

Tax Year 2021
Real Property Assessment Valuation Appeal
Kenai Peninsula Borough
Office of the Borough Clerk

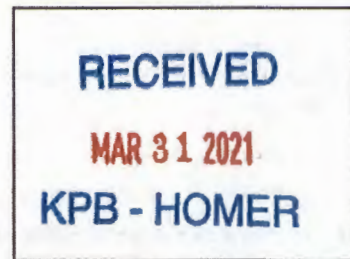
144 N. Binkley Street
Soldotna, Alaska 99669-7599

Phone: (907) 714-2160
Toll Free: 1-800-478-4441

Applications must be postmarked or received at the Office of the Borough Clerk or authorized office in Homer or Seward by: **5:00 p.m. on March 31, 2021.**

Filing Fee: Must be included with this appeal form.

For Commercial Property: Please Include Attachment A



For Official Use Only

Fees Received: \$ 1,000.00

☐ Cash

☒ Check # 432590
payable to Kenai Peninsula Borough

CREDIT CARDS NOT ACCEPTED FOR FILING FEES

FILING FEE BASED ON TOTAL ASSESSED VALUE PER PARCEL (Each parcel/account appealed must be accompanied by a separate filing fee and form)	
Assessed Value from Assessment Notice	Filing Fee
Less than \$100,000	\$30
\$100,000 to \$499,999	\$100
\$500,000 to \$1,999,999	\$200
\$2,000,000 and higher	\$1,000

Per KPB 5.12.050(B), if the appeal is withdrawn before evidence is due, or if the appellant or agent of the appellant is present for the appellant's hearing before the BOE or participates telephonically pursuant to KPB 5.12.060(T) then the filing fee shall be fully refunded within 30 days after the hearing date.

Account / Parcel Number:	18103029	NOTE: A SEPARATE FORM IS REQUIRED FOR EACH PARCEL
Property Owner:	Homer Spit Properties	
Legal Description:	T 06S R 13W SEC 35 SEWARD MERIDIAN HM 2020037 HOMER SPIT PROPERTIES 2019 REPLAT LOT 2	
Physical Address of Property:	3232 Homer Spit Road Homer, AK 99603	

Contact information for all correspondence relating to this appeal:

Mailing Address:	3232 Homer Spit Road Homer, AK 99603		
Phone (daytime):	(907) 399-3180	Phone (evening):	(907) 399-3180
Email Address:	admin@homerspitproperties.com		<input checked="" type="checkbox"/> I AGREE TO BE SERVED VIA EMAIL

Value from Assessment Notice: \$ 7,643,200.00 Appellant's Opinion of Value: \$ 4,144,402.00

Year Property was Purchased: 2001 Price Paid: \$ 2,072,201.76

Has the property been appraised by a private fee appraiser within the past 3-years? Yes ☐ No ☒

Has property been advertised FOR SALE within the past 3-years? Yes ☐ No ☒

Comparable Sales:

PARCEL NO.	ADDRESS	DATE OF SALE	SALE PRICE
	none in the area		

THE ONLY GROUNDS FOR APPEAL ARE: **UNEQUAL, EXCESSIVE, IMPROPER, OR UNDER VALUATION OF THE PROPERTY** (KPB 5.12.050 (E)). Mark reason for appeal and provide a detailed explanation below for your appeal to be valid. (Attach additional sheets as necessary)

- ☒ My property value is excessive. (Overvalued)
☐ My property was valued incorrectly. (Improperly)
☐ My property has been undervalued.
☐ My property value is unequal to similar properties.

The following are **NOT** grounds for appeal:

- The taxes are too high.
→ The value changed too much in one year.
→ You cannot afford the taxes.

You must provide specific reasons and provide evidence supporting the item checked above.

Attached on separate page

**** THE APPELLANT BEARS THE BURDEN OF PROOF (AS 29.45.210(b)) ****

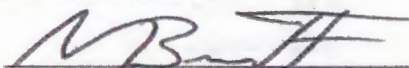
Check the following statement that applies to your intentions:

- ☐ I intend to submit additional evidence within the required time limit of 15 days prior to the hearing date.
☒ My appeal is complete. I have provided all the evidence that I intend to submit, and request that my appeal be reviewed based on the evidence submitted.

Check the following statement that applies to who is filing this appeal:

- ☐ I am the **owner of record** for the account/parcel number appealed.
☐ I am the **attorney for the owner of record** for the account/parcel number appealed.
☒ The owner of record for this account is a business, trust or other entity for which I am an **owner or officer, trustee, or otherwise authorized** to act on behalf of the entity. I have attached written proof of my authority to act on behalf of this entity (i.e., copy of articles of incorporation or resolution which designates you as an officer, written authorization from an officer of the company, or copy from trust document identifying you as trustee). If you are not listed by name as the owner of record for this account, this is **REQUIRED** for confirmation of your right to appeal this account.
☐ The owner of record is deceased and I am the **personal representative of the estate**. I have attached written proof of my authority to act on behalf of this individual and/or his/her estate (i.e., copy of recorded personal representative documentation). If you are not listed by name as the owner of record for this account, this is **REQUIRED** for confirmation of your right to appeal this account.
☐ I am **not the owner of record** for this account, but I wish to appeal on behalf of the owner. I have attached a notarized Power of Attorney document signed by the owner of record. If you are not listed by name as the owner of record for this account, this is **REQUIRED** for confirmation of your right to appeal this account.

