



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Agenda Board of Equalization

Barbara Belluomini, Chair

Brent Johnson, Vice Chair

Dale Bagley

Tyson Cox

Steve Ford

Wenda Kennedy

Brett DeMeter

Thursday, May 20, 2021

1:00 PM

Betty J. Glick Assembly Chambers

Training and Annual Board Organizational Meeting Zoom ID: 97523449103 Passcode: 214316
<https://zoom.us/j/97523449103?pwd=T05YMDhtTGZpQUhhYmFmMEVvTkRYdz09>

A. BOARD MEMBER ANNUAL TRAINING SESSION

(tentatively scheduled from 1:00 p.m. to 4:00 p.m.)

1. [KPB-3187](#) Training and Resource Manual

Attachments:

[Joseph Cassie, State Assessor](#)

[Patty Burley, KPB Deputy Attorney](#)

[Commercial Property Appraisal](#)

[Land Valuation](#)

[The Assessment Function](#)

[Information Packet](#)

[BOE Procedures](#)

[KPB 5.12.020 - 5.12.060 Hearings and Appeals](#)

[KPB Title 2.58 Conflict of Interest](#)

[Motions available to the Board of Equalization](#)

B. CALL TO ORDER

C. ROLL CALL

D. APPROVAL OF AGENDA

E. BOARD ORGANIZATION

[Clerk's Note: KPB 5.12.052(B), states, the board shall select a chairperson and vice chairperson at each first annual meeting.]

1. Selection of Chairperson – current chair is Barbara Belluomini
2. Selection of Vice Chairperson – current vice chair is Brent Johnson

F. NEW BUSINESS

1. Discussion regarding Board member availability for BOE hearing dates and times and review of appellants to ensure no conflicts of interest or ex parte issues exist.

Board of Equalization hearings are currently scheduled as follows:

- Friday, May 21, 2021 - 9:00 a.m.
- Monday, May 24, 2021 - 9:00 a.m.
- Tuesday, May 25, 2021 - 9:00 a.m.
- Wednesday, May 26, 2021 - 9:00 a.m.
- Thursday, May 27, 2021 - 9:00 a.m.
- Friday, May 28, 2021 - 9:00 a.m.

G. BOARD COMMENTS

H. ADJOURN



**DEPARTMENT OF COMMERCE, COMMUNITY
AND ECONOMIC DEVELOPMENT**
Division of Community and Regional Affairs

Board of Equalization (BOE) Training
Office of the State Assessor
Assessment Year: 2021

Director Sandra Moller

January 1, 2021



The Board of Equalization (BOE) and the Appeal Process



**Prepared by:
Office of the State Assessor
2021**



Taxpayer Confidence in a Fair Property Tax

- **Listen to the case presented**
- **Decide based on the evidence presented**
- **Establish a record that supports the decision**
- **Ask questions on the record**
- **Follow due process**



Citizen interaction with Government

Property tax system

- Assessment
- Tax billing and collection

Annual interaction

Meaningful and productive

Opinions and observations given consideration



Mass Appraisal

“The process of valuing a group of properties as of a given date, using standard methods, employing common data, and allowing for statistical testing.”

USPAP Standard 6

Establish:

What group of properties?

What are the standard methods?

What is the common data?

The results of the statistical testing?



BOE - Points of Discussion

- **What is the assessment process?**
- **What is the role of the BOE?**
- **What is expected of the BOE?**
- **What is an administrative hearing?**
- **How should an appeal be decided?**
- **What is expected of the Assessor?**
- **What is the responsibility of the Appellant?**



Administrative Hearing

Adjudicator

- Judge
- Jury
- Cross-Examiner

The Board of Equalization fulfills all three roles in the hearing of a real or personal property appeal.



Judicial Process

You are a judge!

Think like a judge!

Act like a judge!

Presume decision will be reviewed by a higher court!

Appellate court does not want to substitute judgment on facts.

Follow due process and existing law.



The Appeal Process

The Assessor is the government official responsible for establishing the value of all property within a municipality's boundaries for ad valorem purposes, not the Board of Equalization (BOE)

The BOE listens to appeals, and if necessary, adjusts the assessment of individual properties, higher, or lower.

Statutory mandates for filing an appeal and scheduling a hearing at the BOE may be found at AS 29.45.190



The Appeal Hearing

AS 29.45.210(b) - Hearing

- The Appellant bears the burden of proof
- A successful appeal must establish that valuation is unequal, excessive, improper or undervalued based on facts stated in a valid written appeal or proven at the appeal hearing.



Unequal, Excessive, Improper

The interpretation of meaning from the court decisions:

EXCESSIVE – To show that an assessment is excessive, an appellant must show that the assessment is more than just overvalued. It must be shown that the assessment is grossly disproportionate when compared to other assessments (*or, it can be shown that there is an intentional or fraudulent purpose to place an excessive valuation on the property.*)

UNEQUAL – To show that an assessment is unequal, the appellant must show that there are other properties in the same class as the property being appealed and that there is no basis that would justify different valuations of the property.

IMPROPER – To show that an assessment is improper, it must be shown that the assessor used an improper method of valuation, which amounts to fraud or a clear adoption of a wrong principle of valuation.

UNDERVALUED – Rare, but yes it does happen from time to time.



Unequal, Excessive, Improper

- **Currently no definition in statute or municipal code**
- **Assessment professional standards provide specific definitions that are measurable**
- **Ratio of assessed value to sale price and dispersion from the median sale price**
- **Uniform use of an accepted method of valuation**



Role of The Board

By statute, is comprised of assembly members; or

Assembly may delegate this authority to one or more lay boards

- **Appointed Boards may not be less than 3 members**
- **May be made up of assembly members, members of the public or a combination of the two**
- **Listens to presentations by the assessor and the appellant, asks questions, DOES NOT present its own evidence**
- **Makes a determination based upon the facts presented at the hearing**



Role of the Assembly/Council

The assembly/council acts as the Board of Equalization unless it appoints a BOE made up of individuals that are knowledgeable of Real Property Value and the local real estate market

The BOE is the interpreterfinder of facts

- ***only facts presented at the hearing***



Role of the Appellant

The appellant bears the burden of proof:

- **This is because the appellant is the one seeking a change of the status quo**
- **The appellant must present salient facts, not rumor, not anecdotes, no vague innuendos, but facts, about the property that supports the allegation of an assessment that has been made in error**
- **The appellant needs to convince you, using those facts, that a mistake has been made in the valuation of the property**



Role of the Assessor

- **Appointed by Mayor, Manager, or Assembly**
- **Administration of Property Assessments**
- **Determination of exemption requests**
- **Discovery of all taxable property (both real and personal)**
- **Requires adequate mapping for real property**
- **Personal property: self-reporting; monitoring by assessor, force filings if necessary**
- **Listing (description) of all property**
- **Valuation of all taxable (real & personal) property**
- **Notification to all property owners of values**
- **Appearance before the BOE to defend assessments**



Role of the Assessor (cont.)

Establish a foundation proving:

- **Equal treatment of all taxpayers**
- **Uniform assessed values**
- **Proper use appraisal methods**

(See AS 29.45.210)



Role of the Assessor (cont.)

Goal is to achieve uniform assessments, consequently, will use “mass appraisal” techniques, not fee appraisal techniques.

In order to produce equality in the tax burden, there must be uniformity in the manner of assessments.

Between standards of actual value and uniformity of assessments, courts generally prefer the latter.



Assessor's Appeal Response

Explain the case

Present evidence of:

- equity in assessment
- relationship to market value
- correct application of appraisal method



The Appeal

Property owners may appeal to the BOE for relief from inaccurate assessments.

Remember: The Appellant, not the Assessor bears the burden of proof

BUT: Once the Appellant meets this burden, then the burden falls to the Assessor to rebut the evidence presented

Appeal should be in a written format with evidence why owner feels assessment is unjust

Not sufficient for appellant merely to establish there is a disagreement with the assessor's value



The Hearing

Rules should be set down in writing and known to all prior to the hearing.

- **Adjudicative hearing**
- **On the record**
- **Based on law**
- **Based on evidence and argument presented at the hearing**
- **Potential judicial review by a higher court**



Due Process

- 1. Prior notice and hearing**
- 2. Trial-type hearing (on record)**
- 3. Right to counsel**
- 4. Impartial decision-makers**
- 5. Findings of fact and conclusions of law**



Evidence and Argument

- Both parties have the opportunity to present evidence and argument to support their position.
- Both parties have an opportunity to see the evidence and argument prior to the hearing.
- Both parties have the opportunity to rebut the evidence and argument presented at the hearing.
- Evidence (more to do with presentation of fact)
- Argument (more to do with interpretation of law)



Finding of Facts/Conclusions of Law

Findings of Fact-

Determinations setting forth all the facts found to be true at the hearing. Facts being those elements of evidence provided by either the appellant or the assessor that the Board found to be decisive and/or significant.

Conclusion of Law-

The conclusions reached based on the legal premises for the decision.



Finding of Facts/Conclusions of Law (cont.)

Treat every case as though it will be appealed to the courts.

The courts will review the record of the hearing – an appellant does not receive a new hearing.

Courts need to know how you made your decision.

Place yourself in court's position and determine if you can understand why BOE made the decision it made.

Make sure your findings of fact relate to the issues brought forth.

If the appellant has made an assertion as to why the value should be lower, make sure your conclusions address the assertion as to why it was or was not considered appropriate. If the court can't understand your findings, it will probably send the case back to the Board.



Appeal Review Law, Fact, and Discretion

Legal authority, correct application of law

Substantial evidence test:

- Whole record
- Relevant evidence for and against

Abuse of discretion test:

- Arbitrary and Capricious – willful and unreasonable action without consideration or in disregard of facts or law or without determining principle



Late Filed Appeals

The BOE may allow a late filing if the owner was unable to comply with the 30 day appeal period.

The BOE should have, in place, written criteria of why someone may file late appeal.

Be consistent with approval/denials with applications of late file requests.

Assessor's office mails notification to last known address or owner.

A sale of property that occurs after the mailing of notice does not negate the original 30 day filing period, because notice was made.



Alaska Statutes

AS 29.45.110 through AS 29.45.210 provide the legal authority of the Board of Equalization to hear appeals of an alleged error in valuation. See appendix attached to this presentation for a copy of these statutes as of 2017.

Assessments are guided both by statute, and by Alaska Court cases. There have been several court cases through the years which assist the assessor in applications of standards, such as Possessory Interests, Farm Use, and other disputed issues.



Some (Bad) Reasons Given for Value Reduction

- **Taxes are too high**
- **Value increase too much**
- **No improvements made to property**
- **Neighbors house valued less**
- **Not enough services from Municipality for taxes paid**
- **Value is just plain excessive, improper and unequal**
- **Didn't receive assessment notice**



Some BOE “Don’ts”

- **DO NOT** offer a small deduction to “help out” the appellant
- **DO NOT** bring in your own comparables; you should consider only what is presented at the hearing
- **DO NOT** expect your assessor to provide a long narrative appraisal report
- **DO NOT** try to review a case where the question is a matter of law, not value
- **DO NOT** attempt to re-appraise the property unless the burden of proof has been met by the appellant. Then make a determination of value based upon the information provided or you may also remand the appeal back to the assessor
- **DISASTERS** – All assessments are made as of January 1 of the tax year. Post-Assessment date property tragedies cannot be changed by the BOE. See AS 29.45.230 provided in the appendix.



BOE "Do's"

- **Do show both the appellant and the assessment staff the courtesy of your attention, discuss weight given to issues**
- **Do make your decisions based upon ONLY the facts presented at the hearing**
- **Do leave your "appraisal calculator" at the front door**
- **Do remember that the Assessor's staff are professional appraisers who have been to schools on appraisal standards and techniques; the appellant, typically, has not**



Summary

The BOE sits in review of the assessments prepared by the Assessor

The BOE does not make a new appraisal

The BOE should make a determination of value based upon issues presented at the hearing

Your determination should include all findings of fact that led to the decision by the BOE



THANK YOU

FOR YOUR TIME

AND YOUR WILLINGNESS

TO SERVE ON THE BOE



Appendix A: Alaska Statutes

Sec. 29.45.110. Full and true value.

(a) The assessor shall assess property at its full and true value as of January 1 of the assessment year, except as provided in this section, AS 29.45.060, and 29.45.230. The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels.

(b) Assessment of business inventories may be based on the average monthly method of assessment rather than the value existing on January 1. The method used to assess business inventories shall be prescribed by the governing body.

(c) In the case of cessation of business during the tax year, the municipality may provide for reassessment of business inventories using the average monthly method of assessment for the tax year rather than the value existing on January 1 of the tax year, and for reduction and refund of taxes. In enacting an ordinance authorized by this section, the municipality may prescribe procedures, restrictions, and conditions of assessing or reassessing business inventories and of remitting or refunding taxes.

(d) The provisions of this subsection apply to determine the full and true value of property that qualifies for a low-income housing credit under 26 U.S.C. 42:

(1) when the assessor acts to determine the full and true value of property that qualifies for a low-income housing credit under 26 U.S.C. 42, instead of assessing the property under (a) of this section, the assessor shall base assessment of the value of the property on the actual income derived from the property and may not adjust it based on the amount of any federal income tax credit given for the property; for property the full and true value of which is to be determined under this paragraph, to secure an assessment under this subsection, an owner of property that qualifies for the low-income housing credit shall apply to the assessor before May 15 of each year in which the assessment is desired; the property owner shall submit the application on forms prescribed by the assessor and shall include information that may reasonably be required to determine the entitlement of the applicant;

(2) the governing body of the municipality shall determine by ordinance whether the full and true value of all property within the municipality that first qualifies for a low-income housing credit under 26 U.S.C. 42 on and after January 1, 2001, shall be exempt from the requirement of assessment under (1) of this subsection; thereafter, for property that first qualifies for a low-income housing credit under 26 U.S.C. 42 on and after January 1, 2001, and that, by ordinance, is exempt from the requirement of mandatory assessment under (1) of this subsection, the governing body

(A) may determine, by parcel, whether the property shall be assessed under (a) of this section or on the basis of actual income derived from the property without adjustment based on the amount of any federal income tax credit given for the property, as authorized by (1) of this subsection; and

(B) may not, under (A) of this paragraph, change the manner of assessment of the parcel of property if debt relating to the property incurred in conjunction with the property's qualifying for the low-income housing tax credit remains outstanding.



Appendix A: Alaska Statutes

Sec. 29.45.120. Returns.

(a) The municipality may require each person having ownership or control of or an interest in property to submit a return in the form prescribed by the assessor, based on property values of property subject to an ad valorem tax existing on January 1, except as otherwise provided in this chapter.

(b) The assessor may, by written notice, require a person to provide additional information within 30 days.

Sec. 29.45.130. Independent investigation.

(a) The assessor is not bound to accept a return as correct. The assessor may make an independent investigation of property returned or of taxable property on which no return has been filed. In either case, the assessor may make the assessor's own valuation of the property subject to an ad valorem tax and this valuation is prima facie evidence of the value of the property.

(b) For investigation, the assessor or the assessor's agent may enter real property during reasonable hours to examine visible personal property and the exterior of a dwelling or other structure on the real property. The assessor or the assessor's agent may enter and examine the interior of a dwelling or other structure or the personal property in it only (1) if the structure is under construction and not yet occupied; (2) with the permission of a person in actual possession of the structure; or (3) in accordance with a court order to compel the entry and inspection. The assessor or the assessor's agent may examine all property records involved. A person shall, on request, furnish to the assessor or the assessor's agent assistance for the investigation and permit the assessor or the assessor's agent to enter a dwelling or other structure to examine the structure or personal property in it during reasonable hours. The assessor may seek a court order to compel entry and production of records needed for assessment purposes.

(c) An assessor may examine a person on oath. On request, the person shall submit to examination at a reasonable time and place selected by the assessor.

Sec. 29.45.140. Violations; authorization to prescribe penalties by ordinance.

For knowingly failing to file a tax statement required by ordinance or knowingly making a false affidavit to a statement required by a tax ordinance relative to the amount, location, kind, or value of property subject to taxation with intent to evade the taxation, a municipality may by ordinance prescribe a penalty not to exceed a fine of \$1,000 or imprisonment for 90 days.

Sec. 29.45.150. Reevaluation.

A systematic reevaluation of taxable real and personal property undertaken by the assessor, whether of specific areas in which real property is located or of specific classes of real or personal property to be assessed, shall be made only in accordance with a resolution or other act of the municipality directing a systematic reevaluation of all taxable property in the municipality over the shortest period of time practicable, as fixed in the resolution or act.



Appendix A: Alaska Statutes

Sec. 29.45.160. Assessment roll.

- (a) The assessor shall prepare an annual assessment roll. The roll must contain
- (1) a description of all property subject to an ad valorem tax;
 - (2) the assessed value of all property subject to an ad valorem tax;
 - (3) the names and addresses of persons with property subject to an ad valorem tax.
- (b) The assessor may list real property by any description that may be made certain. Real property is assessed to the record owner. The district recorder shall at least monthly provide the assessor a copy of each recorded change of ownership showing the name and mailing address of the owner and the name and mailing address of the person recording the change of ownership. Other persons having an interest in the property may be listed on the assessment records with the owner. The person in whose name property is listed as owner is conclusively presumed to be the legal record owner. If the property owner is unknown, the property may be assessed to "unknown owner". An assessment is not invalidated by a mistake, omission, or error in the name of the owner, if the property is correctly described.

Sec. 29.45.170. Assessment notice.

- (a) The assessor shall give each person named in the assessment roll a notice of assessment showing the assessed value of the person's property that is subject to an ad valorem tax. On each notice is printed a brief summary of the dates when taxes are payable, delinquent, and subject to penalty and interest, and the dates when the board of equalization will sit.
- (b) Sufficient assessment notice is given if mailed by first class mail 30 days before the equalization hearings. If the address is not known to the assessor, the notice may be addressed to the person at the post office nearest the property. Notice is effective on the date of mailing.

Sec. 29.45.180. Corrections.

- (a) A person receiving an assessment notice shall advise the assessor of errors or omissions in the assessment of the person's property. The assessor may correct errors or omissions in the roll before the board of equalization hearing.
- (b) If errors found in the preparation of the assessment roll are adjusted, the assessor shall mail a corrected notice allowing 30 days for appeal to the board of equalization.



Appendix A: Alaska Statutes

Sec. 29.45.190. Appeal.

- (a) A person whose name appears on the assessment roll or the agent or assigns of that person may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the taxpayer's satisfaction.
- (b) The appellant shall, within 30 days after the date of mailing of notice of assessment, submit to the assessor a written appeal specifying grounds in the form that the board of equalization may require. Otherwise, the right of appeal ceases unless the board of equalization finds that the taxpayer was unable to comply.
- (c) The assessor shall notify an appellant by mail of the time and place of hearing.
- (d) The assessor shall prepare for use by the board of equalization a summary of assessment data relating to each assessment that is appealed.
- (e) A city in a borough may appeal an assessment to the borough board of equalization in the same manner as a taxpayer. Within five days after receipt of the appeal, the assessor shall notify the person whose property assessment is being appealed by the city.

Sec. 29.45.200. Board of equalization.

- (a) The governing body sits as a board of equalization for the purpose of hearing an appeal from a determination of the assessor, or it may delegate this authority to one or more boards appointed by it. An appointed board may be composed of not less than three persons, who shall be members of the governing body, municipal residents, or a combination of members of the governing body and residents. The governing body shall by ordinance establish the qualifications for membership.
- (b) The board of equalization is governed in its proceedings by rules adopted by ordinance that are consistent with general rules of administrative procedure. The board may alter an assessment of a lot only pursuant to an appeal filed as to the particular lot.
- (c) Notwithstanding other provisions in this section, a determination of the assessor as to whether property is taxable under law may be appealed directly to the superior court.

Sec. 29.45.210. Hearing.

- (a) If an appellant fails to appear, the board of equalization may proceed with the hearing in the absence of the appellant.
- (b) The appellant bears the burden of proof. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.
- (c) The board of equalization shall certify its actions to the assessor within seven days. Except as to supplementary assessments, the assessor shall enter the changes and certify the final assessment roll by June 1.
- (d) An appellant or the assessor may appeal a determination of the board of equalization to the superior court as provided by rules of court applicable to appeals from the decisions of administrative agencies. Appeals are heard on the record established at the hearing before the board of equalization.



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- (c) Notwithstanding other provisions in this section, a determination of the assessor as to whether property is taxable under law may be appealed directly to the superior court.

Sec. 29.45.210. Hearing.

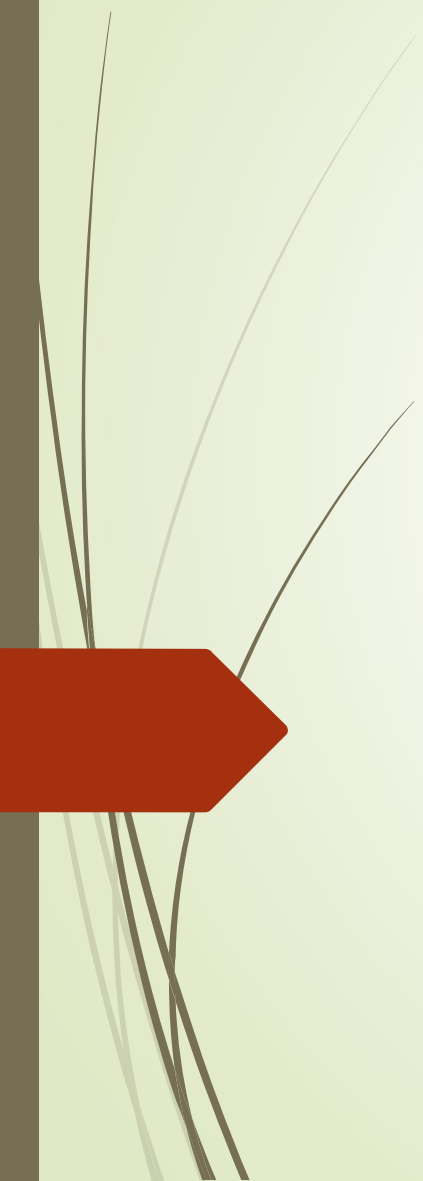
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Appendix A: Alaska Statutes

Sec. 29.45.230. Tax adjustments on property affected by a disaster.

- (a) The municipality may by ordinance provide for assessment or reassessment and reduction of taxes for property destroyed, damaged, or otherwise reduced in value as a result of a disaster.
- (b) An assessment or reassessment under this section may be made by the assessor only upon the receipt of a sworn statement of the taxpayer that losses exceed \$1,000. A reduction of taxes may be made only on losses in excess of \$1,000 for the remainder of the year following the disaster. On reassessment, the municipality shall recompute this tax and refund taxes that have already been paid.
- (c) The municipality shall give notice of assessment or reassessment under this section and shall hold an equalization hearing as provided in this chapter, except that a notice of appeal must be filed with the board of equalization within 10 days after notice of assessment or reassessment is given to the person appealing. Otherwise, the right of appeal ceases unless the board finds that the taxpayer is unable to comply.
- (d) In an ordinance authorized by this section, the municipality shall establish criteria for the reduction of taxes on property damaged, destroyed, or otherwise reduced in value as a result of disaster, and may, consistent with this section, prescribe procedures, restrictions, and conditions for assessing or reassessing property and for remitting, refunding, or forgiving taxes.
- (e) [Repealed, § 3 ch 1 SLA 2004.]



BOARD OF EQUALIZATION 2021 ORIENTATION

KENAI PENINSULA BOROUGH

Prepared by Sean Kelley & Patty Burley, Deputy Borough
Attorneys



Orientation Overview

- ❖ **Municipal Tax Basics**
- ❖ **What is the Board of Equalization (BOE)?**
- ❖ **Rules & Responsibilities of BOE members.**
- ❖ **The Hearing**
- ❖ **BOE decision.**



Municipal Property Tax

[Alaska Statute AS 29.45]

- ❖ The assessor shall assess property at its full and true value as of January 1 of the assessment year...The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions...AS 29.45.110(a).
- ❖ The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. AS 29.45.210(b).
- ❖ The board of equalization shall certify its actions to the assessor within seven days. Except as to supplementary assessments, the assessor shall enter the changes and certify the final assessment roll by June 1. AS 29.45.210(c).



What is the BOE?

- ❖ The BOE hears property assessment appeals from property owners seeking relief from alleged errors in valuation not adjusted by the assessor to the owners satisfaction or, in the case of property subject to a flat tax, an alleged error in ownership or classification of property.
- ❖ The duties of the BOE are set out in the Alaska statutes [AS 29.45] and borough code [KPB 5.12].

What is the BOE?

❖ The BOE is a quasi-judicial body.

- An individual or organization which has powers resembling those of a court of law or judge.
- **BOE has an *adjudicative*, not a *legislative* function**
- BOE members must be willing and able to apply the relevant law to each case
- **Referred to as an administrative appeal -- BOE makes decisions, not recommendations.**
- If either party disagrees with the BOE decision, they can appeal to the superior court.



The BOE's Rules & Responsibilities

- ❖ **Identify conflicts of interest.**
- ❖ Avoid ex parte contact.
- ❖ **Provide fair & impartial hearing**
- ❖ Rely on the evidence.
- ❖ **Apply the correct burden of proof.**
- ❖ Develop the record.
- ❖ **Make a decision supported by findings of facts.**

Conflicts of Interest

Per borough code -

- ❖ BOE members may not serve on board for a particular appeal if they have a pecuniary interest in the case. KPB Chapter 2.58.

(Pecuniary: related to money; financial)

- ❖ Interests of spouses, dependents and certain companies are attributed to the board member for purposes of determining conflict.
- ❖ If a BOE member believes conflict exists, the member must disclose the nature of conflict.

Conflicts of Interest

Common law rules -

- ❖ Avoidance of actual conflicts as well as the **appearance of impropriety**
- ❖ Conflict exists where there is the potential for a public official to influence the outcome of a matter where s/he has personal or pecuniary interest – regardless of intent
- ❖ Public trust. Always better to err on the safe side and disclose a conflict BEFORE hearing a matter; let the chairperson and body decide.

Ex Parte Contact

- ❖ *Ex parte* contact is contact outside of the hearing with one party regarding the appeal, without the other party present.
- ❖ BOE members may not have *ex parte* contact with either the appellant or the assessor's office about a case.
- ❖ If such contact occurs, then the member must fully disclose the contact at the hearing and the chair may rule on whether the contact was sufficient to preclude the member from serving on the board for that hearing.



Ex Parte Contact

- ❖ Please notify the BOE attorney of any potential conflict prior to a hearing, so arrangements for an alternate BOE member to attend the hearing, if necessary.

- ***Always err on the side of caution for full disclosure.***

The public has your emails so be careful what you open during appeal season as people don't always follow the rules.

On Appeal

- ❖ The appellant bears the burden of proof. AS 29.45.210(b); KPB 5.12.060(P)
- ❖ Cool Homes, Inc. v. Fairbanks North Star Borough, 860 P.2d 1248 (1993)
 - A taxpayer contesting an assessment need only prove that the valuation is improper. The taxpayer does not have to offer the correct amount, range or method of valuation.
 - The burden then shifts to the taxing authority to introduce credible evidence which substantiates its assessment.
 - **However, AS 29.45.210(b) still requires that the taxpayer prove facts at the hearing (emphasis added).**
 - **Taxing authorities are to be accorded broad discretion in deciding among recognized valuation methods.**
 - **If a reasonable basis for the taxing agency's method exists, the taxpayer must show fraud or the clear adoption of a fundamentally wrong principle of valuation.**

Alaska Case Law

- Precise method for determining full and true value of property is within assessor's discretion.
 - *Black v. Municipality of Anchorage BOE*
- But assessor must consider actual recent sales as one of "a whole range of factors."
 - *CH Kelly Trust v. Municipality of Anchorage BOE*
- If assessor has a reasonable basis for a valuation method, that method will be allowed so long as there was no fraud or clear adoption of a fundamentally wrong principle of valuation.
 - *FNSB Assessor's Office v. Golden Heart Utilities, Inc.*

Valuation

- ❖ **The relevant inquiry is whether a valuation method selected by the assessor provides a reasonable estimate of the market value of the interest to be taxed, not whether the appraisal method has received the imprimatur of acceptance from the appraisal community.**

(FNSB Assessor's Office v. Golden Heart Utilities, Inc.)

- Assessors rely on mass valuation techniques that differ from those used by private appraisers.
- Imprimatur – fancy way of saying “thumbs-up”



A few key points from the case law:

- ❖ Opening premise is that assessor's valuation is correct.
- ❖ Assessor has broad discretion to apply any reasonable method of valuation.
- ❖ However, no matter the method, must consider full range of relevant factors.
- ❖ Appellant has the burden of showing that the valuation is wrong.
- ❖ Courts on review are focused on a showing of fraud, or adoption of a fundamentally flawed approach to valuation – a high bar for appellants.



