

II. ROLL CALL

Board Present: Pat Watt. Chair, Paul Nowlin, John Gaguine.

Staff Present: Laurie Sica, Municipal Clerk; Jane Sebens, Deputy City Attorney; Robin Potter, Assessor; John Sahnaw, Appraiser III; Donna Walker, Appraiser II; Dora Prince, Appraiser II, Mary Grant, Business Property Appraiser II.

III. PROPERTY APPEALS

Chair Watt revised the order of business to hear the appeals of appellants present first. She said the appellants would make their presentation, followed by the Assessor, and requested that parties limit the presentation time to ten minutes. The Board would follow-up with questions, debate, and a decision. The burden of proof was upon the appellant. To grant an appeal on its merit, the BOE had to find that the taxpayer proved, based upon facts, that the assessment was unequal, excessive, improper or under-valued.

Appeal #1-

Subject Property: Parcel #3B1601100150 Location: Juneau Airport, Block I

Appellant Name: Martin Myers

2013 Preliminary Assessed Value:

Site: \$29,500 Improvements: \$163,900 Total: \$ 193,400

Owner's Estimated Value:

Site: \$25,000 Improvements: \$120,000 Total: \$ 145,000

Assessor's Recommendation:

Site: \$29,500 Improvements: \$156,700 Total: \$186,200

Mr. Myer was present and said he had the hanger in question built in 2009 at a cost of \$140,000. When the building was completed he had an assessment from the Assessor's office in excess of \$190,000. He contacted the Assessor and let them know it is not a metal building, but a wooden building with metal siding. He was told Ms. Potter told him they would do a site inspection and make an

adjustment to \$147,200, which he thought was fair. The value was higher than other hangars on the airport at the time, he had been active at the airport for many years, had many associates with hangars, and had helped people buy and sell hangars. He reviewed the current assessments of the hangars provided by the Assessor, and the process outlined by the Assessor. He said the process did not make sense to him as it was not based on market value because they did not know what the market value was. Most of the executive hangars that met his criteria had sold for between \$140,000 - \$170,000. That was based on the criteria that there was more than the hangar – some had city water, offices, plumbed in air compressor systems and hoists for lifting aircraft, which would drive the cost up, but those were amenities. The hangars sold in the last 12 months had sold for \$170,000 with the amenities. The people that sold them were partners. The buildings were for sale for a long time without individual buyers but he helped partners get together to make the purchase. The same buildings that sold for \$170,000 are assessed at \$218,000. Some individuals that had bought and sold the T-Hangars in mid-field ranged between \$77,000 – 80,000, and were assessed at \$35,000. He said this showed a disparity between the market price and assessed value. His hangar could fit three airplanes, similar to the other executive hangars with the exception of one that could fit four, and the T-Hangars could only fit one plane. He could not sell his hangar for the price it was assessed at. He said with this situation it was less expensive for a person to get into a T-Hangar. The Assessor said that it was out of their ability to change the assessment with the system they were using and told him that if they changed his rate, it would change all the assessments. He said he was over-valued than the people at the other end and we are on a 20 year lease. The lease could be renegotiated and the airport board could add restrictions that would make it less desirable for people to buy hangars in the future.

Mr. Gaguine asked if Mr. Myers had proof of the values of the other hangars. Mr. Myers said he had tried to get that information from those who had either bought or sold hangars and they were reluctant to give that information because they did not want their rates to go up. They were afraid that once the Assessor had that information that their assessments would go up. Mr. Myers said he had the assessments of the other hangars he obtained from the Assessor and provided the information to the Board. The Board reviewed the information provided to the BOE at the meeting. Mr. Myer said that the hangars were assessed at \$193,400, and now they were assessed at \$186,200.

Ms. Watt asked Mr. Sahnaw which methodology the Assessor used, the cost, sales or income approach. Mr. Sahnaw said they used the cost approach because he had no sales information other than 2 sales out of 108 parcels.