Oath of Appellant: I hereby affirm that the foregoing information and any additional information that I submit is true and correct.



Signature of Appellant / Agent / Representative

3-31-2021
Date

Morgan Barrowcliff
Printed Name of Appellant / Agent / Representative

I, Steve Vogler give Morgan Barrowcliff the authority to act on behalf of Homer Spit Properties LLC to appeal the Kenai Peninsula Borough assessed values of our properties.

Steve Vogler

Signature: 

Date: 3-31-21

237 E Fireweed Ln #200, Anchorage, AK 99503



THE STATE of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: corporations.alaska.gov

AK Entity #: 72851D
Date Filed: 12/05/2020
State of Alaska, DCCED

FOR DIVISION USE ONLY

Domestic Limited Liability Company

2021 Biennial Report
For the period ending December 31, 2020

Web-12/5/2020 2:59:49 PM

Due Date: This report along with its fees are due by January 2, 2021

Fees: If postmarked before February 2, 2021, the fee is \$100.00.

If postmarked on or after February 2, 2021 then this report is delinquent and the fee is \$137.50.

Entity Name: HOMER SPIT PROPERTIES, LLC

Entity Number: 72851D

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: CPA firm providing services to the entire
State of Alaska, Anchorage, AK 99503

Mailing Address: 237 E FIREWEED #200, ANCHORAGE,
AK 99503

Registered Agent information cannot be changed on this form. Per
Alaska Statutes, to update or change the Registered Agent
information this entity must submit the Statement of Change form
for this entity type along with its filing fee.

Name: STEPHEN R VOGLER

Physical Address: 4347 RENDEZVOUS CIR, ANCHORAGE,
AK 99504

Mailing Address: 237 E FIREWEED #200, ANCHORAGE,
AK 99503

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Member
THE ENGLISH BAY CORPORATION	237 E FIREWEED #200, ANCHORAGE, AK 99503	100.00	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: ANY LAWFUL

NAICS Code: 531120 - LESSORS OF NONRESIDENTIAL BUILDINGS (EXCEPT MINIWAREHOUSES)

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means

Morgan Barrowcliff with Homer Spit Marine Terminal(which is owned by Homer Spit Properties) spoke with Scott Romain about HSPMT's property values and the concern for our properties being overvalued in April of 2020. Morgan expressed that we are not disputing 2020 values as we were late, but wanted to start the discussion early for the 2021 valuation. After speaking with Scott it appeared we were on our way to a productive resolution to our property value concerns.

Approximately 8 months later our persistence finally paid off and we were pleased that we got an in-person meeting with Les Crane on November 4th, 2020. We went over our concerns of the property being overvalued giving examples of other properties on the spit, zoning limitations, price paid for the property, rates being set by the city of Homer, the lay of the land, and the cost of dredge maintenance and coastal erosion. Morgan informed Les of data that HSPMT put together pertaining to every property on the Homer Spit, its values, whether it was private, city, business, or state-owned, and how many acres each parcel was. Les requested this information on November 5th, 2020. We were assured that they would go over our information and get back in touch with us soon. We assumed this would be a cognitive report going over the data and talking points we had addressed in the meeting.

After many more calls to the borough, nearly a year after our initial call of concern, on March 2nd, 2021 we received an email from Les. We were beyond disappointed with the apathetic response to our inquiry. Not because of the results but the disregard for most of the talking points we discussed. It was then clear that our inquiry was neglected without even looking into our concerns. We were presented with a pamphlet and a generic slide show. The pamphlet was comparing prices per acre with apples and oranges and the slide show was comparing large property values to buying soda in bulk. We also received some data from Les about property values on the spit and how we fall right in with the median value. This was informative however appeared to further prove Morgan's point that the property was overvalued as we should be far below the median value because of the large parcel size and the limitations on zoning. After the disappointing email, Morgan again reached out to Les asking for some data going over the concerns we had discussed and how the borough is getting our values.

Les got back to us on March 16th, 2021 with a spreadsheet on property sales between 03/18/2015 and 08/31/2020 and a couple of different graphs. Unfortunately, all of these properties are Marine Commercial zoned (MC). MC zoned properties can accommodate many more business ventures than Marine Industrial (MI) zoned properties. Values of properties should reflect zoning restrictions, regulations, and the size of parcels. Les also mentioned in his last email on March 16th, 2021, "If you have any other concerns, I would suggest you file a formal appeal as the March 31st deadline is rapidly approaching, this will allow us adequate time to address your concerns".