The Hearing

1. Summary of Assessment data - i.e. BOE Chair introduces cases & summarizes appeal
2. BOE takes up any outstanding issues/motions/requests for additional time.
3. Appellant's Opening Presentation
4. Assessor's Opening Presentation
5. Appellant's Rebuttal
6. Assessor's Rebuttal/Closing
7. Appellant's Sur-Rebuttal/Closing

Rely on the Evidence

- ❖ Decisions made by the BOE must be based on the Board’s general knowledge of the real estate market and evidence presented during the appeal process.
- ❖ Decisions may not be based on an individual board member’s specific knowledge of a property obtained outside the appeal process.
 - ❖ Ex. “I have been to that property and know you cannot access the beach from that property.”
 - ❖ Note – this can also be the source of a conflict of interest

Rely on the Evidence

- ❖ Do not introduce your own evidence.
 - Example: “I live on that road, and I know my neighbor's house went up in value last year.”
- ❖ Do not make assumptions about the evidence.
 - If you don't understand exhibits or testimony, ask questions.
- ❖ The BOE cannot accept exhibits into the record that were not properly submitted prior to the hearing.
- ❖ If the appellant has refused to allow the assessor to access their property, the BOE cannot consider testimony from the appellant about any issue related to items for which the assessor lacked access to.
- ❖ The BOE cannot come up with it's own valuation.

Apply the Burden of Proof

- ❖ The appellant (property owner) bears the burden of proof.
- ❖ This means that they must demonstrate that the assessor's valuation is unequal, excessive, improper, **OR** undervalued.
- ❖ The burden shifts to the assessor **if and only if** the appellant meets their initial burden.



Checklist for Hearing

- Appellant (property owner) has the burden of proof.
- Did they present facts (not opinion) that the assessor's adjustment was
 1. unequal; OR
 2. Excessive; OR
 3. Improper; OR
 4. Under valued

If yes to any of the above, then the burden moves to the assessor

Applying Burden of Proof

- ❖ If the appellant does not meet their initial burden, the assessor's valuation must stand.
- ❖ If the appellant does meet initial burden, then the assessor must show the BOE why the valuation is correct.



Establishing Fact

- Statement: The assessor overvalued my home's worth, giving too much value to the view. The view was destroyed last year when a new condo complex was developed.
- Is this enough to meet the burden?

NO – it is just a statement. To be enough to satisfy the law, there must be something to back up the statement. A photo showing the new condo complex in relation to the home and showing that it in fact blocks the view is a “fact” as opposed to a statement.



Fact vs. Opinion

- Not all facts need proof, it is okay to use common sense on some facts.

For example, appellant states: “when I go swimming in the ocean I get wet.”

It is okay to use your own personal experiences and common sense to this statement. However, if you have never seen an ocean or ever heard of an ocean, you cannot research it.

Develop the Record

- ❖ The BOE may only decide a case based on the evidence presented.
 - More evidence is better.
 - Ask questions! Do not wait until you are deliberating to realize that you do not have all the information you need to make good findings.
 - If a party appeals, the superior court will likely rely entirely on the BOE record.
- **It must be clear from the record why the BOE reached its decision.**



Motions



- ❖ Decisions are made by motion.
- ❖ Make motion for action, wait for a second.
 - If seconded, discuss motion.
 - Make findings supporting or not supporting motion
- ❖ Vote on motion.

Two examples of most used motions

➤ **Motion to move into adjudicative session**

- **2017 example -**

- At hearing, BOE member Mr. Bagley states, “I move we go into adjudicative session to discuss this.” BOE member Mr. Cox, “I second.” [Chair asks if there is any objection, receiving none, the BOE goes off record, and into adjudicative session]

➤ **Motion to uphold assessor’s valuation, reduce or increase assessment, defer a decision, or dismiss the appeal.**

- Ex. From 2017 Decision: “After deliberating in an adjudicative session, the BOE returned on the record. BOE member Mr. Bagley moved to reduce the Assessor’s 2017 revised recommended value for parcel number 12345 to \$10,000, which includes a land value of \$1,000 and an improvements value of \$9,000. The motion received a second and no objections were received. Having received no objections, the following findings were made:”



Example of Motion (cont.)

Findings:

The appellant demonstrated via photos that the view from his home has been eliminated due to the development of a condominium complex;

The photos show that the 25 story condo complex completely block all views to the mountains and no longer give the property a scenic view;

The assessor testified that the scenic view accounted for \$10,000 worth of the assessment. The documents presented by the assessor's office support her statements.



Getting to the Decision

❖ **BOE may immediately decide, or take the matter under advisement.**

- Motion to uphold, reduce, or increase the assessment.
- BOE cannot make a new appraisal.
- If the BOE decides to take the matter under advisement, it must issue its decision by the last day of hearings.

❖ **Deliberations do not need to be public.**

- Motion to adjourn into adjudicative session.
 - TIP: Don't leave adjudicative session w/out developing findings
- BUT your decision must be public.

The BOE Decision

Requirements for all decisions:

- ❑ Majority vote.
- ❑ All sitting members must vote.
 - ❖ Excluding any sitting members with a conflict specific to the case being decided.
- ❑ FINDINGS using
FACTS/ADMITTED EVIDENCE from hearing to support
DECISION
- ❑ Must be in writing

Make Good Findings

****MOST IMPORTANT ASPECT OF DECISION****

- ❖ The BOE's findings of fact need to be specific and detailed.
 - What evidence did you rely on to reach your decision?
 - List or describe the specific evidence, or lack thereof, that you relied on to make your decision.
 - Ex. "...based on the appellant's appraisal..."
 - Ex. "...the 50 comparables provided by the Assessor.."
 - Findings should be customized to each specific appeal
 - Findings should explain or address why & how the BOE decided each disputed fact or argument. **ADDRESS THE ARGUMENTS MADE.**

Improper Grounds for Findings

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

- Recommend -

- ▶ IF RULING IN FAVOR OF APPELLANT (TAXPAYER):
 1. First finding may be *"The appellant shifted the burden of proof in this case by showing [insert reason]..."*
 2. Second finding should address the Assessor's response to the shifted burden i.e. validating the assessment.

- ▶ IF UPHOLDING ASSESSOR'S VALUE
 1. First finding may be *"The appellant did not submit sufficient facts to shift the burden in this case."*
 2. [Address primary arguments presented].

- ▶ IF UPHOLDING ASSESSOR'S VALUE *and* INCORPORATING ASSESSOR'S SUGGESTED FINDINGS
 - ✓ Best practice is to state (on record) the findings
 - ✓ Next best approach is to state the page where the Assessor's recommended findings are found in the evidence and that they are "incorporated herein by reference"



BEST PRACTICE

When *reducing* Assessor's value

- First Finding addresses the burden of proof and the evidence that shifted burden from appellant to assessor.
- Second Finding addresses assessor's response to shifted burden and reason response was not persuasive.
- Third Finding addresses specific arguments made and applies the facts (witness testimony, evidence) of the case in support of decision in case.
- Any other findings should continue to use specific evidence in case to support BOE's reasoning.

BEST PRACTICE

When *upholding* Assessor's value

- First Finding addresses the burden of proof and that appellant's evidence failed to shift burden to assessor
- Additional findings may simply incorporate the assessor's recommended findings and/or
BOE can include specific evidence in case to support BOE's finding that burden was not shifted.

Note: if Appellant does not shift burden the appeal fails and the assessor's recommended value stands.

One last bit of case law that has been good law since 1961

Taken from: Twentieth Century Inv. Co. v. City of Juneau, 359 P.2d 783, 787-788 (1961).

The valuation and assessment of property for taxes does not contravene the due process clause of the Fourteenth Amendment unless it is plainly demonstrated that there is involved, not the exercise of the taxing power, but the exertion of a different and forbidden power, such as the confiscation of property. Such a demonstration is not made simply by showing overvaluation; there must be something which, in legal effect, is equivalent to an intention or fraudulent purpose to place an excessive valuation on property, and thus violate fundamental principles that safeguard the taxpayer's property rights.

....

Although the income from property may be a legitimate factor to consider in fixing value for tax purposes, it is not the sole standard to apply. **The City was not bound by any particular formula, rule or method, either by statute or otherwise.** Its choice of one recognized method of valuation over another was simply the exercise of a discretion committed to it by law. **Whether or not it exercised a wise judgment is not our concern.**

This court has nothing to do with complaints of that nature. **It will not substitute its judgment for the judgment of those upon whom the law confers the authority and duty to assess and levy taxes. This court is concerned with nothing less than fraud or the clear adoption of a fundamentally wrong principle of valuation.** Neither has been shown here. The actions of the assessor and the Board of Equalization are entirely compatible with a sincere effort to adopt valuations not relatively unjust or unequal; **their determinations have not transgressed the bounds of honest judgment.**



QUESTION & ANSWER SESSION



Kenai Peninsula Borough

Commercial Properties



- General Commercial Includes:

- Offices
- Retail
- Apartments
- Warehouses
- Markets
- Box Stores
- Churches
- Gas Stations
- Car Washes

- General Commercial Continued:

- Hotels & Motels
- Banks
- Restaurants
- Medical / Dental Offices
- Lodges
- Equipment Shops
- Hangars
- Marijuana Grow Facilities & Retail Stores



047-052-36
7/19/2012 SR
C01



059-220-14
11/25/2015 SR
C01



059-190-43
8/28/2012 SR
C01



047-052-29
7/26/2018 SR
C01





060-342-18LH01
4/19/2018 SR
C01



159-400-26
10/1/2018 SR
C01



058-290-05
8/1/2019 SR
C01



049-070-32
7/10/2019 SR
C01

KPB CAMA System

- The KPB uses Computer Assisted Mass Appraisal (CAMA) software called ProVal.
- ProVal has 2 sets of cost tables. Residential and Commercial
- Marshall & Swift Valuation Service (MVS) is built into this software for our commercial tables.

A Typical Commercial Building

- A field inspection starts the process.
- A sketch of the building
- Attributes are collected
- Construction Type Steel, Frame, Masonry, etc.
- Foundation Type Slab, Poured Concrete, Crawl, Basement etc.
- Heating Type
- Exterior siding

- Wall Height
- Roof Type
- Fire Suppression Systems
- An Occupancy code or multiple codes if the building has more than one use.
- Effective age estimate for depreciation
- A quality estimate
- Percent complete chart for unfinished structures or structures that need significant repairs.
- Other items included with the building such as bank equipment, underground fuel tanks, car wash equipment, freezers etc.
- We also value petroleum tank farms, pools, RV parks etc.

Industrial

- Oil and Gas
- Oilfield logistics, docks and facilities
- Fish Processing Plants
- Ship repair yards



KPB Oil and Gas Industrials

- Marathon Petroleum Refinery Previously Tesoro
- Marathon LNG Plant Previously Conoco Philips
- Agrium Kenai Nitrogen Plant
- Cook Inlet Natural Gas Storage Alaska CINGSA
- Total Approximately \$272,000,000

Residential Shops and Hangars

We use our Commercial Cost tables on some residential properties
This does make these properties “Commercial” in use.

- More specific on Construction type
 - Frame – Steel – Pole
 - Wall Structure Wood – Steel – PE Metal Sandwich Panels
 - Wall Height
 - Hangars - Values hangar doors

Possessory Interests

- A possessory interest constitutes a private right to the possession or use of a public property for a specific period of time
- The term “Possessory Interest” is not a unique Alaskan term
- Originated in California in 1955. California Supreme Court affirmed the theories in three court decisions

Possessory Interests

- Alaska Constitution Article IX, Section 5
- Alaska Statute 29.45.030s
- KPB has a few hundred of these which are adjusted annually
- Helps to keep equality with Private sector properties

Possessory Interests

- A possessory interest takes into consideration that the value of the lease will decrease over time as the term of the lease get closer to the end.
- The land and improvement values are still updated during the canvas cycle.
- Lease renewal options are included in the term.
- The possessory interest calculation is performed based on our Cama system calculation of the fee value.

Possessory Interests

- Examples in our Borough
 - Hangars
 - Vacant Land
 - Golf Courses
 - Hotels
 - Bars
 - Restaurants

Possessory Interests

Examples:

- Medical Offices
- Hospital properties that lease space to private medical providers
- Industrial properties
- Telcos

Boardwalk Buildings



Boardwalk Buildings

- No Real Property
- Recording transfers not required
- No foreclosure option for delinquency
- Actual Boardwalk/Dock is assessed to the owner of the Real Property
- Buildings are valued at 90% complete for lack of a foundation (the dock is the foundation)
- Most of these are located on the Homer Spit

Commercial Inspections

- On the same canvas inspection cycle as the residential properties
- Look for a change of occupancy
- Look for renovations and additions
- Look for new structures
- Review the quality
- Update the effective age
- Confirm eave height
- Confirm structural components

Valuation

- Three Approaches to value
 - Sales Comparison
 - Cost
 - Income

KPB uses the Cost Approach

- Replacement cost new less depreciation (RCNLD)
- Applied consistently and equitably across the Borough
- We review the other two approaches to value when the information is available but still reconcile using the cost approach
- Marshall Valuation Service is built into Proval Commercial

AS 29.45.110 Full and True Value

- **BURDEN OF PROOF**
- The appellant has the burden of proving or providing any information to show that the assessed values are excessive, improper or unequal. The Assessor is accorded broad discretion in deciding among the recognized valuation methods. The Assessor's choice of one recognized method of valuation over another is simply the exercise of a discretion committed to the Assessor by law.
- * A borough has discretion to appraise by whatever recognized method of valuation it chooses, so long as there is no fraud or clear adoption of a fundamentally wrong principal of valuation. *Hoblitt v. Greater Anchorage Area Borough*, Sup. Ct. Op. No. 636 (File No. 1214), 473 P.2d 630 (Alaska 1970).

Example of Market Value

- 50 Buildings in a subdivision
- All improvements are identical
- All lots are identical
- All land influences are identical
- All are maintained identically
- Every one sells for \$200,000
- It is reasonable to say that the Market Value is \$200,000

The Borough Assessment

- Land \$25,000
 - Improvements \$ 175,000
 - Total Assessment \$200,000
 - Borough Assessment is reasonable.
-
- Land \$1000
 - Improvements \$199,000
 - Total Assessment \$200,000
 - Borough Assessment is reasonable

- Land \$199,000
 - Improvements \$1000
 - Total Assessment \$200,000
 - Borough Assessment is reasonable
-
- According to Statute
-
- The full and true value is the estimated price that the entire property would bring... the entire property...land and improvements.

3 Approaches to Value

- Sales Comparison Approach
 - Cost Approach
 - Income Approach
-
- In the end, all three will produce an estimate of value of the entire property even though they are completely different methods.
-
- KPB uses the Cost Approach for all of the improved properties in it's jurisdiction.

Conclusion

Questions?







+



=



LAND

+

STRUCTURE

=

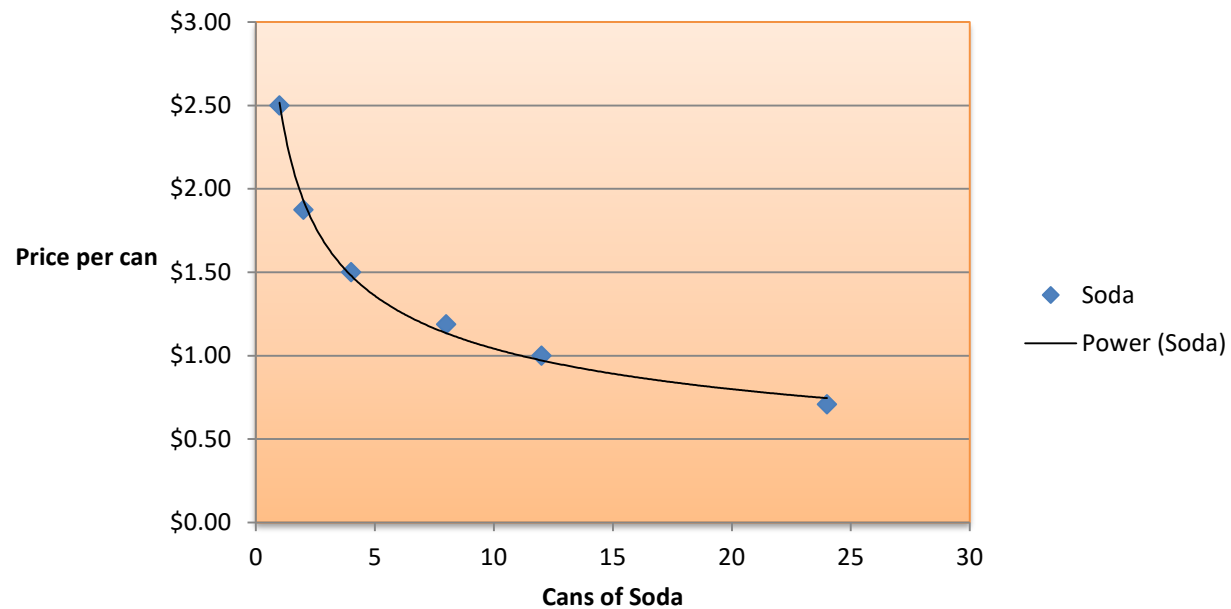
TOTAL VAL



LAND

# of Cans	Total Price	Price/Unit
1	\$2.50	\$2.50
2	\$3.75	\$1.88
4	\$6.00	\$1.50
8	\$9.50	\$1.19
12	\$12.00	\$1.00
24	\$17.00	\$0.71

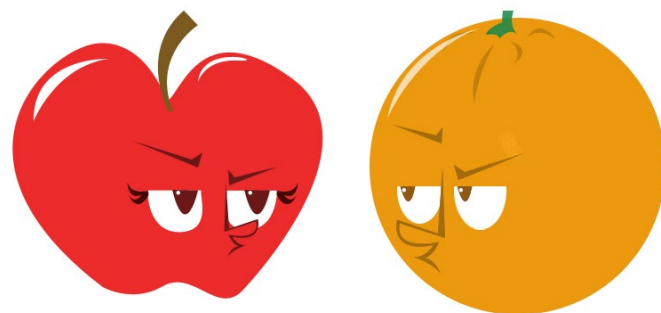
Soda



Influences that are not modeled!

Sample Parcel & Influence adjustment build-up

39.98 Acres		Base Land	\$	110,400	
PIN	Influence	Influence %	Price Adjustment		
	Gas No	-10	\$	(11,040)	
	Elec Yes	0	\$	-	
	View Good	100	\$	110,400	
	Platted	-44	\$	(48,576)	
		Total	\$	161,200	Ratio
		Sales Price	\$	170,000	94.82%







133-560-16
6/21/2017 ERS
2 VIEW



137-321-33
11/20/2018 RC
VIEW



133-560-15
6/27/2017 TB
VIEW

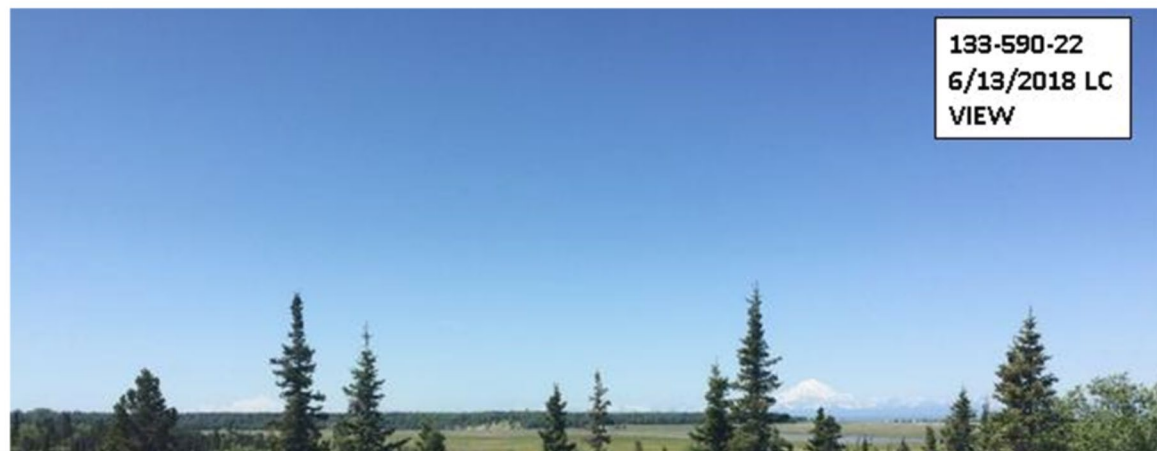


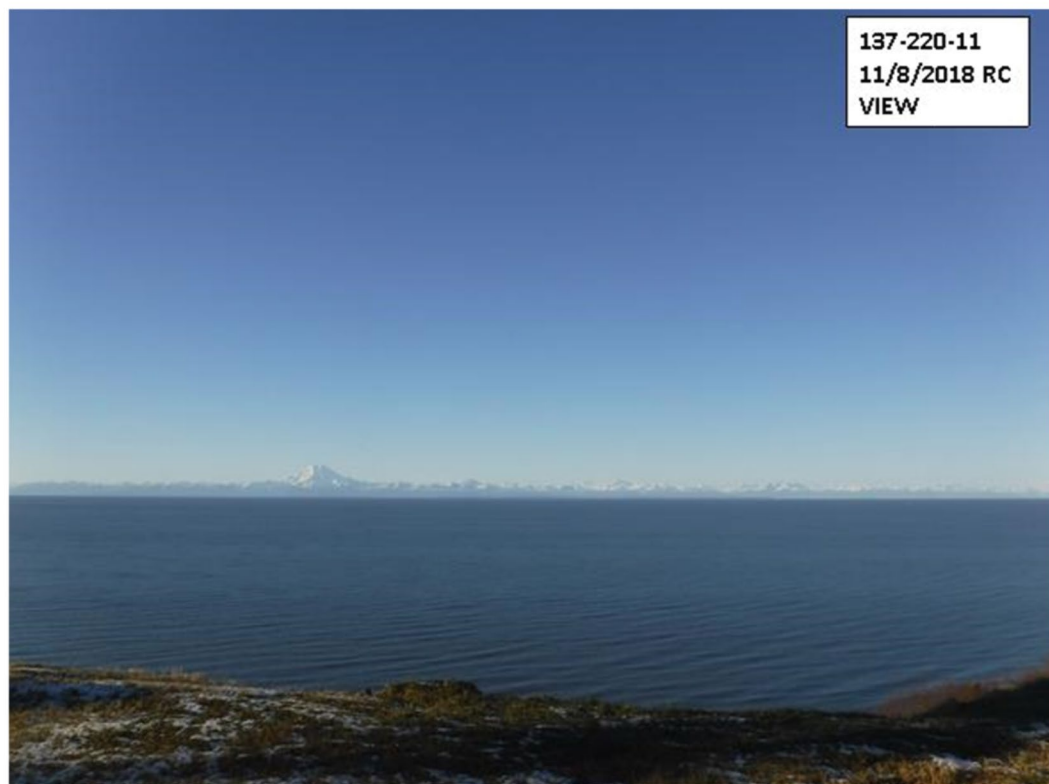


137-022-72
8/7/2017 TB
VIEW



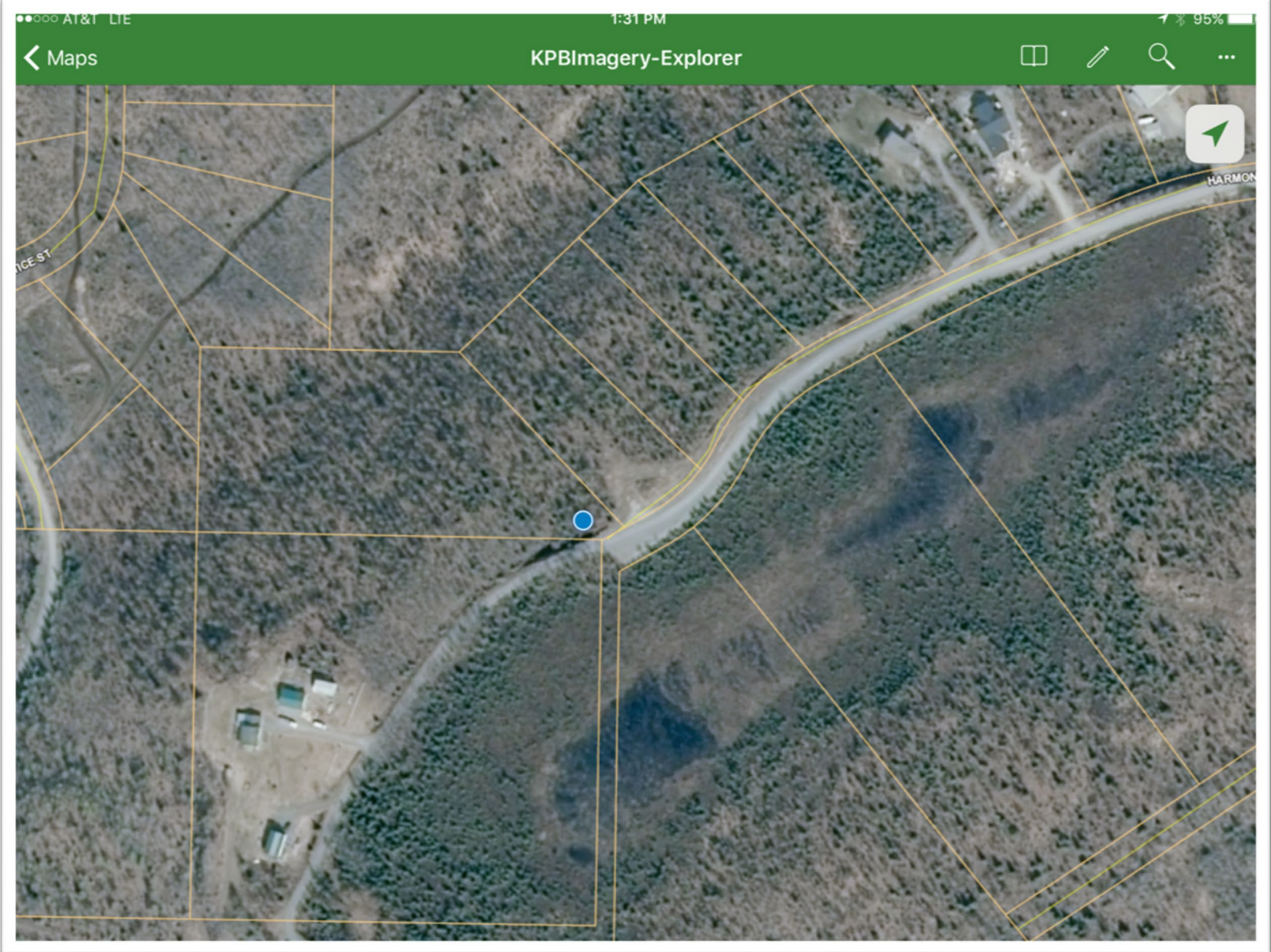


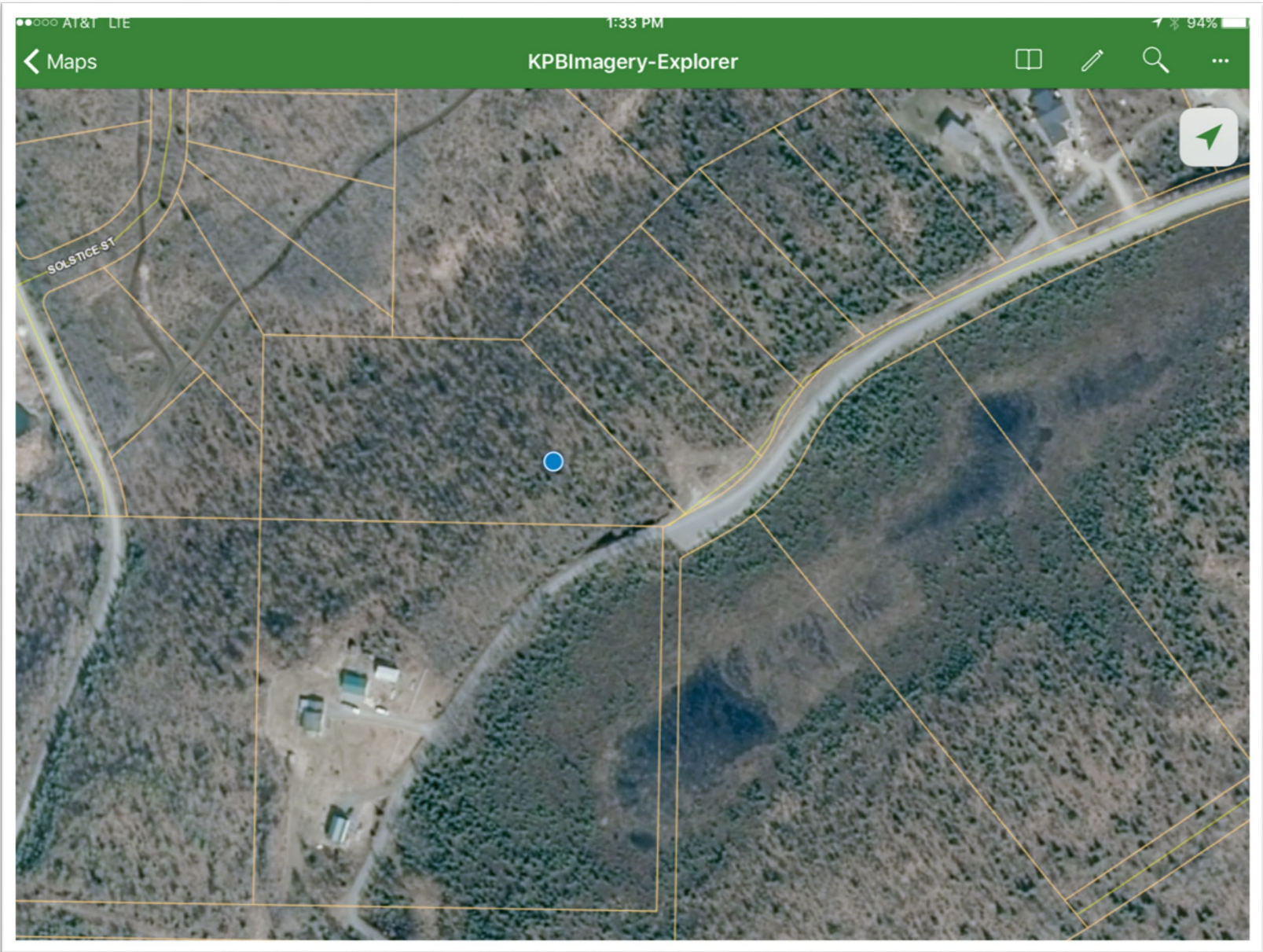




137-220-11
11/8/2018 RC
VIEW















The Assessment Function

- Ad Valorem—According to Value
- Equitable
- Mass Appraisal

Appeal

- Board Of Equalization decisions are valid for the year of appeal
- Appellants have argued otherwise
- In Varilek (Personal Rep. of the estate of Martha Dunnagan) v The Municipality of Anchorage, Varilek unsuccessfully argued that a prior year's BOE ruling should have been considered as a "Base Rate" for subsequent tax years. From The Supreme Court Of The State Of Alaska Opinion No. 6563-June 10, 2011 IV B:
 - Varilek had the burden to show why the 2008 assessment was inaccurate. As noted above, AS 29.45.110(a) defines "property value" for assessment purposes as the "price the property would bring in an open market and under the then prevailing market conditions." **Property assessments must take into account the current market value**, rather than previous assessed values, as Varilek suggests.