Mr. Gaguine asked about the difference in the value of the site. Mr. Sahnaw said the possessory interest reversionary table was tied to the lifespan of the building,

and that was done in order to equalize the values within a given building, so all four units in the structure the Mr. Myers hangar was in would have the same value, as opposed to having different values because they happened to have different lease terms. This came from discussion with hangar owners and further discussion with the Assessor and the State Assessor.

Ms. Watt asked the Assessor to explain how the other hangars were assessed at a lower value than the four in question. Mr. Sahnnow said an equal value within a given set of buildings was derived by “building the building on paper” – doing a cost approach, including the wall height, the material and type of construction. There was a model in the software that would take that information and produce an estimated cost. If there were four units in the building it would be divided into four equal sums and each of the units got the same cost portion. An eight unit hangar cost less to build on a per unit basis. The building that was directly behind the subject differed in cost on the individual units by approximately \$17,000. There was a minor difference in the leased site area and together that made the difference in the assessed value, but the buildings were all assessed in the same fashion using the same software and criteria. He said the only difference he saw was the year the units were built.

Mr. Myer said the year that a hangar was built did not make much difference to the buyer regarding a sale price.

Mr. Sahnnow said ideally he would have market information, and with that he could determine whether the year it was built affected market value. The interior amenities did have an effect on value, but without sales information he was left with doing a cost based approach to valuing the hangars. If there was serious disagreement and it had a negative impact on the owners, he said he would have heard about it from upset property owners and he had not heard that feedback that he needed to make an adjustment to the method.

Mr. Gaguine asked Mr. Myer if he agreed with the site assessment. Mr. Myers said no, as the original assessment was \$20 or 21,000, before it changed to \$29,000, and the building went from \$120,000 to \$156,000. Mr. Gaguine asked if he understood that the site was higher because the lease was longer. Mr. Myers said that was part of it but the lease was not a guarantee. In some places properties were leased, then the city owned the property and required rent. The financial needs of the airport could affect the lease in the future. He spoke about tenant fees changing as well.

MOTION, by Nowlin, to grant the appeal and he requested a no vote for the reasons provided by the Assessor.

Mr. Nowlin said he understood the appellant's points about the difference in amenities affecting the values, but because in Alaska there is the privacy of not disclosing the purchase price, then the Assessor could not make adjustments and so the point was valid but did not apply.

Mr. Gaguine voted yes, and said he was not sure what value was appropriate, but looking at the information that the Assessor provided of the hangars of slightly smaller size - \$97,500 for several, \$108,100 for several others, right in the same area, and \$156,000 for this one, he did not see the difference and the appellant by furnishing the figures had established unequal valuation.

Mr. Nowlin said that the argument that only three airplanes can fit did not sway his opinion as people used the hangars because people used the space for whatever they wanted and the hangars housed other things like motorcycles and cars.

Ms. Watt said she understood the dilemma of both the appellant and the Assessor but voted no because she did not believe that there were sufficient facts provided to allow an adjustment. The hangars are ten years newer than the others and are larger and she had no reason to question the methodology.

The appeal failed, 1 aye, 2 nays.

Appeal #2-

Subject Property: Parcel #5B1301150110 Location: 6002 Chatham Drive

Appellant Name: Mindy Meyers

2013 Preliminary Assessed Value:

Site: \$124,400	Improvements: \$18,600	Total: \$143,000
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Owner's Estimated Value:

Site: \$75,000	Improvements: \$18,600	Total: \$ 95,000
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Assessor's Recommendation:

Site: \$105,700	Improvements: \$5,000	Total: \$110,700
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Mindy Meyers, the owner was present and Bob Henricksen, a certified appraiser in Alaska, but he was present as a real estate consultant, to provide information and data but would not offer an opinion of value.