This may come off as nagging, but the board needs to know how some taxpayers are being treated. Remember, this process started in April of 2020, got pushed out over and over, and finally received an apathetic response close to a year later on the day the borough's generic assessments were due. Then we received an email saying we need to put together an official appeal as our deadline, by law, is in a couple of weeks. None of our concerns were addressed or answered in an entire year other than the one spreadsheet we sent in. And now we have to come up with proof of why our property is overvalued in 2 weeks. This is frustrating and disturbing as we are extremely busy this time of year which is why all of this was started in April 2020.

Homer Spit Properties(HSPMT) is zoned for Marine Industrial which has many more limitations on how the property can be used and further developed in comparison to Marine Commercial or commercial property. According to the city of Homer Zoning Map, there are no other commercial-owned MI properties in the City of Homer, or on the Kenai Peninsula according to zoning maps of Kenai, Soldotna, and Seward. This means that Homer Spit Properties 91.38 acres are unique in valuation and we have no data to make comparisons off of. This shouldn't mean that the borough can come up with an astronomically high value that Homer Spit Properties can't prove otherwise.

The value of a commercial property is largely determined by the income potentials that a property has. Again this property is zoned Marine Industrial which is the most restrictive commercial zoning in Homer. This proves that MI zoned property is worth far less than Marine Commercial or commercially zoned property. In the Marine Industrial business, HSPMT's direct competition is the City of Homer and most of our rates are set by what the City of Homer is charging. This puts HSPMT in a tight spot with having restrictive business opportunities with most of the rates pre-determined by the very entity that is restricting business opportunities.

The next point to focus on is the business of Marine Industrial zones and the key features of the property that create value for this line of business. With the assumption that the borough assessing department would be the professionals in this department and with the latest frustration with lack of timeliness and professionalism in our dealing with the Kenai Borough Assessing Department, it is obvious that this needs to be brought up in more detail. Some people that don't know this business might look at HSPMT's property and see incredible income potentials thinking about condos or a big dock with ships and cranes like you would see at many busy ports. This property cannot be developed to support those infrastructures. Firstly, all 91.38 acres are zoned under Marine Industrial meaning HSPMT can not put up hotels, condos, rentals, restaurants, and many more things that are allowed on Marine Commercial or general commercial property. This may be obvious to some that have looked into the zoning codes for Homer, but what may not be so obvious, especially at high tide, is that HSPMT is surrounded by miles of mudflats. There will never be big docks, fish processing plants, big ships, or large commercial freighting operations on this property. We have a shallow water barge basin that is only usable on half of the large tides. It might be brought up that there are areas that have shallow water concerns just like HSPMT's property and this may be true, however, it is important to remember that the City of Homer offers the same services provided here, at the same rate, at a harbor or dock that is either not in the mudflat or is dredged annually with taxpayer's dollars. The barge basin could be dredged out to maintain a more workable depth for vessels but even if the income was there to support the half-million-dollar annual dredge maintenance it is not feasible. Permitting would never be allotted to dredge a channel through the mile-long, city-owned, mudflat to get the vessels into the basin.

Another subject that needs to be addressed is what Homer Spit Properties paid for the property. The true value of any property is what someone is willing to pay for it. We have a true value of what this property was purchased for in 2001 in an open market. This is somewhat convoluted because it was in 2001 and we only have access to the purchase price for the entire property, not the one specified lot. Regardless, we can still make some educated assessments as to what this specific parcel was worth per acre in 2001 and what it is assessed at per acre today. Homer Spit Properties purchased all of the property in 2001 for \$3,173,965.00 for 80.81 acres. I am leaving a 9.7-acre parcel that is valued at next to nothing out of both figures. The 2001 value per acre is \$39,276. The assessed value today is 9,926,700 which comes out to \$122,839 per acre. This is 3.12 times higher than what it was purchased for in 2001. I don't have definitive values on the average commercial property increase but as far as I can tell 3.12 times appears to be higher than the average by about a multiple of 1 or more. Yes, we understand that there has been property that has multiplied substantially since 2001 but it looks to be more on residential property and has some unique qualities. Also keep in mind that in the Acercer we are talking about approximately Acercer are water or mudflat.

The last point we have time to put in here is the changes to the property since the date of purchase. The erosion on the northeastern beach which is approximately 5,000 ft has eroded about 20 ft in the last 20 years. Our 12 acer barge basin was at -20 ft when we purchased the property and is currently at 0 to 2 ft elevation. This means it has filled in approximately 20ft since 2001. This makes the basin worth substantially less than the date of purchase.

I wish we had more time to go into more details proving the reasons we believe our property is grossly overvalued but we are flat out of time and don't have the luxury to push this out for an entire year.