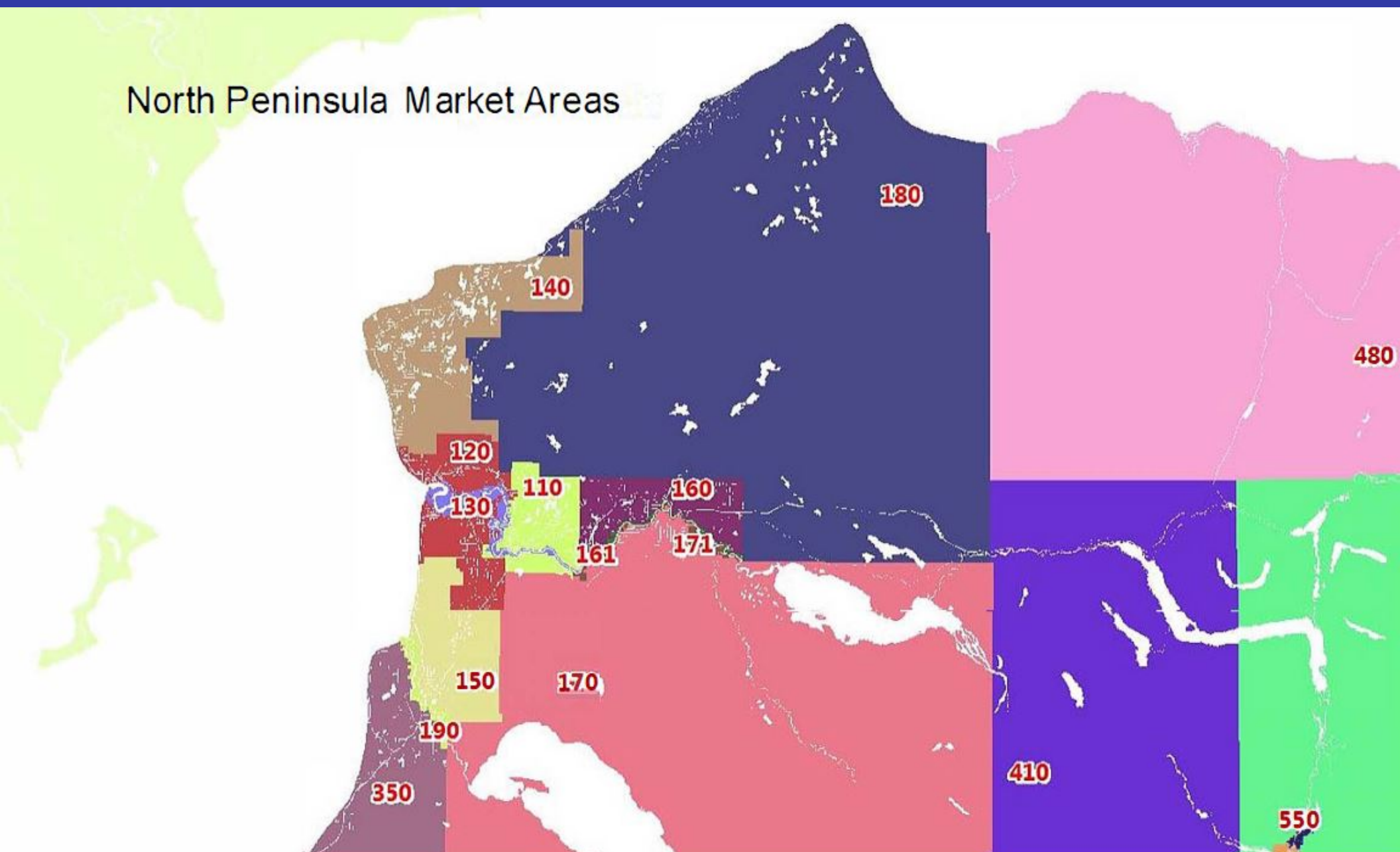
The Three Approaches to Value

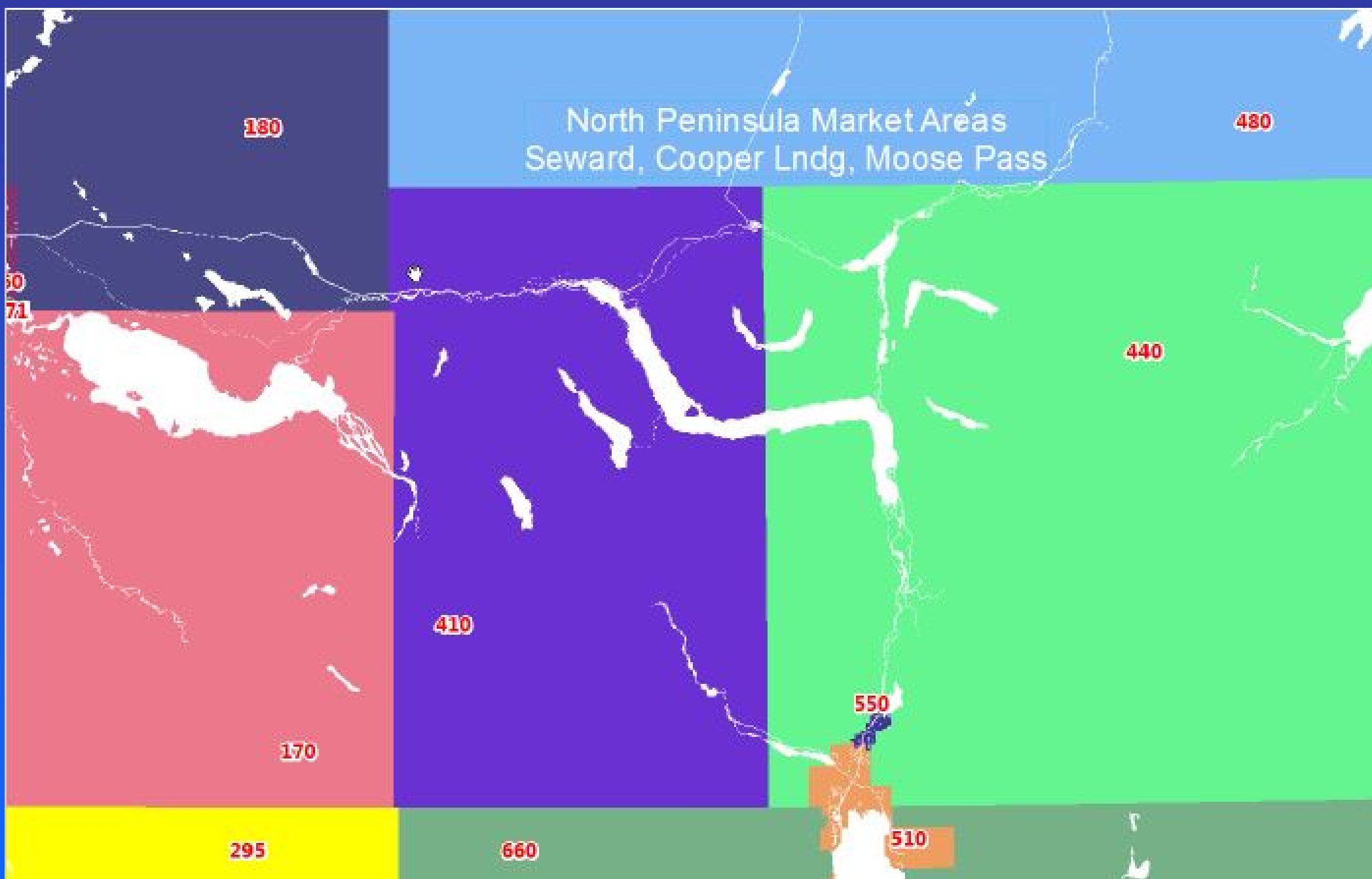
- Cost Approach
 - Sales Comparison
 - Income
-
- A borough has discretion to appraise by whatever recognized method of valuation it chooses, so long as there is no fraud or clear adoption of a fundamentally wrong principal of valuation. Hoblitt v. Greater Anchorage Area Borough, Sup. Ct. Op. No. 636 (File No. 1214), 473 P.2d 630 (Alaska 1970).

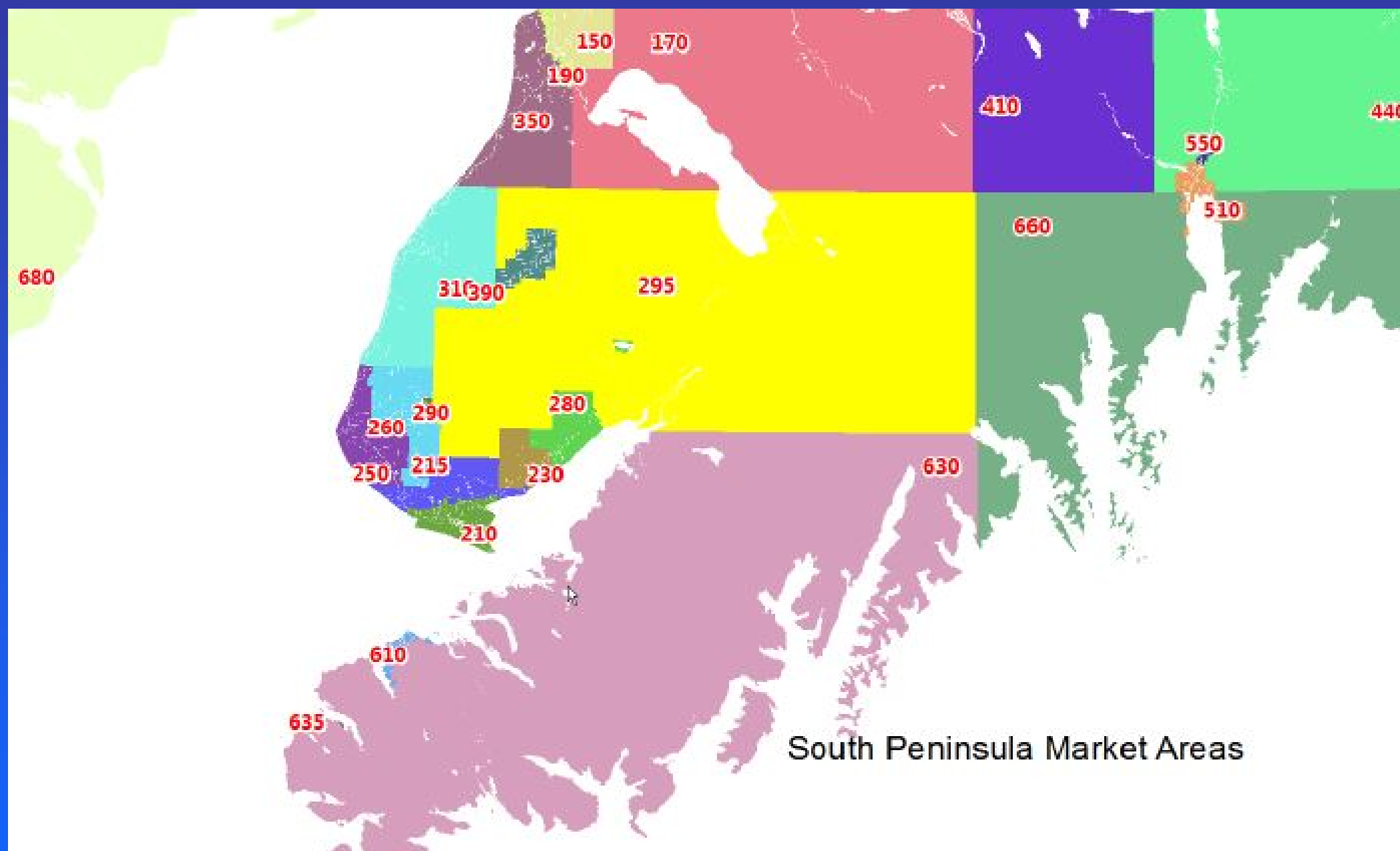
How Are Assessed Values Determined?

- Stratification—Divides properties into groups with similarities for analysis
 - Market Areas
 - Land Types
 - House Types
 - Grade/Quality
 - Effective Age
 - Cost Model
 - Calibration To Market

North Peninsula Market Areas







Fee Appraisals vs. Assessing

Why can't the borough assessor simply accept a fee appraiser's value placed on your property, or, conversely, why can't you simply go by the assessors' value when you're buying a home?

Assessors and fee appraisers have a similar aim: to determine the fair market value of your property. However, there are subtle differences. Fee appraisers look at properties on an individual basis, while assessors conduct mass appraisals in which the values of all properties in the borough are determined in accordance with uniform benchmarks, to assure a fair and equitable distribution of the overall tax burden.

In general, appraised and assessed values should be similar. However, a fee appraiser has more leeway when it comes to unique factors, such as the view from a property, a house's situation on a corner lot, and the convenience and attractiveness of the interior layout. Assessors are generally bound by more rigid objective measures such as the type of house (One Level, Two Level, square footage, finished area, the number of bathrooms, age, grade, and condition).

Finally, keep in mind that due to the need to reach back in time during the mass appraisal process to gather sufficient sales data to apply to unsold properties, assessed values will always lag behind current market values and trends.

Assessors vs. Fee Appraisers

Now that we have a general idea of the difference between assessing and fee appraising, we can better understand the differences between assessors' and fee appraisers' jobs.

Fee appraisers have independent clients and typically focus on valuing one property at a time. They often specialize in a certain type of real estate, such as commercial properties or homes.

Assessors work for local governments and are responsible for mass appraisals for tax assessment purposes. They must continuously update their records for new construction, building additions and improvements, property sales, and so on. Although they do not usually focus on a single property outside of their cyclical review, they may revisit a property if the owner requests an inspection or files an appeal.

Assessors vs. Fee Appraisers (continued)

The mass appraisal techniques used by assessors require knowledge quite different from that used by single-property fee appraisers.

Beyond the courses covering basic appraisal theory, mass appraisal courses cover topics most private sector appraisers never learn about, including mass market modeling, adaptive estimation, and assessment ratio studies. The International Association of Assessing Officers gives a number of advanced courses required for professional designation. Quite simply, few fee appraisers have the training and experience to carry out mass revaluations – they normally must undergo 3 to 5 years of additional training and on-the-job experience to learn the science of mass appraisal.

The following is a copy of the Scope Of Work from a recent fee appraisal:

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The following is taken from the Uniform Standards of Professional Appraisal Practices (USPAP) Advisory Opinion 32, 2018-2019 edition:

SCOPE OF WORK

The determination of an appropriate scope of work in all appraisal and mass appraisal assignments, including ad valorem taxation assignments, is based on problem identification. The assignment elements necessary for problem identification are identified in Standards Rule 1-2 (real property appraisal), Standards Rule 5-2 (real property and personal property mass appraisal) and Standards Rule 7-2 (personal property appraisal). This information provides the appraiser with the basis for determining the scope of work necessary to develop credible assignment results.

SCOPE OF WORK (Continued)

In ad valorem taxation assignments, applicable laws and regulations of an assessing jurisdiction may define the assignment elements needed for problem identification. For example, the type and definition of value is usually established by statute, as is the effective date of the appraiser's opinions and conclusions (tax year, levy year, valuation date, etc.). Whatever the source of the assignment elements needed for problem identification, the appraiser must identify the problem to be solved, and determine and perform the scope of work necessary to develop credible assignment results.

[REDACTED]
[REDACTED]
Soldotna, AK 99669
United States

Date: [REDACTED], 2018

Method of Delivery: Email

Dear [REDACTED]

In compliance with the Dodd-Frank Act Appraisal Independence Requirements (AIRs), enclosed is a copy of the appraisal report(s) or valuation that may be used in connection with your current loan application. You will not be required to pay an additional fee to Alaska USA to receive a copy of the appraisal report or valuation.

If multiple appraisal or valuation reports were developed in relation to your mortgage loan application, copies of all valuations will be provided to you. Multiple appraisal reports may have been ordered for the following reasons:

1. Alaska USA's underwriting policies may require more than one appraisal or valuation to evaluate your loan application;
2. Alaska USA's appraisal quality process produced a review appraisal or valuation report in addition to the originally ordered appraisal report; or
3. Alaska USA received a request for reconsideration of value from you or on your behalf resulting in a new appraisal report or a revised value on your originally ordered appraisal report.

The appraisal(s) or valuation used in connection with your loan application was or were prepared solely for Alaska USA's use in evaluating your loan application. **The appraisal(s) or valuation should not be relied upon by any other person or entity.** Alaska USA makes no express or implied representation or warranty of any kind, and expressly disclaims any liability to any person or entity with respect to the appraisal(s) or valuation.

Please also be advised that an appraiser must follow certain professional appraisal standards and is not allowed to discuss the appraisal(s) or valuation with you or provide a copy directly to you. If you have questions or concerns regarding the appraisal(s), please contact your loan originator, [REDACTED] [REDACTED] [REDACTED], at (907) [REDACTED].

You are entitled to receive a copy of the appraisal report(s) or valuation at least three business days prior to your loan closing. While Alaska USA tries to provide you with the appraisal report(s) or valuation in a timely manner, there may be times when it is not feasible. In that case, if you wish to exercise your right to waive the three-business-day review period, you must execute a waiver form at least three business days prior to loan closing. If you wish to exercise your right to waive the review period, please contact [REDACTED] [REDACTED] [REDACTED] for assistance.

House Types

1 L FRAME	AOG—APARTMENT OVER GARAGE
1 L MASONRY	SPLIT/TRI-L FRAME
1 L LOG	SPLIT/TRI-L MASONRY
2+ L FRAME	SPLIT/TRI-L LOG
2+ L MASONRY	CABIN—0-500 SF ABOVE GRADE
2+ L LOG	COTTAGE 1 L—501-800 SF ABOVE GRADE ONE LEVEL
BI-L FRAME	COTTAGE MULTI L—SAME AS COTTAGE BUT MORE THAN ONE LEVEL
BI-L MASONRY	DUPLEX
BI-L LOG	TWN END—TOWNHOUSE END UNIT
1 1/2 L FRAME	TWN INT—TOWNHOUSE INTERIOR UNIT
1 1/2 L MASONRY	CONDO
1 1/2 L LOG	MULTI-FAMILY—TRIPLEX & FOURPLEX
	MHS—SINGLE WIDE MANUFACTURED HOME
	MHD—DOUBLE WIDE MANUFACTURED HOME

Grades

Cbn-	G-
Cbn	G
Cbn+	G+
P-	VG-
P	VG
P+	VG+
Low-	X-
Low	Exc
Low+	X+
F-	H1-
F	H1
F+	H1+
Avg-	H2-
Avg	H2
Avg+	H2+

Effective Age or Effective Yr. Built

- The age indicated by the condition and utility of a structure based upon an appraiser's judgement and interpretation of market perceptions.
- How old a structure appears to be (Observed Condition)
- Influenced by remodeling, general maintenance and upkeep, normal wear and tear
- $(\text{Effective Age} / \text{Total Economic Life}) \times \text{Total Cost} = \text{Depreciation}$

Cost Model

Has around 150 pages of costs

Different costs for different grades and different costs for different floor levels

Sample cost per sq. ft. for an average quality home

	<u>Sq. Ft.</u>	<u>Rate</u>
Single Story Frame	1,000	\$78.58

Sample cost per sq. ft. for a good quality home

	<u>Sq. Ft.</u>	<u>Rate</u>
Single Story Frame	1,000	\$94.96

Additional items added are basements, basement finish area, porches, decks, garages, number of baths, size, additional floors, dormers, etc.

Calibrating the Cost Model to the Market

- Qualified Sales
 - Sales Questionnaires
 - 30% Return
 - Sold Properties Inspected

Calibrating the Cost Model to the Market (Cont.)

- Determine what adjustments are required to bring cost values in line with actual market (land values have to be calibrated before any dwelling calibration is done
 - House types grouped together for equity and analysis purposes
 - If sales in an area show that cost calculations are low, an upward adjustment for that house type in that market area is required
 - If sales show cost calculations are high, a downward adjustment for that house type in that market area is required

Calibrating the Cost Model to the Market (Cont.) Sales Ratios

- How Close To Market Are Calculated Costs?
- Calculated Value ÷ Sale Price
 - \$100,000 Calculated Value
÷ \$125,000 Sale Price
80% Ratio

Calibrating the Cost Model to the Market (Cont.)

Sales Ratios

$$\begin{array}{r} \text{Calculated Value } \$100,000 \\ - \$20,000 \quad (\text{Land, Drive, Septic \& Well}) \\ \hline \$80,000 \quad (\text{Calculated Structure Value}) \end{array}$$

$$\begin{array}{r} \$80,000 \times 1.31 = \$104,800 \\ + \quad 20,000 \\ \hline \$124,800 \end{array}$$

$$\$124,800 \text{ (New Total)} \div \$125,000 \text{ (Sale Price)} = 99.8\%$$

Calibrating the Cost Model to the Market (Cont.)

- Multipliers Determined From Market For Individual House Types
- Multipliers Applied To House Types In Each Market Area
- All Properties Repriced With Multipliers In Place
- Ratio Studies Run To Show That Model Performance And Level Of Assessment Has Improved
- Statistics Provided From Ratio Studies Provided For Support Of Values For Board Of Equalization And For State Reporting Requirements

RATIO SUM:	189.3097
MEAN:	98.09%
MEDIAN:	97.84%
WTD MEAN:	98.06%
PRD:	100.03%
COD:	5.95%

# OF SALES:	193
TOTAL SP:	\$48,517,250
TOTAL AV:	\$47,573,700
MINIMUM:	81.30%
MAXIMUM:	122.56%
MIN SALE AMT:	\$99,250
MAX SALE AMT:	\$590,000

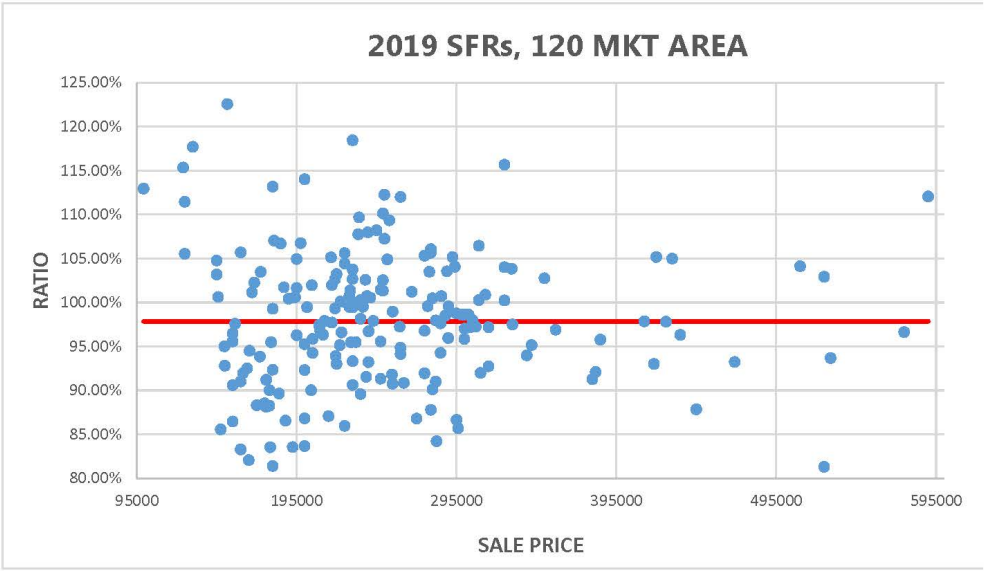
SALE DATE:	2019
HOUSE TYPE:	SFRs
MKT AREA:	120
	KENAI

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
03910116	120	135800	11000	146800	145900	100.62%	11	2/13/2019	Avg-
03910302	120	150100	10100	160200	178000	90.00%	11	6/14/2019	Avg+
03912226	120	259700	14500	274200	249000	110.12%	11	2/15/2019	G-
03914143	120	508500	47000	555500	575000	96.61%	21	8/8/2019	VG
04101116	120	182200	22400	204600	220000	93.00%	11	12/31/2019	Avg+
04101137	120	216300	15800	232100	240000	96.71%	11	9/27/2019	G-
04101146	120	215800	15800	231600	228500	101.36%	11	7/12/2019	G-
04101165	120	234300	16800	251100	247500	101.45%	11	6/5/2019	G-
04101201	120	211800	19600	231400	255000	90.75%	11	6/4/2019	Avg+
04101406	120	188400	20100	208500	204500	101.96%	11	6/6/2019	Avg+
04101419	120	174500	20600	195100	194000	100.57%	11	7/9/2019	Avg+
04101431	120	213500	21400	234900	225000	104.40%	11	7/1/2019	G-
04101440	120	231900	20400	252300	259500	97.23%	41	6/14/2019	Avg
04101443	120	207400	20600	228000	200000	114.00%	11	5/16/2019	G-
04107306	120	235000	18600	253600	296000	85.68%	61	8/1/2019	Avg+
04302051	120	194100	14300	208400	230000	90.61%	21	4/18/2019	Avg+
04303026	120	227800	14500	242300	241000	100.54%	21	5/24/2019	G-
04305020	120	169400	14200	183600	204000	90.00%	11	8/29/2019	Avg-
04306029	120	150800	11900	162700	188000	86.54%	11	8/23/2019	Avg
04308016	120	126000	13200	139200	150000	92.80%	11	5/15/2019	Avg-
04309041	120	142200	14800	157000	177900	88.25%	11	7/9/2019	Avg
04310023	120	251300	12700	264000	251700	104.89%	11	7/19/2019	G-
04311037	120	218900	16700	235600	235000	100.26%	11	10/24/2019	G-
04325003	120	246700	18400	265100	245000	108.20%	31	3/4/2019	Avg
04325015	120	240800	17800	258600	239500	107.97%	11	4/15/2019	G-
04325030	120	208600	19000	227600	216500	105.13%	31	4/10/2019	Avg-
04326027	120	186500	18100	204600	195000	104.92%	31	9/30/2019	Avg-
04326053	120	216200	21700	237900	243000	97.90%	11	5/10/2019	Avg
04328002	120	207800	15800	223600	239900	93.21%	31	8/7/2019	Avg
04329009	120	131400	15100	146500	180000	81.39%	11	12/4/2019	Avg-
04330004	120	170700	15100	185800	151600	122.56%	11	1/15/2019	Avg-
04330021	120	134700	14400	149100	178500	83.53%	11	4/30/2019	Avg-
04334036	120	146100	14700	160800	192500	83.53%	11	12/31/2019	Avg
04335009	120	136600	15100	151700	164000	92.50%	11	3/13/2019	Avg
04335015	120	123800	15500	139300	125000	111.44%	11	10/9/2019	Avg
04335043	120	117400	15800	133200	159950	83.28%	11	12/16/2019	Avg-
04505023	120	288300	30300	318600	339000	93.98%	11	8/9/2019	Avg-
04511006	120	136400	20000	156400	165500	94.50%	41	11/1/2019	Avg-
04511009	120	96200	15900	112100	99250	112.95%	11	10/15/2019	F+
04512019	120	124300	11100	135400	165000	82.06%	11	6/14/2019	Avg-
04514031	120	132000	10400	142400	149900	95.00%	11	10/29/2019	Avg
04515325	120	156900	12000	168900	167000	101.14%	11	10/10/2019	Avg+
04521031	120	156800	10500	167300	200000	83.65%	11	1/7/2019	Avg
04524041	120	140700	12000	152700	156500	97.57%	11	11/8/2019	Avg
04712029	120	201100	17500	218600	229000	95.46%	31	9/27/2019	Avg-
04713017	120	192200	15800	208000	212500	97.88%	11	10/9/2019	Avg
04713057	120	155800	17800	173600	200000	86.80%	11	7/12/2019	Avg-
04714008	120	280100	15800	295900	279000	106.06%	21	8/30/2019	G-
04714041	120	178300	15100	193400	225000	85.96%	31	7/19/2019	G-