Mr. Henricksen said the Eagle's Edge subdivision was unique in Juneau as it was a manufactured home subdivision on small lots. Ms. Meyers showed him her assessment, he provided her data and she decided to appeal. The Assessors immediately offered a reduction in value, she declined that value, an inspection was done, another value was offered by the Assessor, and she declined, and a third value was offered. After the inspection the Assessor determined that the

house was of little contributory value to the lot due to its condition. That was a point of agreement between the Assessor and the appellant. The third offer was below the lot value because the Assessor decided that the improvements detracted from the value of the lot. That offer was declined because Ms. Meyers felt the lot value was excessive. The Assessors established that the house does not contribute or contributes a negative value.

Mr. Gaguine asked if the Assessor still maintained a \$5000 value for the house and he said yes.

Mr. Henricksen said it was difficult to do a sales comparison on the property due to the fact that it was a single wide and in poor condition which made it difficult to finance. The sales comparison information in exhibits 3, 4, 5, and 6 detail sales records in Eagle's Edge subdivision. That subdivision is unique and therefore the sales within the subdivision, regardless of the year of the sale, was more relevant than making a comparison to something that sold outside of that subdivision within the last month. He showed the sales record of the subdivision and on exhibit 4 the prices in general run \$159,000, \$140,000, \$172,000, \$181,000 and \$81,000. That pattern repeats.

Mr. Gaguine said those were all foreclosures. Mr. Henricksen said that could be but that established the market for homes that were not financeable due to their condition, and Ms. Meyer's home falls into that category according to the Assessors. He spoke about the difference in size of the property and the subject property was 945 square foot with a single wide and all the others were double wide sales. The double-wide has a greater appeal for sales value. The other sales were in superior condition, superior design and sales prices in the \$80,000's and \$90,000's, and that is an indication of value using the sales comparison approach.

Mr. Henricksen spoke about deriving a value for the lot. For the last one to two years, an appreciation adjustment was in the 1-5% range, whereas condition adjustments would be closer to 50%. The Assessor based the value of the lot by subtracting how much the improvements detracted from the lot value, so they derived the current Assessor's recommendation of \$105,700 by taking the original assessment of \$124,400 and subtracting the value of the improvements at \$18,600.

Mr. Henricksen referred to Exhibit 1 and said that the lots were 4700 square foot lots, 47 x 100, which did not meet requirements of D-15 zoning, and were very small lots for anywhere in Juneau. I was a subdivision of all manufactured homes, with sales prices peeking at \$190,000. He said it was a subjective matter and it was tough to appraise the property, as indicated by the three varying values provided by the Assessors. Exhibit 7 showed there were very few lots that small

sold in the last year, and he gave examples of a 31,000 square foot lot in Tamarak Court sold for \$60,000, a 32,000 square foot lot in North Douglas sold for \$70,000.

Ms. Watt said that the value of a lot was not predicated on square foot. Mr. Henricksen said it was based on location, and he showed Exhibit 8 showed a subdivision on Miner Drive where a 13,000 square foot lot sold for \$114,000. The Assessor had already assessed D-15 zoned lots in the Lemon Creek area and in exhibit 12, he showed 5811 Churchill, same conformity, same zoning, a 13,000 square foot lot, assessed at \$82,000. 1954 Lemon Creek is similar and it is assessed at \$71,000. He said lots on Montgomery and Pine Street across the street in D-5 zoning, 5972 Montgomery Street, 12,884 square feet was assessed at \$73,000. This shows the level of equity in valuation.

Mr. Gaguine asked Ms. Meyers about the value in the statement of appeal in the packet signed on May 15 and she said she signed that before she acquired the information. She said her current assessment of value was \$70,000 for the lot and improvements, as she did not consider that house to have any value.

Mr. Gaguine asked about any estoppel affect that the appeal used the figures in the notice of appeal. Ms. Sebens said the Board could consider her statement to be an amended notice of appeal, and the Assessor could object.

Mr. Sahnaw said the Eagles Edge Subdivision was unique in Juneau and the land values apportioned from the total assessed value for each parcel was based on an analysis done that was unique to that subdivision, so comparing it to land values across the street was not helpful. The range for sale prices for typical properties, double wide manufactured homes, in Eagles Edge were \$140,000 - 180,000.

Mr. Gaguine asked about the foreclosure sales in the ranges of \$80,000 – 90,000 and how they figured into the equation. Mr. Sahnaw said that the Assessor did not generally consider foreclosure sales as typical of the market for the purposes of establishing the land values. Mr. Gaguine referred to 6008 Chatham Drive, a sale in 2012, same size lot, double wide, foreclosure sale was \$90,000, and another sold by foreclosure in 2010 for \$103,000. He asked if the Assessor did not recognize foreclosure sales.

Mr. Sahnaw said that in determining the land values in the subdivision the Assessor looked at “arms length” transactions and did not look at foreclosure sales. A typical transaction of \$170,000 on a 4700 square foot lot with a manufactured home with an estimated economic lifespan of 25 years and that actual age was 28, the Assessor was required, unlike fee appraisers, to attribute or apportion value between the building and the lot. It was difficult to treat the building differently than the same building if it were somewhere else because of the standards under which they work – they needed to be equitable. In looking at

a 28 year old manufactured home, his guidelines and the cost information he used attributed a fairly low value to the building. If he took the building value and subtracted that from the sale price, a high proportion of the value was attributed to the lot in Eagle's Edge. If compared to a way the value is apportioned in another location in the borough, it did seem skewed, but that was the market in Eagle's Edge, and that was how the land values were determined there. In discussion with Ms. Meyers, he has determined from his experience and the scant sales information that was available regarding sales of single lots, the Assessors were considering the condition of the building and the fact that it was a single wide which made it more difficult to finance, seemed to have a depressing effect on the total value. In doing this, we are revisiting the model on how we are treating single wides in Eagles Edge and this will have a roll-on effect on other property owners. He determined \$105,700 on the site was fair and equitable. The Assessor's office did not have the flexibility to give the building a negative value and the \$5000 value was a placeholder, and they were looking at the value in total as \$110,700.

Mr. Gaguine asked if the lot had a double wide on it, the lot value would be less. Mr. Sahnaw said in that case it would be valued at \$124,400. With a single wide in very poor condition reduced the value to \$110,700.

Mr. Gaguine said he had viewed the property and was appalled at the value of the lot. They were very small lots. He asked if the breakdown between the property and improvement were arbitrary and the Assessor looked at the whole number. Mr. Sahnaw said that it was not arbitrary. The site values were established in a given neighborhood by looking at the sales in a range of \$134,400 – 181,000 and doing a cost approach calculation to determine a value for the building. The homes there were uniformly 28 years old manufactured homes and did not have a great deal of contributory value to the price. The value was in the land. People were paying that much for the land.

Mr. Henricksen said the model was skewed and the only real check was what someone would pay for the lot. Brokers have told him that a standard price for a lot in that subdivision was \$60,000.

Mr. Sahnaw said the recommended value of \$110,700 was fair and equitable and how it was apportioned had not great relevance.

***MOTION**, by Gaguine, to accept appeal, and requested a yes vote.* He said the difficulty was determining a value.

Ms. Sebens suggested breaking the Board action into two votes, first to accept the appeal or not, then to determine the value.

Mr. Gaguine said that the value was laughable and no one in their right mind would pay that much for the property. He voted yes.

Mr. Nowlin said people were paying that and that is what the assessment was based on. He said the assessor's explanation how it was equal to the rest of the neighborhood was sufficient. He voted no.

Ms. Watt said based on the facts presented by the assessor, the sales comparison method was done correctly and according to the established methodology. She voted no.

The appeal failed, 1 aye, 2 nays.