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
04901206	120	119300	14700	134000	155000	86.45%	11	3/5/2019	Avg
04901209	120	136200	16800	153000	130000	117.69%	11	9/9/2019	Avg
04901211	120	152300	16800	169100	160000	105.69%	11	1/25/2019	Avg
04901222	120	137200	14700	151900	145000	104.76%	11	7/30/2019	Avg
04901224	120	126400	14000	140400	155000	90.58%	11	11/19/2019	Avg
04907028	120	236400	36000	272400	230000	118.43%	61	3/4/2019	Avg-
04908307	120	111800	14400	126200	147500	85.56%	11	8/28/2019	Avg-
04912030	120	354800	34400	389200	418500	93.00%	61	6/6/2019	Avg+
04915004	120	236100	16200	252300	249000	101.33%	11	10/29/2019	Avg-
04915031	120	147800	18400	166200	180000	92.33%	11	3/11/2019	Avg
04916005	120	147400	17500	164900	184000	89.62%	11	10/31/2019	Avg
04916056	120	333700	42200	375900	325000	115.66%	21	7/19/2019	G-
04916069	120	626700	34300	661000	590000	112.03%	41	10/25/2019	VG
04919010	120	137400	12700	150100	170000	88.29%	11	8/29/2019	Avg-
04919035	120	132900	12700	145600	160000	91.00%	31	9/13/2019	Avg-
04920010	120	117500	14400	131900	125000	105.52%	11	10/21/2019	Avg-
04926109	120	362900	28000	390900	445000	87.84%	21	8/14/2019	G
04926118	120	272400	16300	288700	290000	99.55%	31	8/22/2019	Avg+
04926205	120	274600	16400	291000	300000	97.00%	21	9/30/2019	G
04926208	120	314700	32100	346800	380000	91.26%	11	9/30/2019	G
04927018	120	302500	26400	328900	309000	106.44%	21	11/18/2019	Avg+
04936003	120	237300	15500	252800	275000	91.93%	21	7/2/2019	Avg
04937114	120	482700	57600	540300	525000	102.91%	41	5/31/2019	VG-
04938033	120	236000	19300	255300	249000	102.53%	31	12/16/2019	Avg+
04939057	120	276500	18100	294600	278900	105.63%	11	3/19/2019	Avg+
04940013	120	259400	16800	276200	282000	97.94%	31	10/23/2019	Avg+
04941023	120	227400	17500	244900	279000	87.78%	61	2/15/2019	Avg+
04941042	120	284400	14500	298900	305000	98.00%	11	8/8/2019	G
04941044	120	339100	20500	359600	350000	102.74%	21	2/4/2019	G+
04946006	120	188500	15200	203700	180000	113.17%	21	3/5/2019	Avg-
04948020	120	135700	12400	148100	155000	95.55%	41	4/11/2019	Avg
05502128	120	323000	22900	345900	357000	96.89%	11	6/24/2019	G+
05503516	120	210700	30000	240700	239000	100.71%	45	12/18/2019	G-
05504117	120	194300	20300	214600	230000	93.30%	11	10/15/2019	Avg+
05504130	120	204000	22000	226000	247500	91.31%	11	10/8/2019	Avg+
05504132	120	232000	20300	252300	255000	98.94%	21	6/12/2019	G-
05504133	120	195100	20300	215400	223000	96.59%	11	10/25/2019	Avg+
05504145	120	232000	20300	252300	280000	90.11%	21	2/7/2019	G
05504146	120	213800	20300	234100	234000	100.04%	11	7/31/2019	G-
05504150	120	208400	20300	228700	230000	99.43%	21	6/18/2019	G-
05504156	120	169600	20600	190200	187000	101.71%	11	11/27/2019	Avg+
05504160	120	190900	20300	211200	222000	95.14%	11	10/21/2019	Avg+
05508157	120	267400	20300	287700	278000	103.49%	11	4/25/2019	Avg+
05508162	120	141100	20300	161400	172000	93.84%	11	5/7/2019	Avg+
05508169	120	128200	20300	148500	161500	91.95%	11	10/17/2019	Avg
05508171	120	177900	20300	198200	195000	101.64%	11	4/10/2019	Avg+
05508172	120	140200	20300	160500	176000	91.19%	11	5/17/2019	Avg+
05518055	120	219200	15100	234300	270000	86.78%	45	7/22/2019	G-
05518056	120	139700	15200	154900	175000	88.51%	45	3/29/2019	F+
05527018	120	234600	22000	256600	282000	90.99%	21	9/19/2019	Avg-
05528132	120	203900	14400	218300	238500	91.53%	11	10/17/2019	Avg
05528208	120	311700	14000	325700	325000	100.22%	21	8/9/2019	G-
05529072	120	320700	106100	426800	525000	81.30%	11	11/1/2019	G
05532006	120	128300	21300	149600	145000	103.17%	15	10/4/2019	Avg-
05533129	120	210100	27800	237900	282500	84.21%	41	5/7/2019	Avg-
05534012	120	287500	81200	368700	385000	95.77%	31	10/30/2019	G-
05534053	120	244500	21600	266100	275000	96.76%	41	10/8/2019	Avg+
05536017	120	445800	85200	531000	510000	104.12%	21	4/5/2019	G+
05536042	120	381800	113700	495500	529000	93.67%	11	8/29/2019	G+
05538035	120	182800	14600	197400	185000	106.70%	41	4/30/2019	Avg

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
05540031	120	413500	28200	441700	420000	105.17%	11	9/10/2019	G-
05540032	120	375400	28200	403600	412500	97.84%	11	8/14/2019	G
05540052	120	210400	28200	238600	230000	103.74%	61	3/21/2019	Avg+
05540204	120	317500	24600	342100	329500	103.82%	11	5/10/2019	G
05542020	120	272800	33100	305900	294000	104.05%	11	5/20/2019	G-
05542177	120	323000	28800	351800	382000	92.09%	21	9/10/2019	G+
05544032	120	202600	20000	222600	222400	100.09%	11	12/23/2019	Avg+
05544039	120	305400	20000	325400	342000	95.15%	21	5/9/2019	G
05549040	120	285600	30100	315700	313000	100.86%	45	1/31/2019	Avg
05549109	120	205600	24000	229600	228000	100.70%	11	4/5/2019	Avg+
05549133	120	271900	24000	295900	300000	98.63%	41	3/13/2019	G-
05549141	120	186800	24000	210800	197500	106.73%	11	8/16/2019	Avg+
05549143	120	188000	24000	212000	217000	97.70%	11	7/24/2019	Avg+
05549171	120	213600	24000	237600	225000	105.60%	11	3/21/2019	Avg+
05553019	120	273000	20900	293900	298000	98.62%	11	10/17/2019	G+
05557061	120	236000	15600	251600	233500	107.75%	11	7/19/2019	Avg+
05558009	120	191100	19400	210500	235000	89.57%	11	4/30/2019	Avg
05561021	120	204100	22700	226800	228000	99.47%	11	5/30/2019	Avg
05561044	120	216000	20000	236000	229900	102.65%	11	7/26/2019	Avg
05561104	120	224800	19300	244100	238000	102.56%	11	12/4/2019	Avg+
05561126	120	272800	19300	292100	315000	92.73%	11	8/5/2019	Avg
05563022	120	257400	19200	276600	253000	109.33%	21	9/6/2019	Avg
05563026	120	164300	20300	184600	200000	92.30%	21	1/31/2019	Avg
05564049	120	267600	23600	291200	260000	112.00%	31	9/9/2019	Avg+
05564101	120	292500	13600	306100	315000	97.17%	31	6/6/2019	Avg+
05564115	120	409700	41600	451300	429900	104.98%	21	4/15/2019	G
05564144	120	159300	19200	178500	172500	103.48%	11	1/2/2019	Avg+
05564167	120	237400	19200	256600	234000	109.66%	11	4/24/2019	G-
05564184	120	181200	19200	200400	201500	99.45%	11	4/11/2019	Avg+
05564202CO17	120	191600	12000	203600	209000	97.42%	11	5/8/2019	Avg+
05564202CO29	120	178800	12000	190800	190000	100.42%	11	9/24/2019	Avg+
05564203CO36	120	158900	12000	170900	179000	95.47%	11	5/31/2019	Avg+
05564203CO45	120	160300	12000	172300	168500	102.26%	11	4/23/2019	Avg+
05565057	120	202200	19300	221500	232000	95.47%	11	5/31/2019	Avg
05565069	120	205500	19300	224800	219000	102.65%	11	3/27/2019	Avg
05565084	120	207300	19800	227100	220000	103.23%	11	7/11/2019	Avg
05565086	120	298500	23200	321700	330000	97.48%	11	6/3/2019	G-
05565096	120	201500	19800	221300	217000	101.98%	11	8/9/2019	Avg
05565130	120	198300	19200	217500	219000	99.32%	11	9/23/2019	Avg
05566211	120	270800	14300	285100	310000	91.97%	21	11/18/2019	G-
05566240	120	190100	13600	203700	211500	96.31%	11	2/11/2019	Avg
05566244	120	179900	13600	193500	180808	107.02%	11	8/9/2019	Avg
13101033	120	363700	73500	437200	469000	93.22%	21	3/26/2019	G
13103104	120	223700	14400	238100	262121	90.84%	11	10/15/2019	Avg+
13103106	120	232200	14400	246600	259981	94.85%	11	9/5/2019	Avg+
13103108	120	264800	15600	280400	249800	112.25%	11	7/25/2019	G-
13103109	120	276200	15100	291300	295000	98.75%	11	8/30/2019	Avg+
13103112	120	263500	14700	278200	285000	97.61%	11	9/13/2019	Avg+
13103113	120	222100	14400	236500	247500	95.56%	11	12/31/2019	Avg+
13103117	120	266900	14400	281300	280000	100.46%	11	6/11/2019	Avg+
13103118	120	255800	14400	270200	267000	101.20%	11	6/28/2019	Avg+
13103120	120	219300	14400	233700	254600	91.79%	11	12/16/2019	Avg+
13103128	120	283400	15100	298500	307000	97.23%	11	11/13/2019	Avg+
13103129	120	262100	15900	278000	289767	95.94%	11	12/3/2019	Avg+
13103130	120	272400	15100	287500	285500	100.70%	11	11/19/2019	Avg+
13103131	120	284000	14400	298400	302653	98.59%	11	10/31/2019	Avg+
13103134	120	216200	14400	230600	235000	98.13%	11	12/31/2019	Avg+
13104147	120	364200	52400	416600	426000	97.79%	61	10/28/2019	G-
13104180	120	191700	14400	206100	219500	93.90%	11	9/6/2019	Avg+
13104407	120	211800	32900	244700	260000	94.12%	41	8/21/2019	Avg

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
13120037	120	174400	22100	196500	205000	95.85%	61	9/16/2019	Avg-
13121012	120	267300	22300	289600	275000	105.31%	61	2/27/2019	Avg+
13122029	120	281100	14400	295500	304000	97.20%	11	3/12/2019	Avg
13122030	120	254200	14400	268600	285000	94.25%	11	5/22/2019	Avg
13122035	120	293100	14500	307600	292520	105.16%	11	11/15/2019	Avg
13122040	120	284800	14400	299200	289000	103.53%	11	12/30/2019	Avg
13125047	120	294400	15400	309800	309000	100.26%	45	10/8/2019	Avg+
13131039	120	140700	14400	155100	176000	88.13%	11	9/19/2019	Avg
13131048	120	174800	18400	193200	205000	94.24%	11	3/22/2019	Avg-
13134040	120	125200	17800	143000	124000	115.32%	21	3/13/2019	Avg
13141010	120	248700	19400	268100	250000	107.24%	11	4/18/2019	Avg
13141044	120	237000	38800	275800	277000	99.57%	21	8/5/2019	Avg+
13142005	120	153300	25400	178700	180000	99.28%	21	9/5/2019	Avg-
13145406	120	315000	23000	338000	325000	104.00%	61	3/26/2019	G-
13145811	120	235500	20100	255600	295000	86.64%	21	8/19/2019	G-
13150007	120	164900	22300	187200	215000	87.07%	11	7/29/2019	Avg-
13150033CO03	120	167700	20000	187700	195000	96.26%	11	2/28/2019	Avg+
13150033CO04	120	183000	20000	203000	209500	96.90%	11	3/1/2019	Avg+
13163040	120	209900	25400	235300	236500	99.49%	11	3/26/2019	Avg
13167025	120	261700	21800	283500	287900	98.47%	11	7/2/2019	Avg+
13167106	120	367000	51900	418900	435000	96.30%	21	1/2/2019	G-
13168023	120	135200	14300	149500	155000	96.45%	11	1/17/2019	Avg-
13168039	120	176200	14300	190500	200000	95.25%	11	9/20/2019	Avg-
13172008	120	264000	23400	287400	299900	95.83%	21	10/25/2019	G





KENAI PENINSULA BOROUGH ASSESSING DEPARTMENT

055-330-09

2018

17117

36350 KIMBERLY DR

Card R01

ADMINISTRATIVE INFORMATION Neighborhood: 120 Central Peninsula-Kenai Property Class: 110 Residential Dwelling - single TAG: 58 - CENTRAL EMERGENCY SVS	LEGAL DESCRIPTION:	ACRES: 0.95	PRIMARY OWNER MARX DAWN PMB 388 35555 KENAI SPUR HWY SOLDOTNA, AK 99669-7625				
	T 5N R 11W SEC 23 Seward Meridian KN 0770069 HALL SUB RESUB OF TR A LOT 7		Residential Dwelling - single				
EXEMPTION INFORMATION Residential Exemption - Borough	VALUATION RECORD						
	Assessment Year	2013	2014	2015	2016	2017	WS 2018
	Land	19,500	19,500	19,500	19,500	19,500	19,500
	Improvements	191,800	200,200	211,300	230,900	241,900	234,000
	Total	211,300	219,700	230,800	250,400	261,400	253,500

LAND DATA AND CALCULATIONS

Type	Method	Use	Acres	BaseRate	AdjRate	ExtValue	InfluenceCode - Description	\$ or %	AdjAmt	Value
Rural C	49 User Definable Land Formula		0.95	20,526	20,526	19,500	None			19,500
ASSESSED LAND VALUE (Rounded) :									0	19,500

MEMOS

Building Notes
8/09 ELECTRIC BB HEAT ALSO AR.

LAND INFLUENCES									
Community	Y	N	View	N	L	G	E	Street Access	
Gas			CCRs		Airstrip			Paved	Grv Maint Grv Unmain
Electric			HOA		For Sale			PLAT	TRAIL NONE
Public H2O			Hwy Fnt		Ag Right			WATERFRONT	
Public Sewer			Easement		Other			Ocean	River Lake
LAND TYPE	RR#20	OTHER:						Pond	Dedicated Boat Launch
TOPO	Steep	Ravine	Other		Wetlands				

02/15/2018

Last inspected 11/16/2017 by BA; Code: U; Data Entry by MIS

2018 Irsn: 17117

PHYSICAL CHARACTERISTICS

Style: BI-L FRAME

Occupancy: Single Family

Story Height: 0

Finished Area: 1,960

Attic: None

ROOFING

Material: Comp sh to 235#

Type: Gable

Framing: Std for class

Pitch: Low 4/12 or less

FOUNDATION

Footing: Normal for class

Walls: Cinder block

DORMERS

None

FLOORING

1.0 Plywd sub Base Allowance

L Slab None

EXTERIOR COVER

1.0 Wood siding

L Wood siding

INTERIOR WALLS

1.0 Normal for Class

L None

HEATING AND PLUMBING

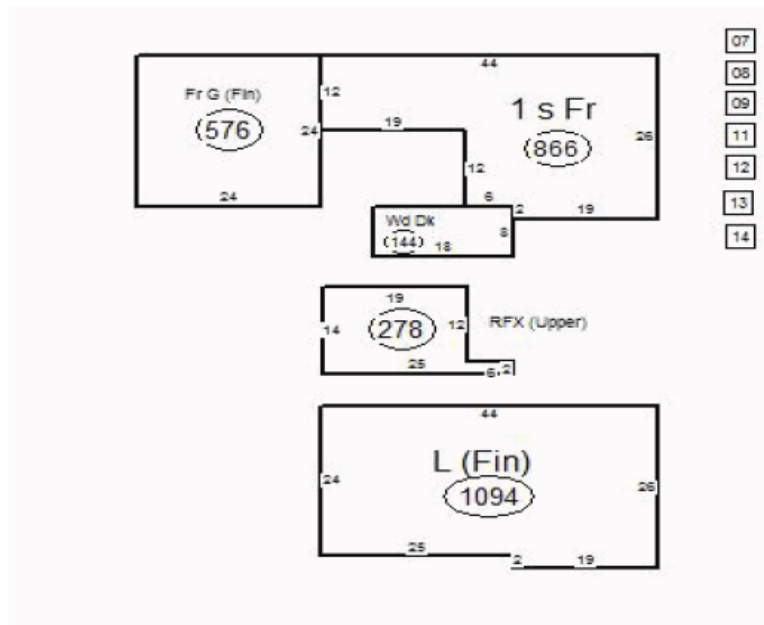
Primary Heat: Forced hot air

2-Fixt.Baths: 0 0 Kit sink: 1 1

3-Fixt.Baths: 2 6 Water Htr: 1 1

4-Fixt.Baths: 0 0 Extra fix: 0

5-Fixt.Baths: 0 0 TOTAL fix: 8



055-330-09 R01

R01

055-330-09

Construction	BaseArea	floor	FinArea	Value
Wood Frame	866	1.0	866	83,810
Concrete Blk	1094	L	1,094	28,520

TOTAL BASE 112,330

INTERIOR	Frame/Siding/Roof/Dormers	1,120
	Loft/Cathedral	0
	Interior finish	27,040
	Basement finish	0
	Heating	0
	Plumbing	7,860
	Fireplaces/woodstoves	3,525
	Other (Ex.Liv, AC, Attic, ...)	0
	TOTAL INT	39,545

Ext Features

Description	Att Garage	20,030
1 RFX/	Att Carport	0
2 WDDK	Bsmt Garages	0
	Ext Features	6,710

TOTAL GAR/EXT FEAT 26,740

SUB-TOTAL 178,615

Quality Class/Grade Avg+ 1.05

GRADE ADJUSTED VALUE (rounded) 187,550

SPECIAL FEATURES

Description	Improvement	Story or Ht	Grade	Yr.Blt. Const	Eff Const	Count	Base Rate	Adj Rate	W	L	Size/ Area	Comp Value	Pys Depr	Obs Depr	Fnc Depr	RDF	Loc Adj	% Comp	Value
D 1FP	1	3,525.00																	
G02 1IF	576	7.91																	
07 1PRIVSEPT	1	6,000.00																	
07 1SWL-PRV	1	3,500.00																	
11 1D	396	-733.00																	
14 1H	864	2.25																	
14 1IF	864	5.34																	

SUMMARY OF IMPROVEMENTS

Improvement	Story or Ht	Grade	Yr.Blt Const	Eff Const	Count	Base Rate	Adj Rate	W	L	Size/ Area	Comp Value	Pys Depr	Obs Depr	Fnc Depr	RDF	Loc Adj	% Comp	Value
D DWELL	0	Avg+	1981	2000		0.00	0.00	0	0	0	187,550	19	0	0	100	134	100	203,600
G02 ATTGAR	0		0	0		26.86	34.77	24	24	576	20,030	0	0	0	0		100	0
07 SWL	0	Avg	3000	3000		0.00	0.00	0	0	1	9,500	0	0	0	0		100	9,500
08 DRIVE	0	Avg	3000	3000	1,500.00		1,500.00	0	0	1	1,500	0	0	0	0		100	1,500
09 SHEDGP	10	Low	1985	1993		17.52	11.39	6	8	48	550	80	0	0	0		100	100
11 FLATCP	0	F	1990	1997		13.09	13.09	11	36	396	4,450	79	0	0	0		100	900
12 GRNHSEFS	0	F	2009	2012		5.77	5.77	10	12	120	690	24	0	0	0		100	500
13 PAV	0	Avg	3000	3000		2.35	2.35	4	20	80	190	0	0	0	0		100	200
14 DETGAR	0	F	1990	1997		26.00	33.59	36	24	864	29,020	39	0	0	0		100	17,700

TOTAL IMPROVEMENT VALUE (for this card) 234,000



KENAI PENINSULA BOROUGH FIELD APPRAISAL DATA FORM

Parcel # 055-330-09 Cd # 1 of 1 Insp Date 11-16-17 Appraiser BA

STR. OVERRIDE VALUE

Redraw: Y N Reinspect: Y N Yr. Supp. Roll: Y N Insp Reason: U

Property Class	Occupancy	Type	Material	Quality
VA 100	Condo 140	Single Family	Condo	
VA(Lnd Imp) 105	AB 190	Duplex	Townhouse	
RS 110	CM VC 300	Triplex		
RS 112	CM(Lnd Imp) 305	4-6 Family	Yr Blt <u>1981</u>	
RC 120	CM 350	Multi-family	Eff Yr <u>2000</u>	
MH 130	LH VA 600	Other	Pct Comp. <u>100</u>	
MH (only) 131	LH (Lnd Imp) 605	Extra Living Units		
MH 132	Other	Designed	Converted	

Foundation	Roof	Roof Material	Heat	Plumbing
Footings	Type	Built up	Hot Water	Kitchen
Normal for class	Gable	CompSh to 235	No Heat	water htr
Piers - no wall	Gambrel	CompSh 240-260	Radiant Ceiling	2-fix 4-fixture
Mono slab	Flat or Shed	Comp Roll	Radiant Floor	3-fix 5-fixture
None	A-Frame	Metal	Electric BB	Extra fixtures
Foundation Walls	Complex	Other	Forced Air	No Plumbing
Formed Concrete	Pitch	Shake-sh med	Space Heater	Special Plumbing
Piers - no wall	Low to 4/12	Wood shingles		Hot Tub
Chemonite	Med 5/12 - 8/12	Features - Basement & Monitor		Sauna Bath (Interior)
Cinder block	High 9/12 & up	Bsmt Garage	1C 2C 3C	Whirlpool
Mono slab - no wall	None	Egress Win #	Monitor	Fireplaces
None		MH Found. (Lin Ft)		Fireplace (M) G

Exterior Detail	Interior Detail
Ext. Cover	Interior Walls
None	Norm. for class
Alum or Steel	None
Board & Batten	Log
Log Rustic	Panel A G
Log Solid	Plywood
Plywood (OSB)	Sheetrock
Stucco	Ceiling Finish
T-11 Economy	Norm. for class
Vinyl	Suspended
Wood	Acoustic Tile
Masonry Veneer	Plywood
Hard-Plank	Sheetrock
	Wood

SWL	LAND INFLUENCES
Cistern	Private Septic
Septic(3-4plex)	Sand Point
Crib	Spring
Septic (dup)	Private Water
	Sept(Holding)Tk
LT#	RC#2
RR#20	Other#
Community	Y N View
CCRs	Airstrip
HOA	For Sale
Hwy Fnt	Ag Rights
Public Sewer	Easement
Other	Other
TOPO	Sleep
Ravine	Other
Wetlands	Pond
Dedicated	BOAT Launch

LAND NOTES:

Code	Qual	Yr Blt	Eff Yr	Roof Mat.	Heat	Ext Cover	Size	Value

Code	Qual	Yr Blt	Eff Yr	Size	Value	Features
Del+Gar	F	1990	1997	24x36		JFH
Flot CP	F	1990	1997	11x36		Dir
Grn Hse	F	2009	2012	10x12		
Shed	L	1985	1993	6x8		
PAY				4x20		

NOTES:

KENAI PENINSULA BOROUGH FIELD APPRAISAL DATA FORM

Size Ranges →	Cabin = 0 - 500 s.f.				Cottage = 501 - 800 s.f.				Res. = 801 - infinity			
	mean = 70%		mean = 85%		mean = 100%		mean = 115%		mean = 135%		mean = 165%	
QUALITY	LOW 65 - 75%	#	FAIR 80 - 90%	#	AVERAGE 95 - 105%	#	GOOD 110 - 120%	#	VERY GOOD 125 - 145%	#	EXCELLENT 150 - 180%	#
FLOOR COVER	NONE or low grade on subfloor (no padding, etc)	2.25 2.10 1.95	Below average grade covering on Subfloor	2.70 2.55 2.40	Average builder-grade floor covering	3.15 3.00 2.85	10 - 20% above average grade floor covering	3.60 3.45 3.30	Very Good, upper-end floor coverings throughout	4.35 4.05 3.75	Excellent high-quality throughout	5.40 4.95 4.50
CABINETS & COUNTER TOPS	NONE or low grade (may be owner-built)	3.00 2.80 2.60	Below average commercial type	3.60 3.40 3.20	Average builder-grade	4.20 4.00 3.80	Upper end builder-grade quality (double vanities, etc)	4.80 4.60 4.40	Very Good cabinets and countertops (double vanities, etc)	5.80 5.40 5.00	Excellent high-quality throughout	7.20 6.80 6.00
KITCHEN APPLIANCES	NONE or low grade ROV only (no dishwasher, etc)	2.25 2.10 1.95	Below average builder-grade package	2.70 2.55 2.40	Average builder-grade package	3.15 3.00 2.85	Upper end builder-grade package	3.60 3.45 3.30	Very Good, high quality appliance package	4.35 4.05 3.75	Excellent high-quality throughout	5.40 4.95 4.50
FIXTURES Plumbing/Lighting	NONE or low grade	2.25 2.10 1.95	Lower grade commercial type fixtures	2.70 2.55 2.40	Builder-grade stock item fixtures	3.15 3.00 2.85	Upper end builder-grade fixtures	3.60 3.45 3.30	Very Good grade plumbing & lighting fixtures throughout	4.35 4.05 3.75	Excellent high-quality throughout	5.40 4.95 4.50
INTERIOR Door/Window Trim	NONE, owner-built or photo finish	1.50 1.40 1.30	Mahogany doors and photo finish trim	1.80 1.70 1.60	Average wood doors and trim	2.10 2.00 1.90	Above average quality doors and wood trim	2.40 2.30 2.20	Very Good quality custom doors and sculptured good wood trim	2.90 2.70 2.50	Excellent high-quality, exotic woods. Hand-finished unique designs	3.60 3.30 3.00
INTERIOR Partition Walls	NONE or Plywood/OSB	7.50 7.00 6.50	Below average paneling / sheetrock	9.00 8.50 8.00	Textured sheetrock and/or average paneling	10.5 10.0 9.50	Textured sheetrock with good quality wallpaper and/or wood paneling	12.0 11.5 11.0	High quality wallpaper, wood paneling and/or wainscoting, etc	14.5 13.5 12.5	Excellent high quality wallpaper, wood paneling and/or wainscoting, etc	18.0 16.5 15.0
CEILINGS	NONE, Plywood/OSB or below 8' height	3.75 3.50 3.25	Acoustic tile or sheetrock and full 8' ceiling height	4.50 4.25 4.00	Textured sheetrock & standard 8' ceiling height	5.25 5.00 4.75	Textured sheetrock 9' or 10' ceiling height. Vaulted or cathedral ceiling	6.00 5.75 5.50	Same as before but may include good wood paneling on open-beam ceiling	7.25 6.75 6.25	Same as before but may be unique in design, detail and effect	9.00 8.25 7.50
WINDOW FENESTRATION	Minimal single-pane low grade sliders or non-opening	15.0 14.0 13.0	Smaller than average sliding or crank-out w/storm windows	16.0 17.0 18.0	Ample average quality sliding or crank-out thermo pane	21.0 20.0 19.0	Good quality, larger than average. Some round, half-round, octagon, etc	24.0 23.0 22.0	Abundant Very Good quality windows (Low "E" reflective, etc)	29.0 27.0 25.0	Same as before but may be unique in design, detail and effect	36.0 33.0 30.0
OVERALL WORKMANSHIP	Low cost, poor quality workmanship and design. Below minimum standard. No design or detail	37.5 35.0 32.5	Below average workmanship but meets minimum standards. 2 X 4 construction. Minimal design	45.0 42.5 40.0	Average workmanship, meets or exceeds minimum standard. 2 X 6 construction	52.5 50.0 47.5	Above average workmanship with some attention to design and detail. 2 X 6 construction Energy Eff. Package	60.0 57.5 55.0	Very Good workmanship. Good attention to interior refinements and detail. exterior has some custom design and ornamentation	72.5 67.5 62.5	Excellent high quality workmanship, finishes and appointments and attention to detail. Unique in design, etc	90.0 82.5 75.0