Appeal #5-

Subject Property: Parcel #1C040A380030 Location: 800 Basin Road

Appellant Name: Cheryl Buchanan

2013 Preliminary Assessed Value:

Site: \$ 152,500	Improvements: \$225,200	Total: \$ 377,700
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Owner's Estimated Value:

Site: \$ 0.00	Improvements: \$0.00	Total: \$ 0.00
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Assessor's Recommendation:

Site: \$110,600	Improvements: \$227,400	Total: \$338,000
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Ms. Buchanan said that conditions uphill from her have caused her house to fail by moving anywhere from 3 – 10 inches. This was clearly not an act of god but an act of human beings which rendered her property worthless and she was at imminent risk of avalanche. She was currently packing up to leave her home. She distributed additional paperwork to the Board. The small residential income property appraisal report filled out the rest of the documentation she gave to the Board. She said she did not believe it was accurate as it reflected what was in the property tax database at the time of sale, which was a 5-9 apartment dwelling but she bought it as a 4-plex and it was a 4-plex. The building had a 40 year life expectancy and she had owned it for 9 years. Under the landlord-tenant act she could not legally rent to anyone if she believed, and she did believe, that their safety and security was compromised in any way. She could not live there. She thought the hillside was ready to come through her windows. She tried to prepare photos but she did not have the technical expertise and was now sick from stress from the issue. She talked about a puzzle regarding the property boundaries, the identity of the adjacent property owners, and the location of her propane tank on her property. There was a renovation done on the property due to a fire in 2010. She spent hours at the recorders office to get documents to try to determine who owned the back of lot four so she could alert neighbors about the conditions above her.

Ms. Watt summarized for Ms. Buchanan that this property is a rental property and there is slope slippage and she had an engineer's report with mitigation measures that could be taken. One tenant moved out because of this. Ms. Buchanan said the only other person living on the property was a relative living in the house with her for assistance. Ms. Watt said that Ms. Buchanan felt that she could not sell the property and Ms. Buchanan agreed. Ms. Watt said Ms. Buchanan had not tried to sell it. Ms. Buchanan said the building was off its foundation and she could not sell it. She lived in a hot spot for slope movement.

Ms. Watt asked if she had asked for an inspection by the city. Ms. Buchanan said she had made it known and she did not understand. She did not own the property above her and she had no control over the issue.

Mr. Sahnaw said the property was valued by the same methods as all property in the borough. He had been through the building and it was a four-plex. He had spoken with Jay Srader in the Building Department as they had been inspecting and looking at the building in detail since the fire in 2009. Ms. Buchanan disagreed. Mr. Sahnaw said that Mr. Srader was not aware of any imminent threat to health and safety on the property and the building was code compliant and was issued a certificate of occupancy after the fire. Mr. Sahnaw said the because of the change in methodology, the Assessor's office was gathering information on slope, site and instances that have impact on value and there was an adjustment to the site value the acknowledges the steep slope in the back but that was not atypical for downtown. The building was valued in the same way as others. There was a typical amount of depreciation applied to take in to account some deferred maintenance in one of the units but the others seems to be in typical condition.

Ms. Watt asked if there were any properties in Juneau with significant movement in the matter of weeks as Ms. Buchanan had asserted. Mr. Sahnaw said now and that had not been identified on the subject property.

Ms. Buchanan said there had been an incident in her friend's home in which a tree that slipped lose and crashed through her upstairs bedroom. Ms. Buchanan said another issue was in Mr. Bowman's report dated 2004, and work that was not done that was stated was done, and a fire hazard still existed and she had talked to the city in mid-May. She said she referenced it in the photos she provided and the addition was the problem. She referenced the State of Alaska Fire Marshal report for unit 805 "due to dangerous wiring..."

Mr. Gaguine said he did not see anything that indicated fire danger. Ms. Buchanan said it had taken second place. Mr. Gaguine said she did not bring it forward as a point of appeal, and the Board could not consider it.

Ms. Buchanan said she still did not know who owns the back of lot three and four, and that is a matter of concern to me. This goes back to misrepresentation at the time of purchase.

Ms. Watt said the Board had no facts to prove that your property was worthless.

MOTION, by Gaguine, to accept the appeal and recommended a no vote.

Mr. Gaguine said that Mr. Berryhill's report was sufficient to indicate that there were issues, but there was nothing to say it was unlivable or unrentable.

The appeal failed, 0 ayes, 3 nays.

Appeal #3-

Subject Property: Parcel #6D0701000011 Location: 4770 North Douglas Highway

Appellant Name: Peter Dukowitz

2013 Preliminary Assessed Value:

Site: \$175,100 Improvements: \$100,300 Total: \$ 275,400

Owner's Estimated Value:

Site: \$ 0.00 Improvements: \$ 0.00 Total: \$0.00

Assessor's Recommendation:

Site: \$69,900 Improvements: \$93,100 Total: \$163,000

Appeal #4-

Subject Property: Parcel #6D0701000012 Location: 4750 North Douglas Highway

Appellant Name: Peter Dukowitz

2013 Preliminary Assessed Value:

Site: \$181,700 Improvements: \$197,000 Total: \$ 378,700

Owner's Estimated Value:

Site: \$0.00 Improvements: \$0.00 Total: \$ 0.00

Assessor's Recommendation:

Site: \$ 72,800 Improvements: \$49,200 Total: \$122,000

Mr. Dukowitz participated in the meeting by teleconference. The Board agreed to hear the matters in the two appeals together and to make a separate decision on each property. He said since the last board meeting he met with the Assessor and presented new information but was still unable to come to an agreeable solution. He provided more information regarding a lawsuit he had with a title company regarding his property 1JU12778-CI, which he had referenced, but it was a significant amount of material and he had not provided it in total. He bought the property in 2010 and three months later he put it up for sale – the same title company that let him buy the property would not let him sell it – the building on

Lot 2 - because First American Insurance found that the building was built on state tidelands without a permit. In his lawsuit against First American they replied and they did not dispute that the marketability was zero for Lot 2. The offered to pay me the difference between Lots 1 and Lots 2. First American then hired Jim Canary Appraisal to value Lot 1, and when he showed up it was restated that the marketability of Lot 2 was zero, then Canary Appraisal would not do anything with Lot 2 and only looked at Lot 1, taking pictures and measurements. He found out two days later that Canary refused to do the Appraisal on Lot 1 and Mr. Dukowitz hired Horan Appraisal to determine the values of Lot 1 and Lot 2. He paid almost \$2,000 and that only covered a quick review of my lawsuit and an estimate only. He did not get an appraisal and was told it would cost \$10 – 15,000 to do an appraisal on this property that he was appealing today. Property assessments could only be levied in accordance with state statutes and his property did not meet the statutes. In his opinion the Assessor was trying to find a way to apply their modeling but the assessment was just a guess and there were too many facts that went against the Assessor's estimate. Mr. Dukowitz said the modeling did not apply to his property. According to the Assessor he should be able to market Lot 2 for \$164,000 but that would mean then First America was wrong, Remax, Coldwell Banker, Wells Fargo, Alaska USA, and the appraisal were all wrong. He needs approval from DOT, DNR and CDD to approve his plat and there were too many issues with both properties but mainly Lot 2.

Ms. Watt asked Mr. Sahnaw if there was any real property in the community that had zero value. Mr. Sahnaw said not to his knowledge.

Mr. Gaguine asked if there were tenants in the duplex and if they were paying rent. Mr. Dukowitz said there yes to both questions and Mr. Gaguine said rental income generated value.