Completion Estimate	%	Total
Plans Permits & Surveying	2	2
Water/Sewer Rough-in	2	4
Excavation, Forms, & Backfill	2	6
Foundation	8	14
Rough Framing	21	35
Windows & Exterior Doors	2	37
Roof Cover	3	40
Plumbing Rough-in	4	44
Insulation	1	45
Electrical Rough-in	6	51
Heating	5	56
Exterior Cover & Paint	6	62
Int. Drywall, Tape & Texture	8	70
Int. Cabinets, Doors, Trim Etc.	13	83
Plumbing Fixtures	5	88
Floor Covers	3	91
Built in Appliances	3	94
Light Fixtures & Finish Hardware	2	96
Painting & Decorating	4	100
Total Completion	100	

QUALITY				
CBN -	70% of P		G-	110%
CBN	80% of P		G	115%
CBN +	90% of P		G+	120%
P-	< 40%		VG-	125%
P	50%		VG	135%
P+	60%		VG+	145%
L-	65%		EX-	150%
L	70%		EX	155%
L+	75%		EX+	160%
F-	80%		HV-	185
F	85%		HV	190%
F+	90%		HV+	195%
A-	95%		HV#	200%+
A	100%			
A+ ✓	105%			

055-330-09

1.11

11-16-17 BA

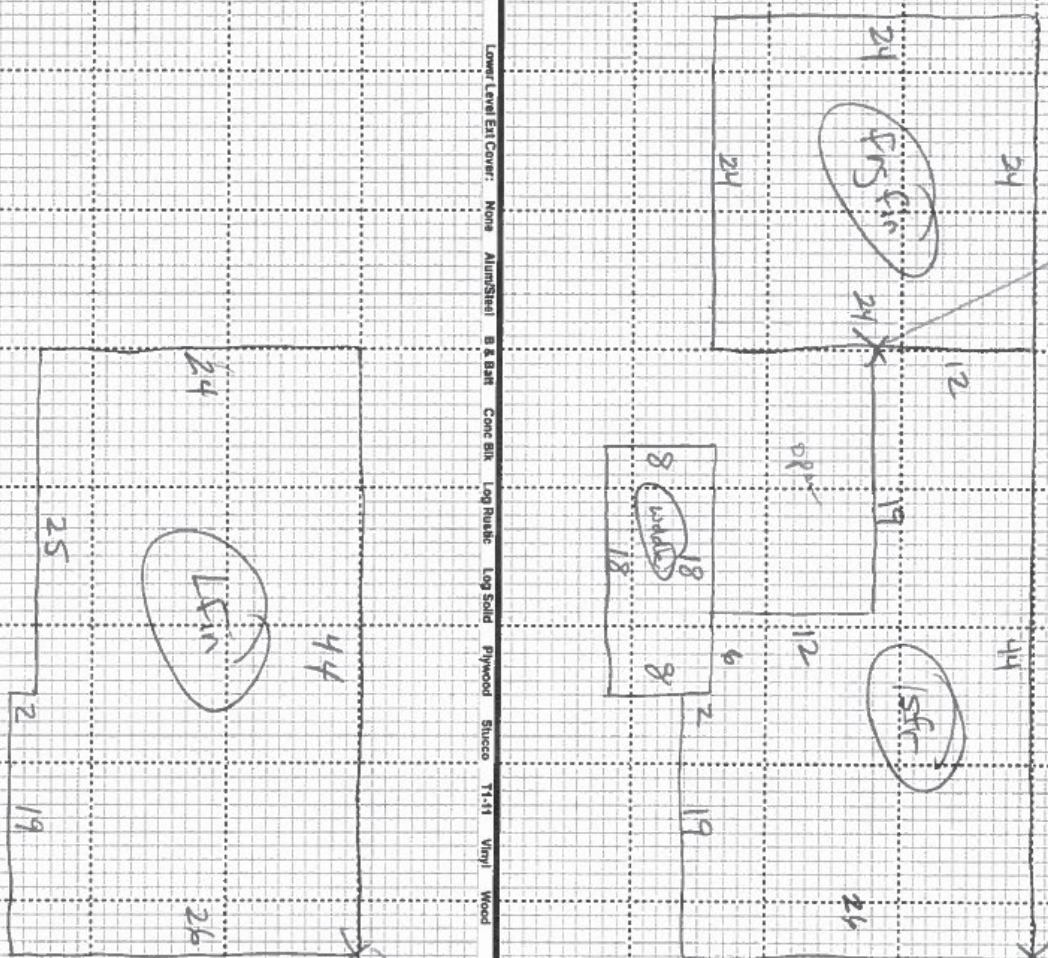
BELOW GRADE

Lower Level Wall Framing: Treated Wood Concrete Block Concrete

Lower Level Ext Cover: None Alum/Steel 8 & 8mm Conc Blk Log Rustic Log Solid Plywood Stucco T1-11 Vinyl Wood

LEVEL 1

LEVEL 2



This and the following four pages are taken from the current cost model. Note that the '4' represents average costs.

Printed: 03/12/2018

Model Serial Number: 2018

ProValuation Table Elements

Page: 12

*** Dwelling Base Value Elements and Modifiers ***

Valuation Method	
Improvement Type	
Quality Class	
Improvement Modifier	

<u>FEAT/RATE</u>	<u>FEATURES</u>	<u>RATE</u>
3		
PUPR-DORM-	5	0.00
	6	0.00
	7	0.00
	8	0.00
	9	0.00
PUPR-EXCOV-	1	0.00
	2	0.27
	3	1.35
	4	2.03
	5	5.24
	6	8.10
	7	0.00
	8	0.00
	9	0.00
<u>FLAT RATE / AREA</u>	<u>RATE</u>	
PUPR-SFFIN	34.21	
<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>
RECROOM-1	200	6.59
	2400	5.16
RECROOM-2	200	11.88
	2400	8.97
RECROOM-3	200	17.17
	2400	12.78
RECROOM-4	200	22.46
	2400	16.58
<u>FLAT RATE / AREA</u>	<u>RATE</u>	
SLAB-DEDUCT	0.00	
UNFIN-1ST	34.21	
UNFIN-FUPR	34.21	
WALKOUT	3.68	
<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>
1		
1ST-BASE-BR	600	102.67
	1600	87.99
1ST-BASE-FR	600	102.67
	1600	87.99
	1800	86.68
	2200	85.11
	3200	80.55
	1400	89.69
	800	97.79
	1000	94.73
	1200	91.78
	1800	86.68
	2200	85.11
	3200	80.55
<u>FEAT/RATE</u>	<u>FEATURES</u>	<u>RATE</u>
1ST-EXCOV-	1	0.00
	2	0.85
	3	3.92
	4	6.56
	5	15.65
	6	20.53
	7	0.00
	8	0.00
	9	0.00
1ST-RFMAT-	1	-1.57
	2	0.00
	3	0.00
	4	1.46
	5	2.45
	6	3.29
	7	6.31
	8	10.72
	9	16.63
<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>
3QTR-BASE-BR	600	30.76
	1600	22.29
	1800	21.57
	2200	20.71
	3200	18.33
	1400	23.24
	800	27.86
	1000	26.05
	1200	24.40

ProValuation Table Elements

Printed: 03/12/2018
Model Serial Number: 2018

Page: 13

*** Dwelling Base Value Elements and Modifiers ***

Valuation Method
Improvement Type
Quality Class
Improvement Modifier

<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>
4										
3QTR-BASE-FR	600	30.76	800	27.86	1000	26.05	1200	24.40	1400	23.24
	1600	22.29	1800	21.57	2200	20.71	3200	18.33		
<u>FEAT/RATE</u>	<u>FEATURES</u>				<u>RATE</u>					
3QTR-DORM-	1				132.00					
	2				154.00					
	3				0.00					
	4				0.00					
	5				0.00					
	6				0.00					
	7				0.00					
	8				0.00					
	9				0.00					
3QTR-EXCOV-	1				0.00					
	2				0.47					
	3				2.14					
	4				3.09					
	5				8.06					
	6				12.34					
	7				0.00					
	8				0.00					
	9				0.00					
<u>FLAT RATE / AREA</u>	<u>RATE</u>									
3QTR-SFFIN	37.17									
ANY-AC	2.59									
<u>FEAT/RATE</u>	<u>FEATURES</u>				<u>RATE</u>					
ANY-FLFIN-	1				-1.47					
	2				-0.52					
	3				0.00					
	4				1.23					
	5				3.73					
	6				6.63					
	7				9.29					
	8				13.66					
	9				29.87					
ANY-HEAT-	1				-2.70					
	2				-0.69					
	3				-0.62					
	4				0.00					
	5				1.87					
	6				3.36					
	7				12.59					
	8				-4.71					
	9				0.00					
<u>FLAT RATE / AREA</u>	<u>RATE</u>									
ATTC-SFFIN	25.33									
<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>
ATTC-UNFIN	600	10.72	800	9.72	1000	9.03	1200	8.56	1400	8.23
	1600	7.98	1800	7.78	2200	7.57	3200	7.10		
BASEMENT	600	24.24	800	22.74	1000	21.83	1200	20.94	1400	20.30
	1600	19.77	1800	19.36	2200	18.89	3200	17.48		
<u>FLAT RATE / AREA</u>	<u>RATE</u>									
BSMT-AC	2.59									
<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>
BSMT-FIN	200	32.00	400	28.20	800	24.94	1200	24.63	1600	24.48
	2400	23.64								

Valuation Method
Improvement Type
Quality Class
Improvement Modifier

169

ProValuation Table Elements										
Printed: 03/12/2018					Page: 15					
Model Serial Number: 2018										
					*** Dwelling Base Value Elements and Modifiers ***					
Valuation Method										
Improvement Type										
Quality Class										
Improvement Modifier										

Valuation Method
Improvement Type
Quality Class
Improvement Modifier

171

From property record card:

R01		055-330-09		
Construction	BaseArea	floor	FinArea	Value
Wood Frame	866	1.0	866	83,810
Concrete Blk	1094	L	1,094	28,520

From cost tables:

BREAKPOINT / RATE	AREA	RATE	AREA	RATE	AREA	RATE	AREA	RATE	AREA	RATE
4										
1ST-BASE-BR	600	102.67	800	97.79	1000	94.73	1200	91.78	1400	89.69
	1600	87.99	1800	86.68	2200	85.11	3200	80.55		
1ST-BASE-FR	600	102.67	800	97.79	1000	94.73	1200	91.78	1400	89.69
	1600	87.99	1800	86.68	2200	85.11	3200	80.55		

The finished area of 866 sq. ft. for the above grade level is between the area of 800 and 1000 in the cost tables so it interpolates between the rate at 800 of 97.79, and the rate at 1000 of 94.73. Then it rounds to the nearest 10. ($96.77 \times 866 = 83,811.48$ rounded to 83,810.)

R01		055-330-09		
Construction	BaseArea	floor	FinArea	Value
Wood Frame	866	1.0	866	83,810
Concrete Blk	1094	L	1,094	28,520

LOWR-BASE-FR	600	30.23	800	28.00	1000	26.66	1200	25.41	1400	24.52
	1600	23.79	1800	23.23	2200	22.57	3200	20.71	0	0.00

The base area of 1094 sq. ft. for the lower level is between the area of 1000 and 1200 in the cost tables so it interpolates between the rate at 1000 of 26.66, and the rate at 1200 of 25.41. Then it rounds to the nearest 10. ($26.07 \times 1094 = 28,520.58$ rounded to 28,520.) Value for interior lower level finish is added later.

From property
record card:

EXTERIOR COVER

1.0 Wood siding

L Wood siding

From within the tables:

Outbuildings Characteristic Codes Land Types			
Table: Exterior Cover			
Code	Description	Group	GRM Link
U4	Stucco or wood	2	
T2	T 111 plywood	1	
T3	T 111 plywood-better	1	
✓ T1*	T 111 plywood-economy	1	
T5	Till lap	1	
T6	Tin	1	
V2	Vinyl siding	2	
✓ V3	Vinyl siding-better	2	
✓ V1	Vinyl siding-economy	1	
✓ B	Wood board & batten	1	
BB	Wood board & batten - better	2	
BE	Wood board & batten - economy	1	
WS	Wood shake	2	
✓ W2	Wood siding	2	
W3	Wood siding-better	2	
WC	Wood siding-cedar	3	
WB	Wood siding-clapboards	2	

Note that wood siding is in group 2 which resides within the ProVal characteristic codes. Different siding groups will have different valuation adjustments depending on the grade/quality of the structure being valued. For example, wood siding is less typical in an Average quality structure so it will have a positive factor, but in a Good quality home it is more typical, therefore it is already factored into the base rates and may make little to no adjustment.

INTERIOR	Frame/Siding/Roof/Dormers	1,120
	Loft/Cathedral	0
	Interior finish	27,040
	Basement finish	0
	Heating	0
	Plumbing	7,860
	Fireplaces/woodstoves	3,525
	Other (Ex.Liv, AC, Attic, ...)	0
	TOTAL INT	39,545

FEAT/RATE	FEATURES	RATE
IST-EXCOV-	1	0.00
	2	0.85

FEAT/RATE	FEATURES	RATE
LOWR-EXCOV-	1	0.00
	2	0.35

Above grade sq ft of $866 \times 0.85 = 736$.
 Lower level sq ft of $1094 \times .35 = 383$
 $736 + 383 = 1,119$ or 1,120 rounded.

From property
record card:

INTERIOR	Frame/Siding/Roof/Dormers	1,120
	Loft/Cathedral	0
	Interior finish	27,040
	Basement finish	0
	Heating	0
	Plumbing	7,860
	Fireplaces/woodstoves	3,525
	Other (Ex.Liv, AC, Attic, ...)	0
	TOTAL INT	39,545

Lower Level interior finish from cost tables:

<u>BREAKPOINT / RATE</u>		<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>
4	LOWR-SFFIN	200	32.00	400	28.20	800	24.94	1200	24.63	1600	24.48
		2400	23.64								

Lower level sq ft of 1094 x 24.71 (interpolated) = 27,035 or 27,040 rounded.

From property
record card:

INTERIOR	Frame/Siding/Roof/Dormers	1,120
	Loft/Cathedral	0
	Interior finish	27,040
	Basement finish	0
	Heating	0
	Plumbing	7,860
	Fireplaces/woodstoves	3,525
	Other (Ex.Liv, AC, Attic, ...)	0
	TOTAL INT	39,545

From cost tables:

<i>DWELL-4</i>	Bar sink	690
	Tub - no shower	1110
	Bidet	1170
	Full bath	3930
	FB4	5240
	FB5	6550
	FBSSWDR	2225
	Generic fixture	1205
	Shower/tub door	320
	Garden Tub	4475
	Half bath	2620

Full bath count of $2 \times 3,930 = 7,860$.

HEATING AND PLUMBING

Primary Heat: Forced hot air

2-Fixt.Baths:	0	0	Kit sink:	1	1
3-Fixt.Baths:	2	6	Water Htr:	1	1
4-Fixt.Baths:	0	0	Extra fix:	0	
5-Fixt.Baths:	0	0	TOTAL fix:	8	

SPECIAL FEATURES

Description

0	1FP	1	3,525.00
---	-----	---	----------

<i>DWELL-4</i>	1 Story designed fireplace	9100
	1s Inside masonry chimney	860
	1s Outside masonry chimney	860
	1s Steel Flue	425
	2s Inside masonry chimney	1650
	2s Outside masonry chimney	1650
	2s Steel Flue	850
	Fireplace	3525
	Fireplace - gas	2100
	Masonry fireplace	3525
	Masonry 2s stacked fireplace	5795
	Masonry double fireplace	4935
	Steel fireplace (IN)	1800
	Wood Stove	1250

One masonry fireplace at 3,525.

From property record card:

Ext Features		GARAGES	
Description		Att Garage	20,030
1 RFX/	4,410	Att Carport	0
2 WDDK	2,300	Bsmt Garages	0
		Ext Features	6,710
TOTAL GAR/EXT FEAT			26,740
SUB-TOTAL			178,615
Quality Class/Grade			Avg+ 1.05
GRADE ADJUSTED VALUE (rounded)			187,550

From cost tables:

<u>BREAKPOINT / RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>	<u>AREA</u>	<u>RATE</u>
4										
BRICK	200	38.03	400	30.48	600	28.80	800	27.25	1000	25.89
	0	0.00								
FRAME	200	34.42	400	28.00	600	26.70	800	25.33	1000	24.07
	0	0.00								
<u>FEAT/COST</u>	<u>FEATURES</u>		<u>VALUE</u>							
addfeat	Automatic Garage Door Opener		570							
	No door, double		-900							
	No door, single		-600							
<u>FEAT/RATE</u>	<u>FEATURES</u>		<u>RATE</u>							
modbase	Asphalt floor		-1.57							
	Interior finish - liv qual		36.21							
	Interior finish - apart. qual		36.21							
	Interior finish - rec. qual.		18.45							
	Interior finish - minimum		18.45							
	Gravel floor		-2.20							
	Roof bar tile concrete		1.40							
	Roof comp, roll cover		-1.20							
	Roof comp shingle heavy		0.45							
	Roof clay tile		1.70							
	Roof wood shingle cedar		0.55							
	GRFWSM		0.55							
	Heating		2.25							
	Interior finish		7.91							

Base garage cost at 576 sq ft x 26.86 (interpolated) = 15,471.36.

Add for garage interior finish at 576 sq ft x 7.91 = 4,556.16.

Total is 15,471.36 + 4,556.16 = 20,027.52 or 20,030 rounded.

Exterior features such as decks, roof extensions, etc., have their own cost tables in place but not included here.

From property record card:

Ext Features		GARAGES	
Description			
1 RFX/	4,410	Att Garage	20,030
2 WDDK	2,300	Att Carport	0
		Bsmt Garages	0
		Ext Features	6,710
TOTAL GAR/EXT FEAT			26,740
SUB-TOTAL			178,615
Quality Class/Grade		Avg+	1.05
GRADE ADJUSTED VALUE (rounded)			187,550

A grade factor of 105% is applied to adjust the Average quality base costs upward by 5% for the property having some attributes that are slightly above average.

Avg-	42	95
Avg	45	100
Avg+	48	105

Base costs sub-total of 178,615 x 1.05
(grade factor) = 187,545.75 or
187,550 rounded.

From property record card:

Grade Adjusted Value from previous screen.

SUMMARY OF IMPROVEMENTS																		
Improvement	Story or Ht	Grade	Yr.Blt. Const	Eff Const	Count	Base Rate	Adj Rate	W	L	Size/ Area	Comp Value	Pys Depr	Obs Depr	Fnc Depr	RDF	Loc Adj	% Comp	Value
D DWELL	0	Avg+	1981	2000		0.00	0.00	0	0	0	187,550	19	0	0	100	134	100	203,600

Physical Depreciation from depreciation table for dwellings. Derived from Marshall & Swift and statistically tested through various sales analyses.

AGE	DEPR	AGE	DEPR	AGE	DEPR	AGE	DEPR	AGE	DEPR
0	0	1	1	2	2	3	2	4	3
5	4	6	5	7	6	8	7	9	8
10	9	11	10	12	11	13	12	14	13
15	15	16	16	17	17	18	19	19	20
20	21	21	22	22	23	23	24	24	26
25	27	26	29	27	31	28	33	29	34
30	36	31	38	32	40	33	42	34	44
35	45	36	47	37	49	38	51	39	53
40	55	41	57	42	59	43	60	44	62
45	63	46	65	47	66	48	68	49	69
50	71	51	72	52	73	53	75	54	76
55	77	56	78	57	78	58	79	59	79
60	80	999	80						

Location Adjustment also known as the House Type Factor. Derived through value calibration analysis to bring the median sales ratio for this house type to 100% as required by State Statute, mentioned elsewhere in today's presentations.

Grade Adjusted Value x .81 (less depr of 19%) x 1.34 (Loc Adj) x 1 (% Comp) = Value

187,550

x .81

x 1.34

x 1

=203,600 Rounded

RCN (REPLACEMENT COST NEW)	D (DEPRECIATION)
RDF (RELATIVE DESIRABILITY FACTOR)	LOC ADJ (LOCATION ADJUSTMENT)
PC (PERCENT COMPLETE)	RCNLDI (REPLACEMENT COST NEW LESS DEPRECIATION FOR ADDTL IMPROVEMENTS)
LV (LAND VALUE)	MV (MARKET VALUE)

Comp Value	Pys Depr	Obs Depr	Fnc Depr	RDF	Loc Adj	% Comp	Value
187,550	19	0	0	100	134	100	203,600

ADDTL IMPS

9,500

1,500

100

900

500

200

17,700

WS 2018

19,500

253,500

THE FORMULA FOR THE MARKET VALUE IS:

$$MV = ((RCN - D) \times RDF \times LOC ADJ \times PC) + RCNLDI + LV$$

$$\begin{aligned}
 &((187,550 - 35,635) \times 1 \times 1.34 \times 1) + 30,400 + 19,500 = 253,500 \\
 &(151,915 \times 1.34) + 49,900 = 253,500 \\
 &\$203,600 RD + \$49,900 = \$253,500 \text{ ROUNDED}
 \end{aligned}$$

KENAI PENINSULA BOROUGH

2020

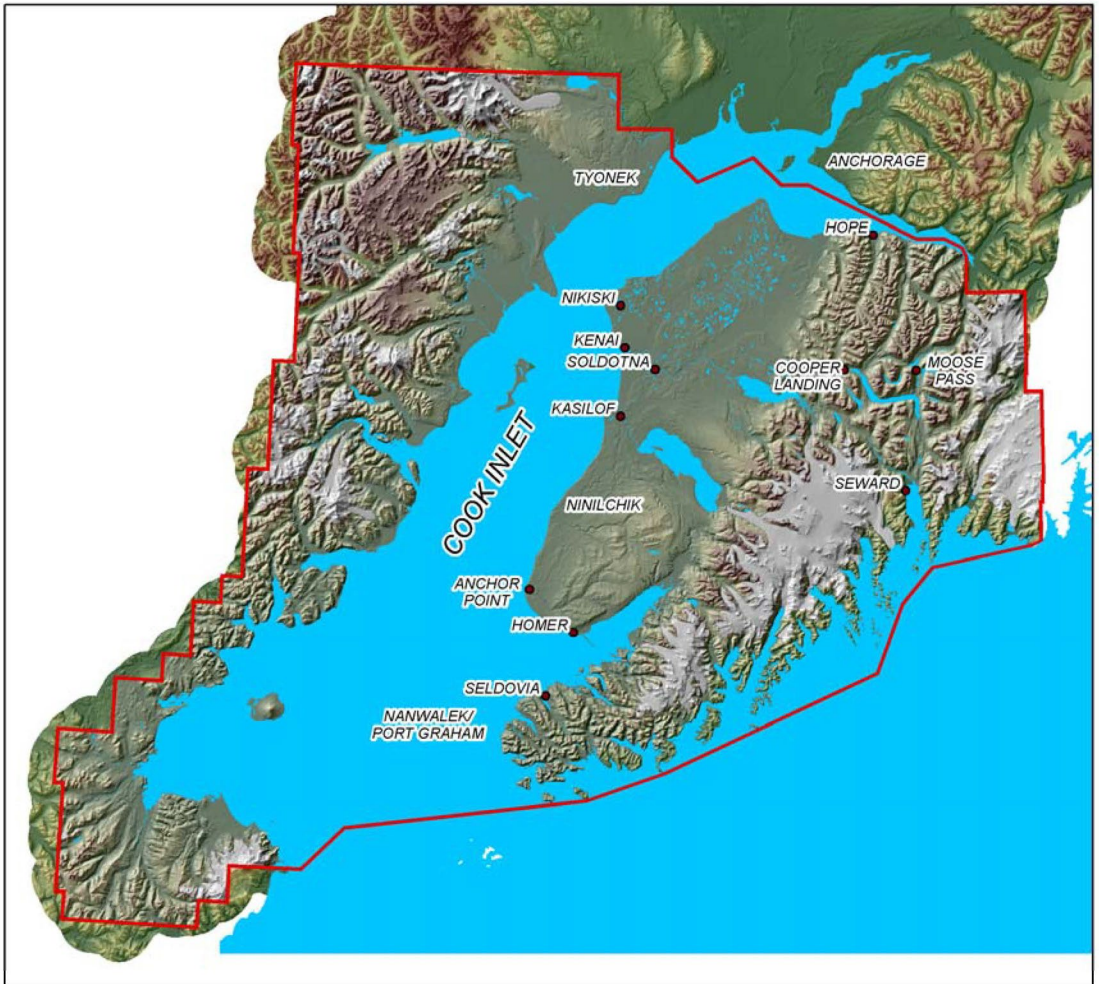
BOARD OF EQUALIZATION

INFORMATION

PACKET

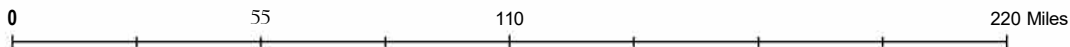
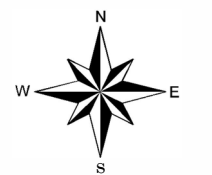
April, 2020

Prepared by the Assessing Department



KENAI PENINSULA BOROUGH

TOTAL AREA: 25,600 SQUARE MILES



THE ASSESSMENT FUNCTION

In order for local governments to function, they must be able to generate revenue to pay for the services they provide. They can employ a number of different mechanisms to do this as authorized by law, which may include property tax, sales tax, severance tax and fees, just to name a few. For many municipalities, the primary source for this revenue is the property tax, which typically has the advantage of being a very stable source of revenue. The property tax is an ad valorem tax, that is, a tax levied according to value. An ad valorem or property tax is based upon the principle that the amount of tax paid should depend on the value of the property owned.

It is hard to overstate the importance of assessors to the administration of the property tax and, indirectly, the vitality of local governments. Assessed values determine the distribution of property tax levies among taxpayers, and only if these values are correct will tax limits, debt limits, and the distribution of state aid to municipalities be as the legislature intended.

The primary responsibility of the assessor is to ensure that valuations used for property tax purposes are accurate so that the property tax which is levied on those values is fair and equitable to all property owners. The assessor is also responsible to all property owners in ensuring that no property escapes the assessment process, thus shifting the tax burden unfairly to other property owners.

A summary of the duties of the assessor, which is common in most states, is contained in the following list.

1. Locate and identify all property in the jurisdiction.
2. Obtain copies of recorded documents to ascertain the ownership of property.
3. Inventory of all taxable property, including quantity, quality, and important property characteristics.
4. Determination of the extent of taxability of each property.
5. Estimation and calculation of the market value of each taxable property.
6. Notification to property owners of the assessed value of their property.
7. Appearance and defense of the assessed values before the Board of Equalization, upon appeal by the property owner.
8. Preparation and certification of the assessment roll of the entire jurisdiction.
9. The Assessment Process is repeated annually.

RELEVANT ALASKA STATUTES

Sec. 29.45.110. Full and true value.

(a) The assessor shall assess property at its full and true value as of January 1 of the assessment year. The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels.

Market Value

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in an open and competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.
(Appraisal of Real Estate 11th Edition - Appraisal Institute)

Sec. 29.45.160. Assessment roll.

(a) The assessor shall prepare an annual assessment roll. The roll shall contain

1. a description of all taxable property;
2. the assessed value of the taxable property;
3. the names and addresses of persons with property subject to assessment and taxation.

(b) The assessor may list real property by any description that may be made certain. Real property is assessed to the record owner. The district recorder shall at least monthly provide the assessor a copy of each recorded change of ownership showing the name and mailing address of the owner and the name and mailing address of the person recording the change of ownership. Other persons having an interest in the property may be listed on the assessment records with the owner. The person in whose name property is listed as owner is conclusively presumed to be the legal record owner. If the property owner is unknown, the property may be assessed to "unknown owner". An assessment is not invalidated by a mistake, omission, or error in the name of the owner, if the property is correctly described.

Sec. 29.45.190. Appeal. whose name appears on the assessment roll or the agent or assigns of the person may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the taxpayer's satisfaction.

- (b) The appellant shall, within 30 days after the date of mailing of notice of assessment, submit to the assessor a written appeal specifying grounds in the form that the board of equalization may require. Otherwise, the right of appeal ceases unless the board of equalization finds that the taxpayer was unable to comply.
- (c) The assessor shall notify an appellant by mail of the time and place of hearing.
- (d) The assessor shall prepare for use by the board of equalization a summary of assessment data relating to each assessment that is appealed.
- (e) A city in a borough may appeal an assessment to the borough board of equalization in the same manner as a taxpayer. Within five days after receipt of the appeal, the assessor shall notify the person whose property assessment is being appealed by the city.