Mr. Gaguine asked if when Mr. Dukowitz said the property was not marketable, he meant that it was not marketable to anyone who needed to get financing. Mr. Dukowitz said yes and referred to the definition of marketability in Title 29.45.110.a. Mr. Gaguine read the statute. Mr. Gaguine recognized that the vast majority of property sales were not cash only transactions but did not see anything in the statute that would allow the Board to consider that the property did not have any value. Mr. Dukowitz said the statute read full and TRUE value, and without the encroachment solved, there was not a true value and it would have to be discounted greatly. Mr. Dukowitz said that a cash purchase would be unique and not a very open market. Regarding renters, in his lawsuit he had shown to the court that he was losing \$2000 a month on this property and the city could tax net profit but in his case he had a negative cash flow. He discussed this with the Assessor.

Mr. Gaguine said the original total assessment for Lot 2 was \$378,700 and now was reduced by the assessor to \$122,000 and asked if that was not a significant reduction. Mr. Dukowitz said it was a reduction but said that the neighboring properties on each side were broken down to \$4 per square foot and at \$378,000 it came to \$22 per square foot, and with this reduction it was still \$12 a square foot. Referencing similar waterfront properties on both sides the base values originally were over inflated. He asked for \$4 per square foot for my property and then a reduction.

Ms. Watt asked the Assessor about the curability of the problems and the subdivision and reassembly of the property.

Mr. Sahnaw said that Mr. Dukowitz had always had two separate, legal lots. It was a question of how they were being taxed. When he purchased property, the two lots discussed today were under one tax parcel identification number. He went through a process to have each lot have its own tax parcel number, but they were always separate lots to his understanding. From his discussion with Mr. Dukowitz and the information he provided, he saw three issues that affected value. The first was the encroachment issue on lot two, the building located primarily on state land. He provided \$100,000 estimate to move the building on to the lot, which would presumably resolve the encroachment issue. The next issue was access. He owns the adjoining property that was used for access. There was a driveway that comes down Lot 4, which he owns, and crosses Lot 1, which he owns and is the subject of appeal, and terminates on Lot 2. There is not an existing easement on Lot 4 to provide himself access, but he could provide himself an easement giving himself access to the two lots. The other issue revealed by the site visit was the significant slope impact and both lots were adjusted downward to account for the portion of the lots not easily developed because of the slope. The building on Lot 2 – the duplex building – had depreciation applied to it that would more than accommodate the cost to cure the encroachment problem of \$100,000 as estimated by the contractor. The Assessor had taken into account the issues of value and the property was “saleable” within those conditions with a two way buyer that understood the issues and the problems and the Assessor’s estimate was a fair market value.

Mr. Nowlin asked Mr. Sahnaw about the \$4 per square foot for a neighboring property. Mr. Sahnaw said that property was Mr. Dukowitz’s property, it was a large parcel, over an acre, but he did not have the file in front of him.

Mr. Sahnaw said the base value, meaning if this were an upland lot, in that neighborhood without influence of water or view, the base value of Lot 1 at 76067 square foot base value would be \$89,300, which was about \$11.50 a square foot. The additional value was from having significant waterfront amenities. The spreadsheet does show that the valuation was done equitably and the same way it

was done in all areas. The differences come from a linear foot basis for waterfront. The board discussed the data in the packet to clarify its meaning.

Appeal 157 – Lot 1

MOTION, by Gaguine, to grant the appeal, and he recommended a no vote, for reasons given by the Assessor.

Mr. Gaguine said the Assessor had already downgraded the property and he had not heard from the appellant why he could not address the issues of the easement, etc.

Mr. Nowlin agreed that the property was marketable and voted no.

Ms. Watt voted no based on the reasons provided by assessor.

The appeal failed, 0 ayes, 3 nays.

Appeal 158 – Lot 2

MOTION, by Nowlin, to grant the appeal, and he recommended a no vote, for reasons for assessor and that the property had already received a substantial discount.

Mr. Gaguine voted no as the issues were curable and the Assessor had taken these into account.

Ms. Watt voted no.

The appeal failed, 0 ayes, 3 nays.

IV. ADJOURNMENT – 7:10 p.m.

Submitted by
Laurie Sica, Municipal Clerk

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city_clerk@ci.juneau.ak.us