RELEVANT ALASKA STATUTES (cont.)

Sec. 29.45.210. Hearing.

(b) The appellant bears the burden of proof. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.

Sec. 29.45.290 Validity.

Certified assessment and tax rolls are valid and binding on all persons, notwithstanding a defect, error, omission, or invalidity in the assessment rolls or proceedings pertaining to the assessment roll.

RELEVANT KENAI PENINSULA BOROUGH ORDINANCES

5.12.060 (P)

P. The burden of proof is on the appellant. The only grounds for the board to adjust the assessment are proof of unequal, excessive, improper, or under valuation, based on facts proven at the appeal hearing. The board may not alter the assessment of a property unless a timely written appeal has been filed concerning the property. If an appellant has refused or failed to provide the assessor or the assessor's agent full access to property or records related to assessment of the property, upon notice from the assessor to the appellant and the clerk, the appellant shall be precluded from offering evidence on the issue or issues affected by that lack of access. Before a ruling is issued on the admissibility of such evidence, the appellant shall be provided with a reasonable opportunity by the board chair to present its case as to why this sanction should not be imposed, and the assessor shall have a reasonable opportunity to respond.

KPB ASSESSOR'S POLICY STATEMENT

As a matter of policy and in an attempt to be transparent, the Assessing Department goes to great lengths to demonstrate the steps taken to arrive at market values by showing qualified sales in ratio studies, quality charts, sketches, measuring techniques, accounting for damage to structures, explaining market research, etc.

THE APPRAISAL PROCESS

There are three recognized approaches to valuing properties in the appraisal process. These are the **Cost Approach**, **Income Approach** and the **Comparable Sales Approach**. Not all three approaches to value are relevant and useful in the valuation of all properties. For instance, the cost approach is not applicable in the valuation of vacant land. The comparable sales approach may be eliminated in the valuation of a zoo, where no sales information is available. The following is a brief description of the steps in each approach.

- 1) **Cost Approach:** The cost approach is based upon the idea that the value of a property is the value of the land plus the replacement cost of the improvements less depreciation. The economic principle of substitution is pertinent in this approach. It is based upon the assumption that the value of the property equals the cost of acquiring an equally desirable substitute property.
- 2) **Sales Comparison Approach:** The sales comparison (or comparable sales) approach uses sales prices as evidence of the value of similar properties. The price at which a particular property sells is the point at which the prevailing supply and demand curves intersect in the market place. Because no two real properties are exactly alike, systematic methods must be used to adjust the prices of sold properties (referred to as comparables) to match the characteristics of the property being appraised (the subject). When properly measured, these adjustments reflect the reactions of buyers and sellers in the market place. Like the cost approach, this approach also is consistent with the economic principle of substitution, whereby a purchaser, acting prudently, will not pay more for a property than the cost of acquiring an equally desirable substitute in the market place.
- 3) **Income Approach:** The economic principle of substitution is also the foundation of the income approach. The market value of a given property will not be greater than the investment required to produce an equivalent income stream from an alternate investment of similar risk. This approach reflects the present worth of future benefits expected to be derived from ownership. Direct capitalization uses a market-derived capitalization rate to convert a single year's net operating income into an estimate of a property's market value. Another method, discounted cash flow, uses capitalization rates to convert all anticipated future cash flows to net present value.

* A borough has discretion to appraise by whatever recognized method of valuation it chooses, so long as there is no fraud or clear adoption of a fundamentally wrong principal of valuation. Hoblitt v. Greater Anchorage Area Borough, Sup. Ct. Op. No. 636 (File No. 1214), 473 P.2d 630 (Alaska 1970).

Appraisal Terminology

Sales Ratio - The assessed value of the property divided by the sales price.

Formula		Example	
<u>Assessed Value</u>		<u>\$ 100,000</u>	
Sales price	= Sales Ratio	\$ 103,000	= 97%

Comparable Sales – Recently sold properties that are similar to the Subject property in location, size, quality, and time of sale.

Qualified Sales – Current sales that have been analyzed and determined to meet the conditions an arm's length transaction. Improved qualified sales have been reinspected and all features have been verified in the CAMA System.

Market Value The most probable price which a property should bring in an open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably with a reasonable time allowed for exposure in the open market, and assuming the price is not affected by undue stimulus.

CAMA System – Computer-Assisted Mass Appraisal System. Property data is gathered and entered into the computerized database which calculates property values based on market models calibrated to the local real estate market.

Depreciation – Accrued loss in property value relative to its replacement cost new, due to physical deterioration and functional or economic obsolescence.

Physical Depreciation – Loss of value due to wear and tear.

Functional Obsolescence – Loss of value in a property resulting from poor or inappropriate design, preferences, technical innovations, or market standards.

External/Economic Obsolescence Loss of value in a property that stems from factors outside the property.

Effective Age – The age indicated by the condition and utility of a structure.

Median Ratio The median ratio is the middle ratio when the ratios are arrayed in order of magnitude. If there is an even number of ratios, the median is the average of the two middle ratios. The median always divides the data into two equal parts and is less affected by extreme ratios than the other measures of central tendency. Because of these properties, the median is the generally preferred measure of central tendency for evaluating overall appraisal level, determining reappraisal priorities, or evaluating the need for a reappraisal.

Appraisal Terminology (cont)

COD (Coefficient of Dispersion) The most generally useful measure of variability or uniformity is the COD.

The COD measures the average percentage deviation of the ratios from the median ratio. The COD has the desirable feature that its interpretation does *not* depend on the assumption that the ratios are normally distributed. In general, more than half the ratios fall within one COD of the median. The COD should not be calculated about the mean ratio.

PRD (Price Related Differential) One form of inequity can be systematic differences in the appraisal of low- and high-value properties, termed “vertical” inequities. When low-value properties are appraised at greater percentages of market value than high-value properties, assessment *regressivity* is indicated. When low-value properties are appraised at smaller percentages of market value than high-value properties, assessment *progressivity* is the result. Appraisals made for tax purposes of course should be neither regressive nor progressive. An index statistic for measuring vertical equity is the PRD, which is calculated by dividing the mean ratio by the weighted mean ratio. This statistic should be close to 1.00. Measures considerably above 1.00 tend to indicate assessment regressivity; measures below 1.00 suggest assessment progressivity. When samples are small or the weighted mean is heavily influenced by several extreme sales prices, the PRD may not be a sufficiently reliable measure of vertical inequities. A scatter plot of ratios versus appraised values or sale prices is a useful diagnostic tool. A downward (or upward) trend to the data indicates systematic regressivity (or progressivity). Assuming representativeness, high PRDs generally indicate low appraisals on high-priced properties. If not sufficiently representative, extreme sales prices can be excluded in calculation of the PRD. Similarly, when samples are very large, the PRD may be too insensitive to show small pockets in which there is significant vertical inequity.

The following table is taken from the IAAO Standard On Ratio Studies and is a guideline for acceptable statistical measures:

Table 1-3. Ratio Study Uniformity Standards indicating acceptable general quality*

Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

These types of property are provided for guidance only and may not represent jurisdictional requirements.

** Appraisal level for each type of property shown should be between 0.90 and 1.10, unless stricter local standards are required.*

PRD's for each type of property should be between 0.98 and 1.03 to demonstrate vertical equity.

PRD standards are not absolute and may be less meaningful when samples are small or when wide variation in prices exist.

In such cases, statistical tests of vertical equity hypotheses should be substituted (see table 1-2).

*** CODs lower than 5.0 may indicate sales chasing or non-representative samples.*

RESIDENTIAL CODES (House Types)

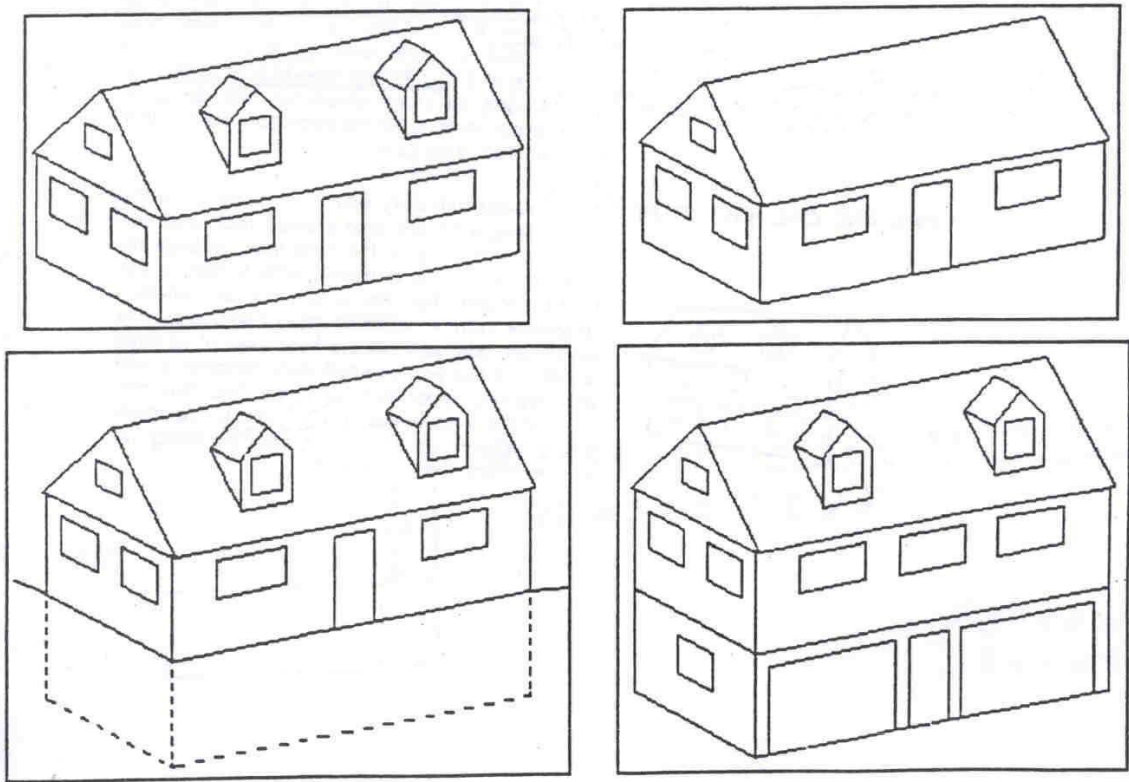
1 L	1 Level Above Grade 801 s/f +
2 +L	2 Or More Levels Above Grade 801 s/f +
BI-L	Bi-Level/Split Foyer 801 s/f +
1 1/2 L	1 ½ or 1 ¾ Stories Above Grade 801 s/f +
SPLIT/TRI-L	Split Level 801 s/f +
CABIN	Very Small—0 to 500 s/f Above Grade
COTTAGE 1 L	Small—501-800 s/f 1 Level Above Grade
COTTAGE MULTI L	Same as Cottage 1 L Except Has More Than 1 Level Above Grade
DUPLEX	Designed As Two Units Built As One Building (Usually Side By Side)
TWN END	Townhouse Style End Unit
TWN INT	Townhouse Style Interior Unit
MULTI-FAMILY	Tri Plex to Four Plex Buildings
MHS	Single Wide Manufactured Home
MHD	Double Wide Manufactured Home
AOG	An upper ½ Story or an upper ¾ Story over a detached garage when the living area is finished out.

Residential Type/Class Description

1 ½ L

One and One-Half Story

One and One-Half Story residences have two levels of living area normally characterized by a steep roof slope and/or dormers. Or, when any portion of the roof slope is part of the exterior wall resulting in less than an 8-foot wall height. A ½ story code is used when this upper living area is accessed by an interior stairway of standard width, slope, and headroom. If no dormers or “pony” walls are present and the upper living area is accessed by a pull-down or stationary ladder, or by a stairway not meeting minimum building code specifications, then an A(Fin) or A code for finished or unfinished attics should be used.

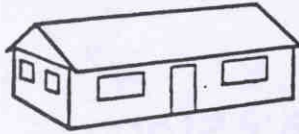


Kenai Peninsula Borough Assessing Dept.

SQUARE FOOT METHOD

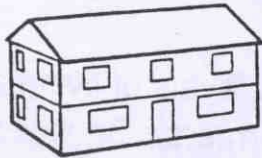
SINGLE FAMILY, DETACHED

ONE STORY:



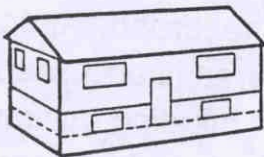
One-story residences have one level of living area. The roof structure has a medium slope. The attic space is limited and is not intended for living area.

TWO STORY:



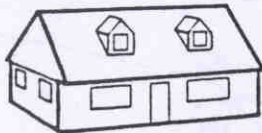
Two-story residences have two levels of finished living area. The area of each floor is approximately the same. The roof structure has a medium slope. The attic space is limited and is not designed for usable living area.

TWO STORY BI-LEVEL:



Two-story, bi-level (raised ranch) residences have two levels of living area, but unlike a conventional two story, the lower level, which may be partially below grade, is partially unfinished. A distinguishing characteristic is its split-foyer entry. Enter the cost table with the square footage of the above-grade floor area only. For the lower level use the appropriate cost (type and square footage) from the Basement cost table and add for the amount of finish.

ONE AND ONE HALF STORY:



One-and-one-half-story residences have two levels of living area. Characterized by a steep roof slope and dormers, the area of the upper level, whether finished or unfinished, is usually 40% to 60% of the lower level. For one-and-one-half-story residences with a finished upper level, enter the respective cost table at the total floor area of both levels. For one-and-one-half-story residences with an unfinished upper level, enter the applicable cost table at the first floor area only.



TWO AND ONE HALF STORY:



Two-and-one-half-story residences have three levels of living area and also a steep roof slope with dormers. The area of the third floor, whether finished or unfinished, is usually 40% to 60% of that of the second floor. For a two-and-one-half-story residence with a finished upper level, enter the respective cost table at the floor area of all three levels. For two-and-one-half-story residences with an unfinished upper level, enter the Two Story cost table at the area of the first two levels, and make the necessary cost adjustment from the Basic Description name for that quality.

Building Levels

Basements--Below grade but not "L" or Lower Levels (See below). Coded B on sketch. If it has a walkout feature code it as B-wo. If the basement is finished, code as B-wo (Fin). If no walkout but it is finished living area, code as B (Fin). Different areas of the basement can be drawn separately if needed to distinguish between finished and unfinished. Also, you can put % finished on the drawing for a basement that will eventually be finished living area but has yet to be completed. On new homes, it is best to put the basement area as 100% finished living area, but consider the fact that it is not complete in the overall percent complete box. On older homes or those where the above grade levels are complete and the basement is yet to be completed, show the percent complete box for the house as 100% but reflect the level of finished area for the basement on the sketch. For instance, you could just show the basement as B and not have any finish if no finish work has been done. Or you could show it as "B (Fin) 50%" if half of its area is finished living area or if all of its area will be finished living area but it is currently half complete.

Egress Windows--Add the number of egress windows except on those basements that have a walkout feature. If the basement does have a walkout feature but also has an additional exposed side or sides, the egress windows on the additional side, or sides, can be added up and put on the inspection sheet. DO NOT add egress windows on "L" levels.

Lower Levels—Coded as "L" on the sketch. Below grade but approximately only half way. Typically for split foyer entry or Split/Tri Level house types. If you have any hesitation about calling it an "L" level, it probably should be ran as a "B" level. Those basements that have a half submerged basement but not a split foyer entry should be ran as "B" (see above) and add for egress windows.

1SFR--Normally the level of the house that is at grade. It is an abbreviation for 1 story frame. If the house has masonry framing such as cinderblock, you would label the sketch as 1S MAS.

1SFR Upper--Any upper levels with full exterior wall height.

½ SFR Upper--Upper half story. Upper ½ stories currently default to 60% finished living area. If you feel the finished area of an upper ½ story has more or less than 60% finished living area, you can reflect that as well. Some houses will be better classified this way rather than giving them an attic or loft. Attics and lofts are mentioned below. If you need to reflect the percentage of finished area as something other than the default of 60% on the upper half, just write that percentage on the sketch. When you have the file returned to you, check to be sure the input was done correctly. You will need to calculate what the finished area would be and check that against ProVal. Add dormers that have flooring in them accordingly. Do not add additional finished living area for the dormers as this is calculated in the dormer value. Code the drawing as "½ SFR Upper" and measure to the extent of the floored area.

¾ SFR Upper-- An upper level characterized by a full 8' wall height along one side of the upper level with the other side being sloped like an upper half story. The upper ¾ story can also have the roof slope on both sides like an upper half story, but the exterior walls are built up 3 to 5 feet. The default percent finished on these is 80%. This can be overridden if the appraiser feels there is more or less finished living area. Dormers can be added to this level as well. Do not add additional finished living area for the dormers as this is calculated in the dormer value. Code the drawing as "¾ SFR Upper" and measure to the extent of the floored area.

Building Levels cont.

Attic—Upstairs area that has limited access and headroom. Code the drawing as “A” and measure to the full extent of the base area beneath it. Access will be limited such as a steep or narrow stairwell. Most of these attics were not originally designed to be accessible area. If the area has finish, code the sketch as “A (Fin)”. The default percentage for attics is 50%. If you had a 20 x 20 area that is finished attic for example, it is calculated that 50% or 200 square feet would be finished area. This is accounting for the fact that the attic will have limited headroom. As with upper half stories, if you feel that the finished area is different than 50%, you can write that on the sketch. Be sure to double-check to make sure it was entered correctly. Attics are not considered a level for classifying the house type.

Loft—Upstairs area that has limited access and headroom. Coded on the sketch as “Loft (Upper)”. Keep in mind that lofts value the least of any upper level. This code is best used when there is a sleeping loft usually accessed by a ladder. At present, there is no way to add and value any finish in a Loft. Lofts are not considered a level for classifying the house type.

Stairwells—Do not exclude stairwells from the sketch. Rather, sketch them as a part of the upper floor levels

Crawl—Although not technically a building level, ProVal will deduct value if a house is not sketched as having a crawl space. This is typical with houses that are built on a slab (1SFR/S) or for houses that are built on piers or with no foundation (just 1SFR). The determining factor is not the height of the crawl space but whether or not it has a stemwall. In extreme cases, there may be a short stemwall but the crawl space is so short as to be unusable. In these instances, sketch the house as having a crawl space, but consider the limited access in overall quality, and/or add additional functional obsolescence for the lack of access. Base this call on your best judgment and experience.

Carports—When sketching the carport as a part of the dwelling, label the sketch as CP/C for a frame carport over concrete, or CP/G when it's over gravel. If the carport is not attached to the dwelling, or if you wish to give it its own effective age and/or quality, run it as an outbuilding with the appropriate code (FlatCP) and include the necessary information in the outbuilding section on the inspection sheet. See the outbuilding section of this manual for more information.

AOG--Apartment Over Garage. Use when there is an upper 1/2 story or an upper 3/4 story over a detached garage. Sketch as "1/2SFR/FrG" and add "Fin" for finish and "H" for heat in the garage portion if necessary.



HOUSE TYPES



1L



1L



1L



1L



1 ½ L



1 ½ L

HOUSE TYPES



1 ½ L



1 ½ L



2 + L



2 + L



2 + L



2 + L

HOUSE TYPES



1 ½ L (Gambrel)



1 ½ L (Gambrel)



1 ½ L (Gambrel)



1 ½ L (Gambrel)



2 + L



2 + L

HOUSE TYPES



Bi-L



Bi-L



Bi-L



Bi-L



Split/Tri



Split/Tri

HOUSE TYPES (With ¾ SFR UPPER)



1 ½ L



1 ½ L



1 ½ L



1 ½ L



1 ½ L



1 ½ L

1 ½ L With Upper Labeled as ¾ SFR: This Category Defaults the Living/Finish area @ 80%. This category will also add value for Upper Exterior wall framing and Exterior Cover, Dormers need to be recorded on ¾ SFR levels. (Default Living / Finish area for 1/2 SFR is 60%.)

HOUSE TYPES: 2+ L vs 1 ½ L



2+ L



2+ L



1 ½ L

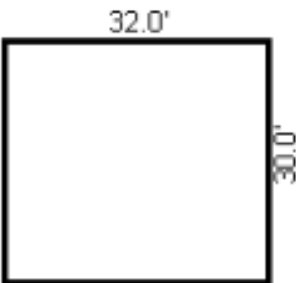


1 ½ L

1 ½ L: This Category Defaults for Living / Finish area @ 60%. Always Draw the whole Upper Floor (Upper Floor Joist Area) minus any open / vaulted to below. If an Interior inspection is done and there are walled off areas, measuring off the actual Living / Finish area is appropriate, the measured Finish area can be entered as a forced sq. ft. or as a percentage. In general relying on the system to default @ 60% is the best option.

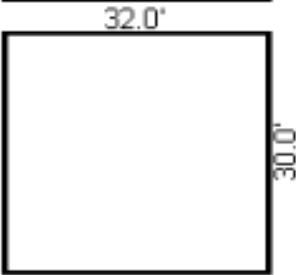
Do not call a ½ SFR a 1SFR Upper with measured off Living / Finish area. Doing so will inappropriately add value for exterior framed walls and siding, additionally it will be mixing 1 ½ L with 2 L which will skew Sales Analysis.

FLOOR AREA FOR A 1 ½ STORY HOUSE

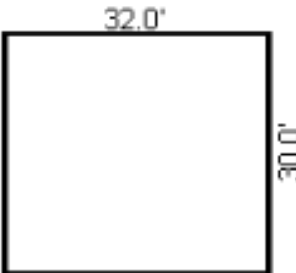


Area As Sketched

1SFR (First Level)
960.0' Base Area

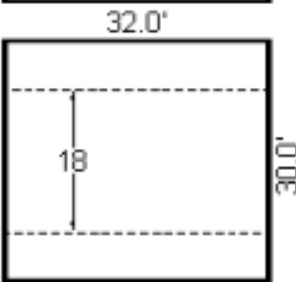


1/2 SFR Upper (Upper Half Story)
960.0' Base Area



Actual Living Area

1SFR (First Level)
960.0' Finished Living Area



1/2 SFR Upper (Upper Half Story)
18 x 32 = 576 sf Finished Living Area

RATES

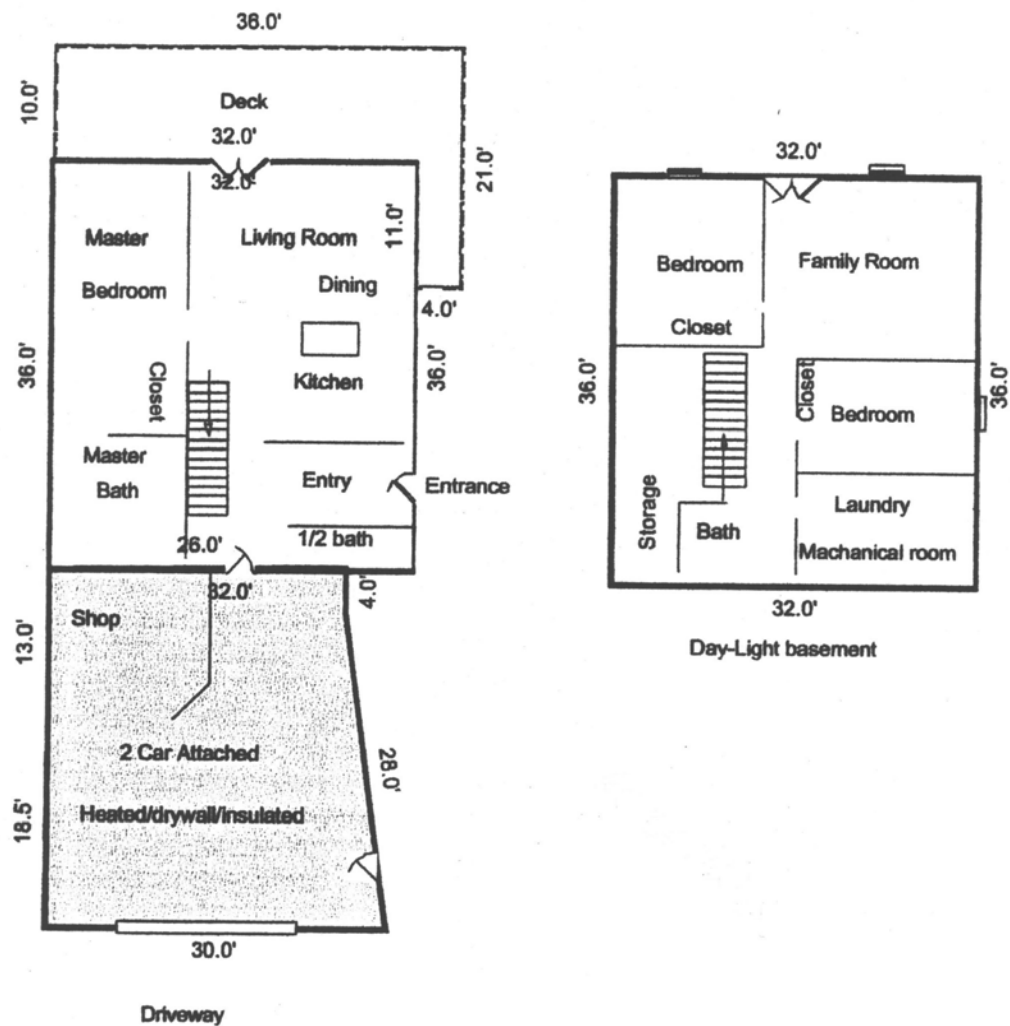
Rates are provided by Thomson Reuters/Proval and are derived from the Marshall & Swift Residential Cost Handbook. Each grade/quality house has its own set of rates. There are different rates for different sizes for each level. The following rates are taken out of the cost model. They are based on a 1 ½ story home of average grade/quality. The rates for “1ST-BASE-FR” are for the main level of the home. The rates for “PUPR-BASE-FR” are for the upper ½ story base area. The rate for “PUPR-SFFIN” is to add for the finished living area of the upper ½ story. The system interpolates between the area rates for each level. After analyzing sales data, multipliers are applied to bring costs in line with the market.

BREAKPOINT/RATE	<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>		<u>AREA</u>	<u>RATE</u>
<i>1ST-BASE-FR</i>	600	84.89		800	81.02		1000	78.58		1200	76.22			
1400 74.54		1600 73.18			1800 72.13			2200 70.87					3200 67.18	
<i>PUPR-BASE-FR</i>	600	13.43		800	12.16		1000	11.26		1200	10.61			
1400 10.15		1600 9.80			1800 9.55			2200 9.24					3200 8.51	
FLAT RATE/AREA		<u>RATE</u>												
<i>PUPR-SFFIN</i>		28.44												

PRIVATE FEE APPRAISALS

Some homeowners submit copies of fee appraisals during the course of the year, especially during the appeals process. These appraisal reports occasionally have minor errors but several have been found with major errors. Assessing staff always review these reports carefully to be sure that the property descriptions are accurate and the conclusions are valid and well supported. Staff does not automatically accept that the conclusion of value from a fee appraisal is correct for ad valorem tax purposes.

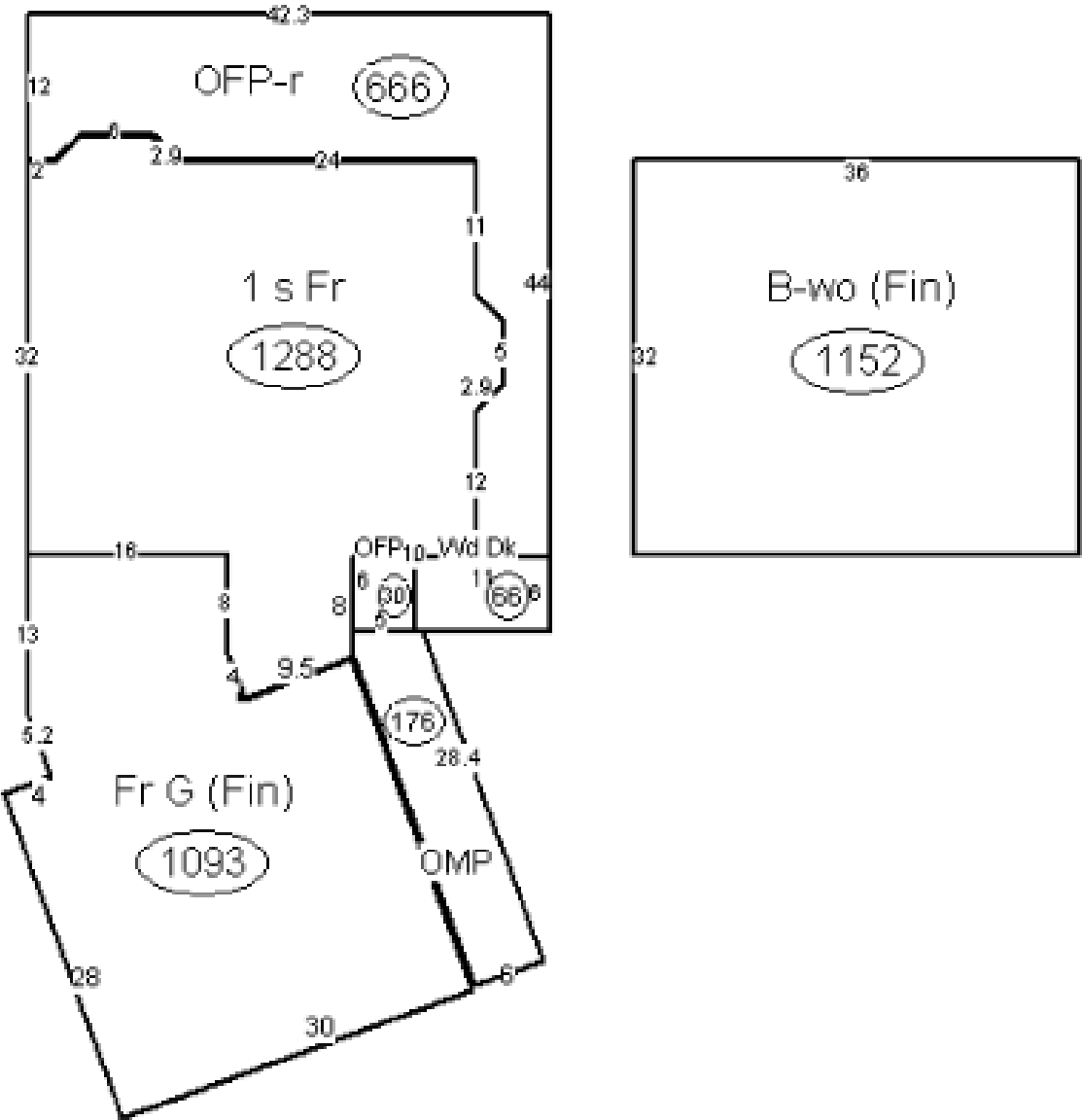
The sketch shown below is a good example of a major error in a fee appraisal. The appraiser failed to correctly sketch the angles for the garage and thereby was short on the square footage of the living area in addition to being short on the garage square footage. The deck is actually a covered porch and its square footage is short too. The main level and the basement are turned 90 degrees from how they actually are aligned in relation to the garage. Additional square footage was lost by not sketching the bay areas that extend to the floor.



AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	1152.00	1152.00
BSMT	Day light basement	1152.00	1152.00
P/P	Deck	404.00	404.00
GAR	Garage 2 car Attach	876.00	876.00

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			1152.00
32.0	x	36.0	

Below is the sketch of the same house by the Assessing Department. Our dimensions were double-checked by two appraisers in addition to verification by the homeowner. When the appellants saw the multiple errors in the fee appraisal, they withdrew their appeal.



There have been fee appraisals submitted that have excluded sheds, greenhouses, cabins, conexes, etc. However, these items have contributory value and are equitably assessed as all other similar properties throughout the borough.

Sales Ratios and Model Calibration

The International Association of Assessing Officers (IAAO) publishes a Standard On Ratio Studies for use by Assessors. “The objective of these standards is to provide a systematic means by which concerned assessing officers can improve and standardize the operation of their offices.” Sales ratios assist in calibrating the valuation model to the market and, once calibrated, give an indication of the overall level of assessment.

The following sections were taken from **Part 1-Guidance for Local Jurisdictions**, of the IAAO Standard On Ratio Studies.

2.1 The Concepts of Market Value and Appraisal Accuracy

Market value is the major focus of most mass appraisal assignments. The major responsibility of assessing officers is estimating the market value of properties based on legal requirements or accepted appraisal definitions. The viability of the property tax depends largely on the accuracy of such value estimates. The accuracy of appraisals made for assessment purposes is therefore of concern, not only to assessors but also to taxing authorities, property taxpayers, and elected representatives. Appraisal accuracy refers to the degree to which properties are appraised at market value, as defined by professional standards and legal requirements. While a single sale may provide an indication of the market value of the property in question, it cannot form the basis for a ratio study, which provides information about the market values of groups of properties. Dividing the appraised value by the sale price forms the ratios. The ratio can be multiplied by 100 and expressed as a percentage.

Market value is a concept in economic theory and cannot be observed directly. However, market values can be represented in ratio studies by sales prices that have been confirmed, screened, and adjusted as necessary. Sales prices provide the most objective estimates of market values and under normal circumstances should provide good indicators of market value.

2.4 Applicability

Local jurisdictions should use ratio studies as a primary mass appraisal testing procedure and their most important performance analysis tool. The ratio study can assist such jurisdictions in providing fair and equitable assessment of all property. Ratio studies provide a means for testing and evaluating mass appraisal valuation models to ensure that value estimates meet attainable standards of accuracy; see Uniform Standards of Professional Appraisal Practice (USPAP) Standard Rule 6-7 (Appraisal Foundation 2015). Ratio study reports are typically included as part of the written documentation used to communicate results of a mass appraisal and to comply with Standard Rule 6-7(b). Ratio studies also play an important role in judging whether constitutional uniformity requirements are met. Compliance with state or provincial performance standards should be verified by the local jurisdiction before value notices are sent to property owners.

3.2.2 Sampling

A ratio study is a form of applied statistics, because the analyst draws conclusions about the appraisal of the population (the entire jurisdiction) of properties based only on those that have sold during a given time period. The sales ratios constitute the sample that will be used to draw conclusions or inferences about the population.

To determine the accuracy of appraisals with absolute certainty, it would be necessary for all properties in the population to have been sold in arm's-length, open-market transfers near the appraisal date. Since this is not possible, ratio studies must use samples and draw inferences or conclusions about the population from these samples.

3.3 Stratification

Stratification divides all the properties within the scope of the study into two or more groups or strata. Stratification facilitates a more complete and detailed picture of appraisal performance and can enhance sample representativeness.

Each type of property subject to a distinct level of assessment could constitute a stratum. Other property groups, such as neighborhoods and age and size ranges, could constitute additional strata.

4.5 Sample Representativeness

...As long as sold and unsold parcels are appraised in the same manner and the sample is otherwise representative, statistics calculated in a sales ratio study can be used to infer appraisal performance for unsold parcels.

For proper stratification and analysis, the Kenai Peninsula Borough is grouped into “Market Areas” (may also be called Neighborhoods). Using these market areas, market data is analyzed within the system, various ratio studies are used to analyze size, depreciation, quality, etc., and the model is calibrated to achieve a market value assessment level.

According to **Property Assessment Valuation, Second Edition** by the IAAO, Chapter 13-Mass Appraisal, “Appraisal level refers to the overall or typical ratio at which properties are appraised. **In mass appraisal, appraised values do not always equal their indicators of market value (sales prices or independent appraisals), but overappraisals should balance underappraisals.**”

The following two pages are an example of a ratio study in Market Area 140 (Nikiski) for single-family residences. This ratio study shows the results after the valuation model has been calibrated for that particular Market Area.

RATIOSUM:	189.3097
MEAN:	98.09%
MEDIAN:	97.84%
WTD MEAN:	98.06%
PRD:	100.03%
COD:	5.95%

# OF SALES:	193
TOTAL SP:	\$48,517,250
TOTAL AV:	\$47,573,700
MINIMUM:	81.30%
MAXIMUM:	122.56%
MIN SALE AMT:	\$99,250
MAX SALE AMT:	\$590,000

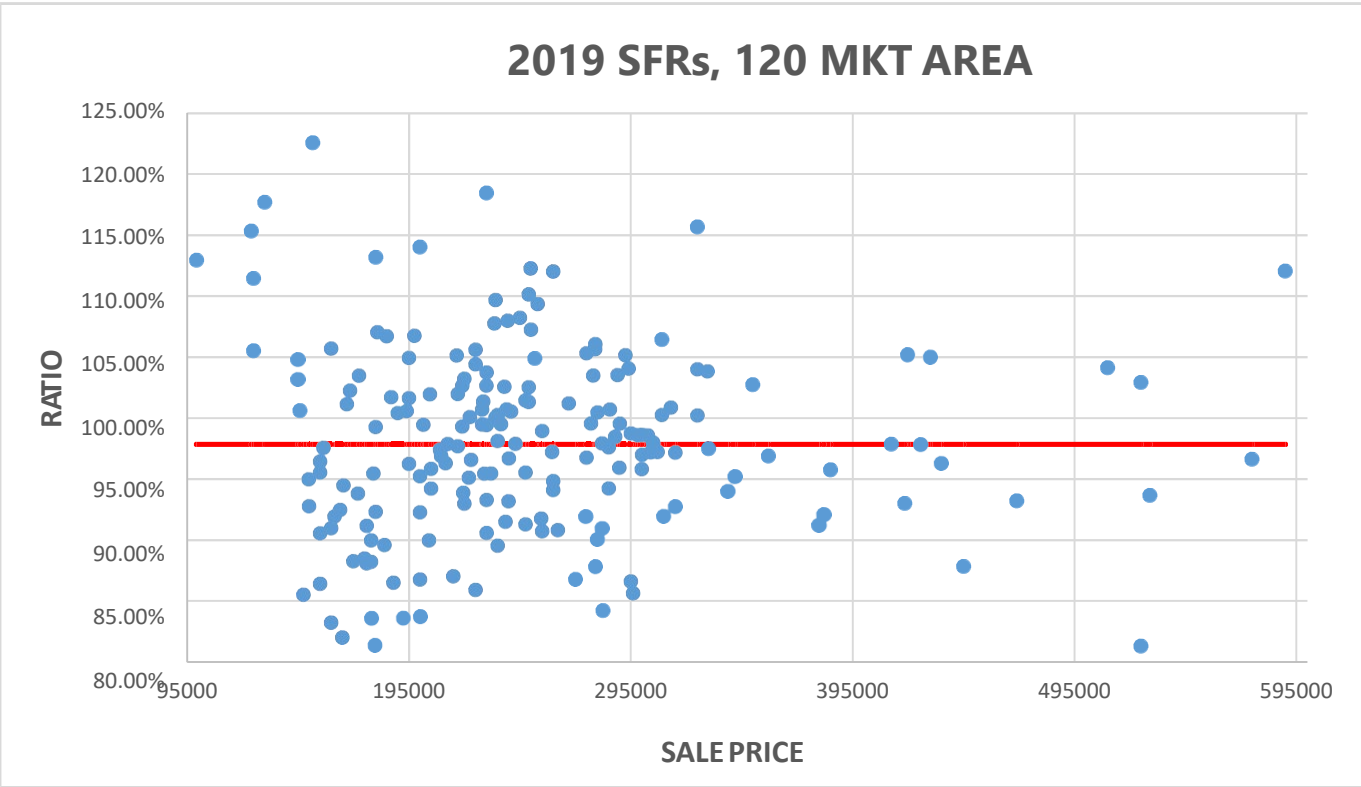
SALE DATE:	2019
HOUSE TYPE:	SFRs
MKT AREA:	120
	KENAI

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
03910116	120	135800	11000	146800	145900	100.62%	11	2/13/2019	Avg-
03910302	120	150100	10100	160200	178000	90.00%	11	6/14/2019	Avg+
03912226	120	259700	14500	274200	249000	110.12%	11	2/15/2019	G-
03914143	120	508500	47000	555500	575000	96.61%	21	8/8/2019	VG
04101116	120	182200	22400	204600	220000	93.00%	11	12/31/2019	Avg+
04101137	120	216300	15800	232100	240000	96.71%	11	9/27/2019	G-
04101146	120	215800	15800	231600	228500	101.36%	11	7/12/2019	G-
04101165	120	234300	16800	251100	247500	101.45%	11	6/5/2019	G-
04101201	120	211800	19600	231400	255000	90.75%	11	6/4/2019	Avg+
04101406	120	188400	20100	208500	204500	101.96%	11	6/6/2019	Avg+
04101419	120	174500	20600	195100	194000	100.57%	11	7/9/2019	Avg+
04101431	120	213500	21400	234900	225000	104.40%	11	7/1/2019	G-
04101440	120	231900	20400	252300	259500	97.23%	41	6/14/2019	Avg
04101443	120	207400	20600	228000	200000	114.00%	11	5/16/2019	G-
04107306	120	235000	18600	253600	296000	85.68%	61	8/1/2019	Avg+
04302051	120	194100	14300	208400	230000	90.61%	21	4/18/2019	Avg+
04303026	120	227800	14500	242300	241000	100.54%	21	5/24/2019	G-
04305020	120	169400	14200	183600	204000	90.00%	11	8/29/2019	Avg-
04306029	120	150800	11900	162700	188000	86.54%	11	8/23/2019	Avg
04308016	120	126000	13200	139200	150000	92.80%	11	5/15/2019	Avg-
04309041	120	142200	14800	157000	177900	88.25%	11	7/9/2019	Avg
04310023	120	251300	12700	264000	251700	104.89%	11	7/19/2019	G-
04311037	120	218900	16700	235600	235000	100.26%	11	10/24/2019	G-
04325003	120	246700	18400	265100	245000	108.20%	31	3/4/2019	Avg
04325015	120	240800	17800	258600	239500	107.97%	11	4/15/2019	G-
04325030	120	208600	19000	227600	216500	105.13%	31	4/10/2019	Avg-
04326027	120	186500	18100	204600	195000	104.92%	31	9/30/2019	Avg-
04326053	120	216200	21700	237900	243000	97.90%	11	5/10/2019	Avg
04328002	120	207800	15800	223600	239900	93.21%	31	8/7/2019	Avg
04329009	120	131400	15100	146500	180000	81.39%	11	12/4/2019	Avg-
04330004	120	170700	15100	185800	151600	122.56%	11	1/15/2019	Avg-
04330021	120	134700	14400	149100	178500	83.53%	11	4/30/2019	Avg-
04334036	120	146100	14700	160800	192500	83.53%	11	12/31/2019	Avg
04335009	120	136600	15100	151700	164000	92.50%	11	3/13/2019	Avg
04335015	120	123800	15500	139300	125000	111.44%	11	10/9/2019	Avg
04335043	120	117400	15800	133200	159950	83.28%	11	12/16/2019	Avg-
04505023	120	288300	30300	318600	339000	93.98%	11	8/9/2019	Avg-
04511006	120	136400	20000	156400	165500	94.50%	41	11/1/2019	Avg-
04511009	120	96200	15900	112100	99250	112.95%	11	10/15/2019	F+
04512019	120	124300	11100	135400	165000	82.06%	11	6/14/2019	Avg-
04514031	120	132000	10400	142400	149900	95.00%	11	10/29/2019	Avg
04515325	120	156900	12000	168900	167000	101.14%	11	10/10/2019	Avg+
04521031	120	156800	10500	167300	200000	83.65%	11	1/7/2019	Avg
04524041	120	140700	12000	152700	156500	97.57%	11	11/8/2019	Avg
04712029	120	201100	17500	218600	229000	95.46%	31	9/27/2019	Avg-
04713017	120	192200	15800	208000	212500	97.88%	11	10/9/2019	Avg
04713057	120	155800	17800	173600	200000	86.80%	11	7/12/2019	Avg-
04714008	120	280100	15800	295900	279000	106.06%	21	8/30/2019	G-
04714041	120	178300	15100	193400	225000	85.96%	31	7/19/2019	G-

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
04901206	120	119300	14700	134000	155000	86.45%	11	3/5/2019	Avg
04901209	120	136200	16800	153000	130000	117.69%	11	9/9/2019	Avg
04901211	120	152300	16800	169100	160000	105.69%	11	1/25/2019	Avg
04901222	120	137200	14700	151900	145000	104.76%	11	7/30/2019	Avg
04901224	120	126400	14000	140400	155000	90.58%	11	11/19/2019	Avg
04907028	120	236400	36000	272400	230000	118.43%	61	3/4/2019	Avg-
04908307	120	111800	14400	126200	147500	85.56%	11	8/28/2019	Avg-
04912030	120	354800	34400	389200	418500	93.00%	61	6/6/2019	Avg+
04915004	120	236100	16200	252300	249000	101.33%	11	10/29/2019	Avg-
04915031	120	147800	18400	166200	180000	92.33%	11	3/11/2019	Avg
04916005	120	147400	17500	164900	184000	89.62%	11	10/31/2019	Avg
04916056	120	333700	42200	375900	325000	115.66%	21	7/19/2019	G-
04916069	120	626700	34300	661000	590000	112.03%	41	10/25/2019	VG
04919010	120	137400	12700	150100	170000	88.29%	11	8/29/2019	Avg-
04919035	120	132900	12700	145600	160000	91.00%	31	9/13/2019	Avg-
04920010	120	117500	14400	131900	125000	105.52%	11	10/21/2019	Avg-
04926109	120	362900	28000	390900	445000	87.84%	21	8/14/2019	G
04926118	120	272400	16300	288700	290000	99.55%	31	8/22/2019	Avg+
04926205	120	274600	16400	291000	300000	97.00%	21	9/30/2019	G
04926208	120	314700	32100	346800	380000	91.26%	11	9/30/2019	G
04927018	120	302500	26400	328900	309000	106.44%	21	11/18/2019	Avg+
04936003	120	237300	15500	252800	275000	91.93%	21	7/2/2019	Avg
04937114	120	482700	57600	540300	525000	102.91%	41	5/31/2019	VG-
04938033	120	236000	19300	255300	249000	102.53%	31	12/16/2019	Avg+
04939057	120	276500	18100	294600	278900	105.63%	11	3/19/2019	Avg+
04940013	120	259400	16800	276200	282000	97.94%	31	10/23/2019	Avg+
04941023	120	227400	17500	244900	279000	87.78%	61	2/15/2019	Avg+
04941042	120	284400	14500	298900	305000	98.00%	11	8/8/2019	G
04941044	120	339100	20500	359600	350000	102.74%	21	2/4/2019	G+
04946006	120	188500	15200	203700	180000	113.17%	21	3/5/2019	Avg-
04948020	120	135700	12400	148100	155000	95.55%	41	4/11/2019	Avg
05502128	120	323000	22900	345900	357000	96.89%	11	6/24/2019	G+
05503516	120	210700	30000	240700	239000	100.71%	45	12/18/2019	G-
05504117	120	194300	20300	214600	230000	93.30%	11	10/15/2019	Avg+
05504130	120	204000	22000	226000	247500	91.31%	11	10/8/2019	Avg+
05504132	120	232000	20300	252300	255000	98.94%	21	6/12/2019	G-
05504133	120	195100	20300	215400	223000	96.59%	11	10/25/2019	Avg+
05504145	120	232000	20300	252300	280000	90.11%	21	2/7/2019	G
05504146	120	213800	20300	234100	234000	100.04%	11	7/31/2019	G-
05504150	120	208400	20300	228700	230000	99.43%	21	6/18/2019	G-
05504156	120	169600	20600	190200	187000	101.71%	11	11/27/2019	Avg+
05504160	120	190900	20300	211200	222000	95.14%	11	10/21/2019	Avg+
05508157	120	267400	20300	287700	278000	103.49%	11	4/25/2019	Avg+
05508162	120	141100	20300	161400	172000	93.84%	11	5/7/2019	Avg+
05508169	120	128200	20300	148500	161500	91.95%	11	10/17/2019	Avg
05508171	120	177900	20300	198200	195000	101.64%	11	4/10/2019	Avg+
05508172	120	140200	20300	160500	176000	91.19%	11	5/17/2019	Avg+
05518055	120	219200	15100	234300	270000	86.78%	45	7/22/2019	G-
05518056	120	139700	15200	154900	175000	88.51%	45	3/29/2019	F+
05527018	120	234600	22000	256600	282000	90.99%	21	9/19/2019	Avg-
05528132	120	203900	14400	218300	238500	91.53%	11	10/17/2019	Avg
05528208	120	311700	14000	325700	325000	100.22%	21	8/9/2019	G-
05529072	120	320700	106100	426800	525000	81.30%	11	11/1/2019	G
05532006	120	128300	21300	149600	145000	103.17%	15	10/4/2019	Avg-
05533129	120	210100	27800	237900	282500	84.21%	41	5/7/2019	Avg-
05534012	120	287500	81200	368700	385000	95.77%	31	10/30/2019	G-
05534053	120	244500	21600	266100	275000	96.76%	41	10/8/2019	Avg+
05536017	120	445800	85200	531000	510000	104.12%	21	4/5/2019	G+
05536042	120	381800	113700	495500	529000	93.67%	11	8/29/2019	G+
05538035	120	182800	14600	197400	185000	106.70%	41	4/30/2019	Avg

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
05540031	120	413500	28200	441700	420000	105.17%	11	9/10/2019	G-
05540032	120	375400	28200	403600	412500	97.84%	11	8/14/2019	G
05540052	120	210400	28200	238600	230000	103.74%	61	3/21/2019	Avg+
05540204	120	317500	24600	342100	329500	103.82%	11	5/10/2019	G
05542020	120	272800	33100	305900	294000	104.05%	11	5/20/2019	G-
05542177	120	323000	28800	351800	382000	92.09%	21	9/10/2019	G+
05544032	120	202600	20000	222600	222400	100.09%	11	12/23/2019	Avg+
05544039	120	305400	20000	325400	342000	95.15%	21	5/9/2019	G
05549040	120	285600	30100	315700	313000	100.86%	45	1/31/2019	Avg
05549109	120	205600	24000	229600	228000	100.70%	11	4/5/2019	Avg+
05549133	120	271900	24000	295900	300000	98.63%	41	3/13/2019	G-
05549141	120	186800	24000	210800	197500	106.73%	11	8/16/2019	Avg+
05549143	120	188000	24000	212000	217000	97.70%	11	7/24/2019	Avg+
05549171	120	213600	24000	237600	225000	105.60%	11	3/21/2019	Avg+
05553019	120	273000	20900	293900	298000	98.62%	11	10/17/2019	G+
05557061	120	236000	15600	251600	233500	107.75%	11	7/19/2019	Avg+
05558009	120	191100	19400	210500	235000	89.57%	11	4/30/2019	Avg
05561021	120	204100	22700	226800	228000	99.47%	11	5/30/2019	Avg
05561044	120	216000	20000	236000	229900	102.65%	11	7/26/2019	Avg
05561104	120	224800	19300	244100	238000	102.56%	11	12/4/2019	Avg+
05561126	120	272800	19300	292100	315000	92.73%	11	8/5/2019	Avg
05563022	120	257400	19200	276600	253000	109.33%	21	9/6/2019	Avg
05563026	120	164300	20300	184600	200000	92.30%	21	1/31/2019	Avg
05564049	120	267600	23600	291200	260000	112.00%	31	9/9/2019	Avg+
05564101	120	292500	13600	306100	315000	97.17%	31	6/6/2019	Avg+
05564115	120	409700	41600	451300	429900	104.98%	21	4/15/2019	G
05564144	120	159300	19200	178500	172500	103.48%	11	1/2/2019	Avg+
05564167	120	237400	19200	256600	234000	109.66%	11	4/24/2019	G-
05564184	120	181200	19200	200400	201500	99.45%	11	4/11/2019	Avg+
05564202CO17	120	191600	12000	203600	209000	97.42%	11	5/8/2019	Avg+
05564202CO29	120	178800	12000	190800	190000	100.42%	11	9/24/2019	Avg+
05564203CO36	120	158900	12000	170900	179000	95.47%	11	5/31/2019	Avg+
05564203CO45	120	160300	12000	172300	168500	102.26%	11	4/23/2019	Avg+
05565057	120	202200	19300	221500	232000	95.47%	11	5/31/2019	Avg
05565069	120	205500	19300	224800	219000	102.65%	11	3/27/2019	Avg
05565084	120	207300	19800	227100	220000	103.23%	11	7/11/2019	Avg
05565086	120	298500	23200	321700	330000	97.48%	11	6/3/2019	G-
05565096	120	201500	19800	221300	217000	101.98%	11	8/9/2019	Avg
05565130	120	198300	19200	217500	219000	99.32%	11	9/23/2019	Avg
05566211	120	270800	14300	285100	310000	91.97%	21	11/18/2019	G-
05566240	120	190100	13600	203700	211500	96.31%	11	2/11/2019	Avg
05566244	120	179900	13600	193500	180808	107.02%	11	8/9/2019	Avg
13101033	120	363700	73500	437200	469000	93.22%	21	3/26/2019	G
13103104	120	223700	14400	238100	262121	90.84%	11	10/15/2019	Avg+
13103106	120	232200	14400	246600	259981	94.85%	11	9/5/2019	Avg+
13103108	120	264800	15600	280400	249800	112.25%	11	7/25/2019	G-
13103109	120	276200	15100	291300	295000	98.75%	11	8/30/2019	Avg+
13103112	120	263500	14700	278200	285000	97.61%	11	9/13/2019	Avg+
13103113	120	222100	14400	236500	247500	95.56%	11	12/31/2019	Avg+
13103117	120	266900	14400	281300	280000	100.46%	11	6/11/2019	Avg+
13103118	120	255800	14400	270200	267000	101.20%	11	6/28/2019	Avg+
13103120	120	219300	14400	233700	254600	91.79%	11	12/16/2019	Avg+
13103128	120	283400	15100	298500	307000	97.23%	11	11/13/2019	Avg+
13103129	120	262100	15900	278000	289767	95.94%	11	12/3/2019	Avg+
13103130	120	272400	15100	287500	285500	100.70%	11	11/19/2019	Avg+
13103131	120	284000	14400	298400	302653	98.59%	11	10/31/2019	Avg+
13103134	120	216200	14400	230600	235000	98.13%	11	12/31/2019	Avg+
13104147	120	364200	52400	416600	426000	97.79%	61	10/28/2019	G-
13104180	120	191700	14400	206100	219500	93.90%	11	9/6/2019	Avg+
13104407	120	211800	32900	244700	260000	94.12%	41	8/21/2019	Avg

PIN	AREA	IMPS	LAND	AV	SP	RATIO	HTYPE	DATE	QUAL
13120037	120	174400	22100	196500	205000	95.85%	61	9/16/2019	Avg-
13121012	120	267300	22300	289600	275000	105.31%	61	2/27/2019	Avg+
13122029	120	281100	14400	295500	304000	97.20%	11	3/12/2019	Avg
13122030	120	254200	14400	268600	285000	94.25%	11	5/22/2019	Avg
13122035	120	293100	14500	307600	292520	105.16%	11	11/15/2019	Avg
13122040	120	284800	14400	299200	289000	103.53%	11	12/30/2019	Avg
13125047	120	294400	15400	309800	309000	100.26%	45	10/8/2019	Avg+
13131039	120	140700	14400	155100	176000	88.13%	11	9/19/2019	Avg
13131048	120	174800	18400	193200	205000	94.24%	11	3/22/2019	Avg-
13134040	120	125200	17800	143000	124000	115.32%	21	3/13/2019	Avg
13141010	120	248700	19400	268100	250000	107.24%	11	4/18/2019	Avg
13141044	120	237000	38800	275800	277000	99.57%	21	8/5/2019	Avg+
13142005	120	153300	25400	178700	180000	99.28%	21	9/5/2019	Avg-
13145406	120	315000	23000	338000	325000	104.00%	61	3/26/2019	G-
13145811	120	235500	20100	255600	295000	86.64%	21	8/19/2019	G-
13150007	120	164900	22300	187200	215000	87.07%	11	7/29/2019	Avg-
13150033CO03	120	167700	20000	187700	195000	96.26%	11	2/28/2019	Avg+
13150033CO04	120	183000	20000	203000	209500	96.90%	11	3/1/2019	Avg+
13163040	120	209900	25400	235300	236500	99.49%	11	3/26/2019	Avg
13167025	120	261700	21800	283500	287900	98.47%	11	7/2/2019	Avg+
13167106	120	367000	51900	418900	435000	96.30%	21	1/2/2019	G-
13168023	120	135200	14300	149500	155000	96.45%	11	1/17/2019	Avg-
13168039	120	176200	14300	190500	200000	95.25%	11	9/20/2019	Avg-
13172008	120	264000	23400	287400	299900	95.83%	21	10/25/2019	G



Market Area Names

Mkt Area	MKT AREA Name	AREA NAME
110	Central Peninsula-Soldotna	Soldotna
120	Central Peninsula-Kenai	Kenai
130	Central Peninsula Kenai River	Central Peninsula with Kenai River Frontage
140	Central Peninsula - Nikiski	Central Peninsula - Nikiski
150	Cent.Pen. - South of Soldotna	Central Peninsula - So. of Soldotna w/o Nat. Gas
160	Central Peninsula - Sterling	Central Peninsula - Sterling w/o Kenai River Frontage
161	STERLING-KENAI RIVERFRONT	STERLING-RIVER
170	Central Pen. - Funny River Rd	Central Peninsula - Funny River Road w/o Kenai River Frontage
171	FUNNY RIVER-KENAI RIVERFRONT	FUNNY R-KENAI RIVER
180	Cen.Pen. -Grey Cliff Moose Pt	Central Peninsula - Grey Cliff to Moose Point
190	Central Peninsula Kasilof Rv	Kasilof River Frontage
210	Homer - Core Area	Homer - Core Area
215	HOMER NON-CITY	HOMER
230	Homer - East Road to McNeil	Homer - East End Road to McNeil Canyon
250	Homer - Anchor Point	Homer - Anchor Point North Along Sterling Hiway
260	Homer - North Fork Road Area	Homer - North Fork Road Area
280	Homer - End of East End Road	Homer - End of East End Road w/o Russian Villages
290	Homer - Russian Village 1	Homer - Russian Village 1 Nikolaevsk
295	Homer - Russian Village 2	Homer Russian Village 2 (Fox River Area)
310	Ninilchik and Vicinity	Ninilchik and Vicinity
350	Ninilchik - Kasilof River Area	Ninilchik - Kasilof River Area
390	Ninilchik - Spl.Caribou Hills	Ninilchik - Special Caribou Hills State Cabins
410	Moose Pass - Cooper Landing	Moose Pass and Vicinity - Cooper Landing Area
440	Moose Pass and Vicinity	Moose Pass and Vicinity
480	Moose Pass - Hope Area	Moose Pass - Hope Area
510	Seward and Vicinity	Seward and Vicinity
550	Seward - Bear Creek Area	Seward - Bear Creek Area
610	Remote - Seldovia and Vicinity	Remote - Seldovia to Barabara Heights
630	Remote - Kachemak Bay	Remote - Kachemak Bay
635	Remote - Port Grahm Area	Remote - Port Graham and Nanwalek(English Bay)
660	Remote - Day Harbor Area	Remote - Day Harbor and Resurrection Bay south of Seward
680	Remote - West Cook Inlet	Remote - West Cook Inlet
801	MH ONLY-GOOD	Manufactured Only-Good Nbhd
802	MH ONLY-AVG	Manufactured Only-Avg Nbhd
803	MH ONLY-FAIR	Manufactured Home Only-Fair Nbhd
804	MH TRAVEL TRAILER ONLY-AVG	Manufactured Home Only-TRAVEL TRAILERS-Avg Nbhd
805	MH TRAVEL TRAILER ONLY-FAIR	Manufactured Home Only-TRAVEL TRAILERS-Fair Nbhd

I:\Neighborhoods\Neighborhoods & Names.xls 1/30/2019

**ASSESSOR'S DESCRIPTION
ANALYSIS AND RECOMMENDATION**

APPELLANT:

PARCEL NUMBER:

**PROPERTY ADDRESS OR GENERAL
LOCATION:**

LEGAL DESCRIPTION:

ASSESSED VALUE TOTAL: \$0

RAW LAND: \$

SWL (Sewer, Water, Landscaping): \$

IMPROVEMENTS \$

ADDITIONS \$

OUTBUILDINGS: \$

TOTAL ABOVE GRADE FLOOR AREA: Card One **0** Sq. Ft.

TOTAL FINISHED LIVING AREA: Card One **0** Sq. Ft.

Card One, First Level Sq. Ft. Card One, Second Level Sq. Ft.

Card One, Basement Unfin. Sq. Ft. Card One, Basement Finished Sq. Ft.

LAND SIZE Acres **GARAGE** Sq. Ft.

LAND USE AND GENERAL DESCRIPTION

1) Utilities

Electricity: Yes

Gas: Yes

Water: Private Well

Sewer: Private Septic

2) Site Improvements:

Street:

3) Site Conditions

Topography:

Drainage:

View: Excellent

Easements: Typical for the Kenai Peninsula Borough

HIGHEST AND BEST USE: As Currently Improved

ZONING: None

RECONCILIATION AND FINAL VALUE CONCLUSION

The Assessor requests the Board of Equalization uphold his value recommended below based on the following findings:

1.

ASSESSOR'S RECOMMENDATION:

APPELLANT:

PARCEL NUMBER:

LEGAL DESCRIPTION:

LAND:

IMPROVEMENTS:

TOTAL: \$0

BOARD ACTION:

LAND: _____ IMPROVEMENTS: _____ TOTAL: _____

EFFECTIVE AGE

EFFECTIVE AGE: The age indicated by the condition and utility of a structure.

Effective age is how old a house appears to be, based on observation, considering its condition, design, and the economic forces that affect its value. To paraphrase an old saying, “If it has the physical condition and design of a 13 year old house and market conditions affect it as if it were a 13 year old house, then for appraisal purposes, it should be treated as a 13 year old house (effective age: 13 years), even if it is 10 or 20 years old.” The chronological age of the house should be noted, but it normally has little use in the value estimation.

Generally, if the house is of average condition and design, and conforms to the other houses in a market area that is not subject to unusual economic influences, its effective age and chronological age will be about the same. If the house has had better than average maintenance, rehabilitation or modernization, its effective age probably will be less than its chronological age. If it is in a poorer condition than typical houses of the same age or has not been modernized or rehabilitated as other similar houses in the market area, the effective age will be greater than the chronological age.

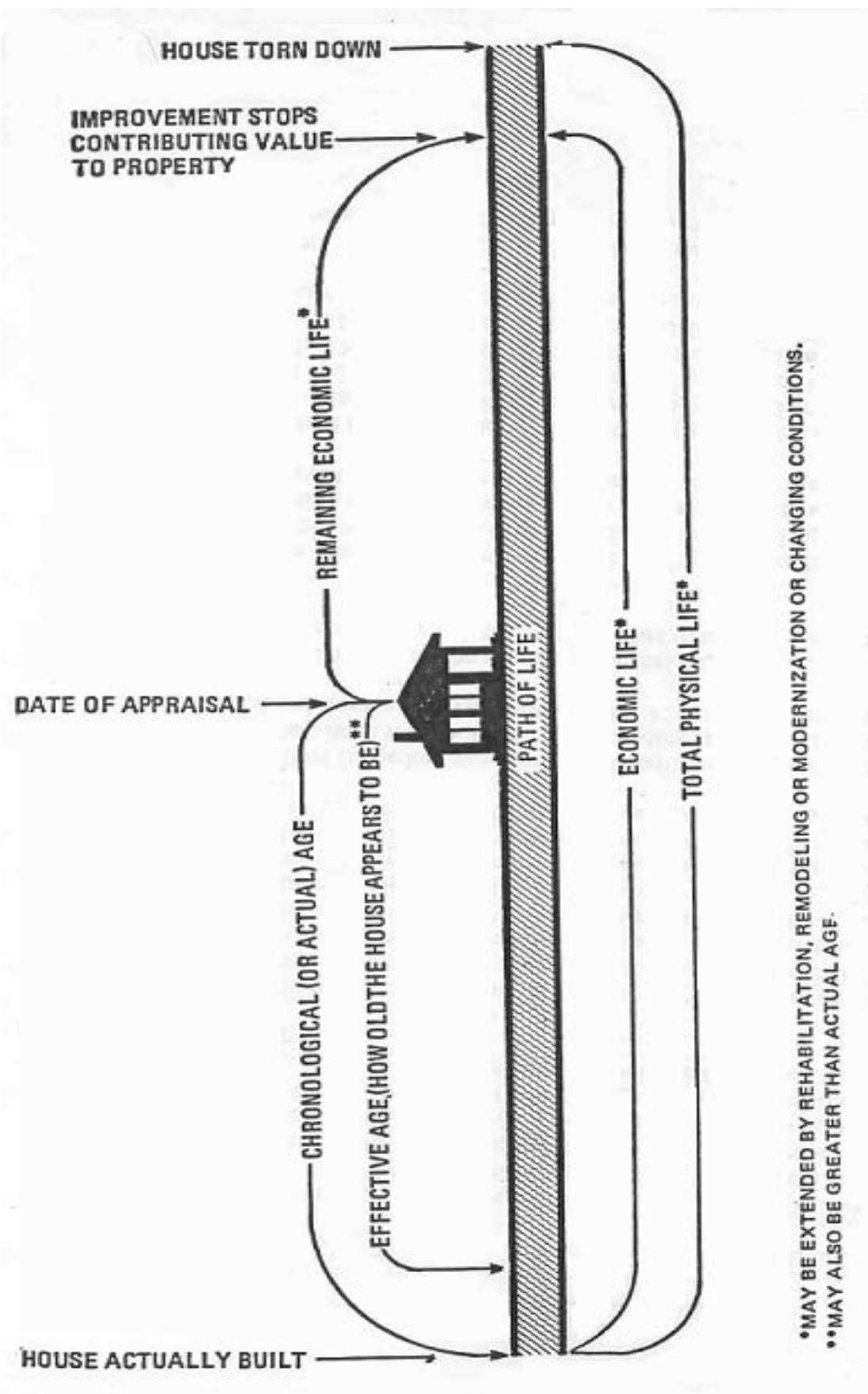
OBSERVATION is the key to accurately determining effective age. Has the structure been remodeled, does it have a new roof or siding, new cabinets, carpets, etc.? Has it been modernized and have an energy rating (4 star+, etc.), new low “E” windows?

Things to consider are that the plumbing, electrical, framing, and foundations on remodeled structures may still be original. This must be considered when determining effective age.

One method to determine effective age is by using a weighted average. You need to consider the actual age of the structure and the age of the remodeling or renovation. This also works when a structure was built in various stages in different years.

A second method is to start midway from the chronological age and adjust up or down depending on what you have observed, remodeling, etc. For example: A structure’s chronological age is 20 years. Start at the midway point of 10 years and adjust accordingly. If it has been remodeled or has superior maintenance, the effective age may be 8. If it has normal maintenance and little remodeling, the effective age may be 12. If it has had very little or no maintenance, then the effective age may be 20 or older.

CONCLUSION: There is no exact formula to mathematically determine effective age. Appraisers’ observations and professional judgment must be used.





KENAI PENINSULA BOROUGH ASSESSING DEPARTMENT

055-330-09

2020

LRSN: 17117

36350 KIMBERLY DR

Card R01

ADMINISTRATIVE INFORMATION Neighborhood: 120 Central Peninsula-Kenai Property Class: 110 Residential Dwelling - single TAG: 58 - CENTRAL EMERGENCY SERVICES	LEGAL DESCRIPTION:	ACRES: 0.95	PRIMARY OWNER CRANE DAWN CRANE LESLIES PMB 388 35555 KENAI SPUR HWY SOLDOTNA, AK 99669-7625			
	T 5N R 11W SEC 23 Seward Meridian KN 0770069 HALL SUB RESUB OF TR A LOT 7					
	Residential Dwelling - single					
EXEMPTION INFORMATION Residential Exemption - Borough	VALUATION RECORD					
Assessment Year	2015	2016	2017	2018	2019	Worksheet
Land	19,500	19,500	19,500	19,500	19,500	19,500
Improvements	<u>211,300</u>	<u>230,900</u>	<u>241,900</u>	<u>234,000</u>	<u>239,600</u>	<u>247,000</u>
Total	<u>230,800</u>	<u>250,400</u>	<u>261,400</u>	<u>253,500</u>	<u>259,100</u>	<u>266,500</u>

LAND DATA AND CALCULATIONS

Type	Method	Use	Acres	BaseRate	AdjRate	ExtValue	InfluenceCode	Description	\$ or %	AdjAmt	Value
PrimarySite	42 User Override Site Value		0.95	19,500	19,500	19,500	P	Gas Yes			19,500
							S	Gravel Main			
							Y	Elec No			
							Q	View None			
ASSESSED LAND VALUE (Rounded):										0	19,500

MEMOS

LAND INFLUENCES										
Community	y	N	View	N	L	G	E	Street Access		
Gas			CCRs		Airstrip			Paved	Grv Maint	Grv Unmain
Electric			HOA		For Sale			PLAT	TRAIL	NONE
Public H2O			Hwy Fnt		Ag Right			WATERFRONT		
Public Sewer			Easement		Other			Ocean	River	Lake
LANDTyPE	RR#20		OTHER:					Pond	Dedicated	Boat Launch
TOPO	Steep		Ravine	Other		Wetlands				

PHYSICAL CHARACTERISTICS

Style: BI-L FRAME
Occupancy: Single Family
Story Height: 0
Finished Area: 1,960
Attic: None

ROOFING

Material: Comp sh to 235#
Type: Gable
Framing: Std for class
Pitch: Low 4/12 or less

FOUNDATION

Footing: Normal for class
Walls: Cinderblock

DORMERS

None

FLOORING

1.0 Plywd sub Base Allowance
L Slab None

EXTERIOR COVER

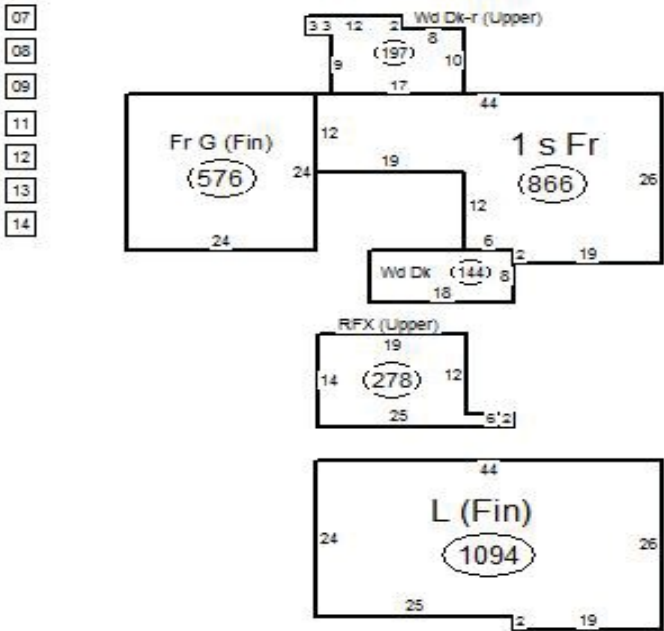
1.0 Wood siding
L Wood siding

INTERIOR WALLS

1.0 Normal for Class
L None

HEATING AND PLUMBING

Primary Heat: Forced hot air
2 Fixt.Baths: 0 0 Kit sink: 1 1
3 Fixt.Baths: 2 6 Water Htr: 1 1
4 Fixt.Baths: 0 0 Extra fix: 0
5 Fixt.Baths: 0 0 TOTAL fix: 8



Construction	BaseArea	floor	FinArea	Value
Wood Frame	866	1.0	866	83,810
Concrete Blk	1094	L	1,094	28,520

TOTAL BASE			112,330
INTERIOR			
Frame/Siding/Roof/Dorme	1,120		
Loft/Cathedral	0		
Interior finish	27,040		
Basement finish	0		
Heating	0		
Plumbing	7,860		
Fireplaces/woodstoves	3,525		
Other (Ex.Liv, AC, Attic, ...)	0		
TOTAL INT			39,545

EXT FEATURES		GARAGES	
Description		Att Garage	20,030
1 RFX/	4,410	Att Carport	0
2 WDDK	2,300	Bsmt Garage	0
3 WDDK-R/	3,900	Ext Features	10,610

TOTAL GAR/EXT FEAT		30,640
SUB-TOTAL		182,515
Quality Class/Grad	Avg+	1.05

GRADE ADJUSTED VALUE (rounded) 191,640

SPECIAL FEATURES

D	FP	1	3,525
G02	IF	576	7.91
07	PRIVSEPT	1	6,500
07	SWL-PRV	1	4,000
11	D	396-733.00	
14	H	864	2.25
14	IF	864	5.34

SUMMARY OF IMPROVEMENTS

		Story		Yr.Blt.	Eff		Base	Adj	W	L	Size/	Comp	Pys	Obs	Fnc		Loc	%		
Improvement		or Ht	Grade	Const	Const	Count	Rate	Rate			Area	Value	Depr	Depr	Depr		RDF	Adj	Comp	Value
D	DWELL	0	Avg+	1981	2000		0.00		0	0	0	191,640	21	0	0		100	143	100	216,500
G02	ATTGAR	0.00		0	0		26.86	-5	24	24	576	20,030	0	0	0		0		100	0
7	SWL	0.00	Avg	3000	3000		0.00		0	0	1	10,500	0	0	0		0		100	10,500
8	DRIVE	0.00	Avg	3000	3000	2,000.00			0	0	1	2,000	0	0	0		0		100	2,000
9	SHEDGP	10.00	Low	1985	1993		17.52		6	8	48	550	80	0	0		0		100	100
11	FLATCP	0.00	F	1990	1997		13.09	-	11	36	396	4,450	80	0	0		0		100	900
12	GRNHSEFS	0.00	F	2009	2012		5.77	6	10	12	120	690	33	0	0		0		100	500
13	PAV	0.00	Avg	3000	3000		2.35		4	20	80	190	0	0	0		0		100	200
14	DETGAR	0.00	F	1990	1997		26.00	-4	36	24	864	29,020	44	0	0		0		100	16,300

TOTAL IMPROVEMENT VALUE (for this card) 247,000

BOARD OF EQUALIZATION PROCEDURES

These board hearings will be conducted in compliance with the Kenai Peninsula Borough Code of Ordinances and other applicable law. All evidence to be considered must be submitted to the Borough Clerk pursuant to KPB 5.12.055.

If the appellant is not present when his or her case is called, the material presented by the appellant and the assessor will nonetheless be considered and a decision made as provided by the Kenai Peninsula Borough ordinances.

If the appellant is present, the presiding officer shall present a summary of assessment data.

All parties presenting evidence shall do so under oath, administered by the Borough Clerk.

Each side shall have a total of no more than 15 minutes to present their case. Each side shall be responsible for dividing their 15 minutes between oral presentation, argument, testimony (including witness testimony), and rebuttal. The board may expand or limit the length of the hearing depending on its complexity, or take other action to expedite the proceedings.

If either the appellant or the assessor should desire more than the 15 minutes allowed by ordinance to present their evidence, testimony, witnesses, rebuttal, etc., the request must be made before the appellant begins presentation of his or her case. If a request is made for more time, the requesting party bears the burden of establishing why the extra time should be granted and explain the nature of the complexity. *Would a reasonable person believe that this case is so complex that it will require more than 15 minutes per side?* The opposing party is allowed to support or argue the request. If the Board grants the request for extra time, both parties will be afforded the same additional time.

If the appellant wishes to reserve some of their time for rebuttal, sur-rebuttal and closing arguments, this must also be done before beginning their presentation. The appellant will then present his or her case. At this time the appellant may call the assessor or appropriate appraiser or any other witnesses the appellant intends to present as a witness. The scope of direct questioning is limited to the issues in dispute.

Cross-examination will not be permitted during presentation of the case. If a witness testifies during presentation of either the appellant's or the assessor's case, unless excused by the board with the concurrence of the appellant and the assessor, the witness must remain available in the assembly chambers to be called to testify during rebuttal by the appellant and the assessor.

New tangible evidence will normally not be admitted unless unopposed by the other party. If either party contends something is new, that party should raise any

objections promptly. If an appellant has refused or failed to provide the assessor or the assessor's agent full access to the property or records related to the assessment of the property, upon notice from the assessor to the appellant and the clerk, the appellant shall be precluded from offering evidence on the issue or issues affected by that lack of access. Before a ruling is issued on the admissibility of such evidence, the appellant shall be provided with a reasonable opportunity by the board chair to present its case as to why this sanction should not be imposed, and the assessor shall have a reasonable opportunity to respond.

After the appellant's presentation, the assessor shall begin his. If the assessor desires to reserve time for rebuttal and/or closing argument, the request must be made before the presentation begins.

Upon recognition by the presiding officer, board members may question the appellant and his or her witnesses at the conclusion of each step of the appellant's presentation. Likewise, upon recognition by the presiding officer, board members may question the assessor, his appraiser, or the assessor's witnesses at the conclusion of each step of the assessor's presentation. This time for questions and answers is not charged against the allotted time of either party.

If the appellant or the assessor has reserved a portion of their 15 minutes, each may then present rebuttal evidence, with the appellant proceeding first. The appellant and assessor may call and cross-examine each other's witnesses during rebuttal. The scope of cross-examination is limited to the issues raised in direct questioning.

The presiding officer shall close the hearing after presentation of any allowed rebuttals. At that time, at its discretion, the Board shall either decide the case, defer the decision to a later hearing, or make any other appropriate motion allowed by law.

Each appeal shall be conducted in the following order:

- 1) Summary of Assessment Data (read into the record by the chairperson)
- 2) Appellant's Opening Presentation
- 3) Assessor's Opening Presentation
- 4) Rebuttal by the Appellant
- 5) Rebuttal and Closing by the Assessor
- 6) Sur-Rebuttal and Closing by the Appellant

5.12.050. Valuation and flat tax appeal procedure.

- A. A property owner or agent or assign of the property owner may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the property owner's satisfaction, or, in the case of property subject to a flat tax, an alleged error in ownership or classification of property.
- B. An appellant must, within 30 days after the mailing of the notice of assessment, submit to the assessor, by delivery to the borough clerk, a written appeal. The appeal must state the name of the owner, a legal description of the property, and the grounds for the appeal. If the party making the request is an assign of the record owner, documentation of the assignment must bear a stamp reflecting the recording district and the book and page number or serial number of the recorded assignment. If the party making the request is an agent of the property owner, the property owner's signature granting the authority must be notarized and attached to the request. It must be submitted to the borough clerk within 30 days after the mailing of the notice of assessment, or the right to appeal ceases unless the board of equalization finds that the taxpayer was unable to comply. No appeal application may be accepted unless a filing fee in the amount listed in the most current Kenai Peninsula Borough Schedule of Rates, Charges and Fees is received by the clerk at the time of filing. 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. For purposes of this section, the appeal is submitted on the date it is received in the office of the clerk or, if delivered by first class mail, the date it is postmarked by the U.S. Postal Service. Appeal forms shall be available from the borough assessor's office, borough clerk's office, or city offices within the borough. The borough clerk will provide to the assessor each appeal within two days of receipt. An application to proceed with an appeal as an indigent may be filed with the borough

clerk's office in accordance with the procedures and schedule described in KPB 21.20.250(B).

- C. Taxpayer request for a finding that the taxpayer was unable to comply with the timely filing requirement of KPB 5.12.050(B).
1. A property owner or agent or assign of the property owner may request a finding that the taxpayer was unable to comply with the requirement to timely file an appeal as required in paragraph B. of this section by filing a written request with the borough clerk within 14 days after the inability to comply ceased or within 14 days after the taxpayer should have become aware of the reason for filing the appeal, whichever is earlier.
 2. The request for a finding of inability to comply must be based upon a serious condition or event beyond the taxpayer's control that resulted in the inability to timely file the appeal. For purposes of this subsection, a serious condition or event may include a serious medical condition or other similar serious condition or event that prevented the taxpayer from timely filing the appeal. Absent extraordinary circumstances, a failure to pick up or read mail or to make arrangements for an appropriate and responsible person to pick up or read mail or a failure to timely provide a current address to the Department of Assessing will not be deemed to result in an inability to comply.
 3. A request for a finding of inability to comply is limited to an appeal of the notice of assessment for the current assessment year.
 4. The written request must be submitted on a request form supplied by the borough clerk and must include the following:
 - a. Name of the property owner or agent or assign of the property owner;
 - b. The parcel number of the property;

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- c. If the party making the request is an assign of the record owner, documentation of the assignment must bear a stamp reflecting the recording district and the book and page number or serial number where the assignment is recorded;
 - d. If the party making the request is an agent of the property owner, the property owner's signature granting the authority must be notarized and attached to the request;
 - e. A description of the justification for the request must be subscribed and sworn or affirmed before a notary public or other official with similar authority by the property owner or duly authorized agent or assign;
 - f. Information sufficient to determine whether the request has been submitted within the time stated in KPB 5.12.050(C)(1);
 - g. An attached and properly completed and executed appeal form alleging one or more of the grounds for appeal stated in KPB 5.12.050(E).
5. A request bearing insufficient justification or information for evaluation constitutes a basis for final denial of the request.
- D. Determination by the chair whether a request meets the requirements for consideration, procedure for evaluation of the merits of the asserted justification, and for scheduling a required hearing.
- 1. The chair is delegated the authority to review the request for compliance with KPB 5.12.050(C)(4). If the chair determines that the request does not meet the requirements of KPB 5.12.050(C)(4)(a—g), the chair will so indicate on the request.
 - 2. If the chair finds that the request meets the requirements for consideration of the inability to comply, the chair will so indicate on the request. The chair will then consider the merits regarding the nature of circumstances of the inability to comply with the timely filing requirement. The chair may require additional evidence or

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- testimony from the property owner or agent or assign. The clerk shall notify the party and shall schedule a time to meet with the chair, if necessary. Any additional information provided by the property owner shall be preserved for potential review.
3. If the chair determines that the taxpayer has not proven an inability to comply, the taxpayer may appeal the chair's decision within 15 days of the notice of decision to a panel of three other BOE members chosen by lot. The BOE panel shall conduct a review of the merits of the taxpayer's inability to comply. No deference shall be given to the decision by the chair. No new evidence may be presented to the panel. The decision by the three-member BOE panel shall be the final decision of the BOE. The clerk shall notify the parties in writing of the BOE's decision.
 4. The taxpayer and borough shall have the right to appeal a final decision under KPB 5.12.050(C) and KPB 5.12.050(D) to court under the rules of appellate procedure governing appeals from administrative agency decisions.
 5. If the chair or three-member BOE panel determines that the appellant's inability to comply with the filing requirements of KPB 5.12.050(B) was due to a serious condition or event beyond their control as defined in KPB 5.12.050(C)(2), the clerk shall schedule a hearing for the appeal and give the notices required by KPB 5.12.050(F). The matter shall proceed as provided in this Chapter.
- E. The grounds for appeal are: unequal, excessive, improper or under valuation of the property not adjusted by the assessor to the property owner's satisfaction, or an error in ownership or classification of property. The potential validity or invalidity of asserted errors in assessment shall have no bearing on the determination of whether the taxpayer was unable to timely file an appeal.
 - F. After the time for filing valuation appeals has expired and after consultation with the assessor, and at the direction of the chair of the

board of equalization, the borough clerk shall schedule meetings of the board of equalization. The clerk on behalf of the assessor shall schedule meetings of the board of equalization. The clerk on behalf of the assessor shall notify each appellant by electronic transmission, if the appellant consents to electronic notice, or first class mail of the time and place of hearing and board of equalization procedures at least 15 days before the evidence or documents required by KPB 5.12.055(A) and (B) must be provided to the borough clerk. A party can request a continuance of hearing only for good cause and the continuance must be requested no later than 15 days prior to the hearing date unless the reason for the continuance is a serious condition or event that prevented a timely request or that arose after the deadline. For the purposes of this subsection, a serious condition or event may include a serious medical condition, a serious family emergency requiring the presence of the party, a death in the family, or other similar serious condition or event. Additionally, a continuance shall not be granted if it will cause substantial prejudice to the other party. The chair of the board of equalization is given the discretion to determine whether to grant a request for a continuance. A continuance, however, does not extend the deadline for any party to file any documents or evidence under KPB 5.12.055(A) or (B), if the application was not filed with the borough clerk before the original deadline for filing such documents or evidence. If the application for a continuance was filed before the original deadline for filing documents and the application is denied, the application for a continuance will not extend the original deadline for filing documents. A hearing shall be scheduled for all notices of appeal unless the notice is clearly not based on one or more of the grounds stated in KPB 5.12.050(E) as determined by the BOE chair. When a hearing is not scheduled, the borough clerk shall notify the person who submitted the notice that a hearing will not be scheduled.

- G. A city in the borough may appeal an assessment to the borough board of equalization in the same manner as the property owner. Within five days after receipt of the appeal, the assessor shall notify the property

owner of the appeal by the city. The property owner may appear and participate in an appeal of an assessment by a city.

(Ord. No. 2016-28 , § 1, 8-23-16; Ord. No. 2011-32, § 4, 9-20-11; Ord. No. 2009-21, §§ 1, 2, 5-5-09, eff. 1-1-2010; Ord. No. 2009-01, § 1, 2-3-09; Ord. No. 2007-38, § 1, 1-8-08; Ord. No. 2006-11, §§ 1, 2, 5-2-06; Ord. No. 2005-29, § 1, 8-2-05; Ord. No. 2005-03, § 1, 2-15-05; Ord. No. 2002-12, § 1, 5-12-02; Ord. No. 2000-49, § 1, 12-12-00; Ord. No. 2000-05, § 2, 2-15-00; Ord. No. 97-73, § 2, 1997; Ord. No. 90-12, § 1(part), 1990)

5.12.052. Board of equalization.

- A. The board of equalization is established with five regular members selected from the public. It shall also include four alternate members who shall meet the same qualifications as a regular board member. Members of the public shall be appointed by the mayor and confirmed by the assembly on the basis of their expertise in real and personal property appraisal, the real estate market, the personal property market, and other fields related to their functions as board members. Additionally, each member shall be a resident of the Kenai Peninsula Borough. Assembly members may serve as members of the board of equalization, subject to appointment by the Assembly.
- B. The board shall select a chairperson and vice-chairperson at each first annual meeting.
- C. Term. Board members' terms shall be three years with the first board appointed so that expiration dates of terms shall be staggered.
- D. Vacancies. A vacancy is created under the following conditions and upon a declaration of vacancy by the board:
 - 1. Fails to take office within 30 days after his or her appointment;
 - 2. Is physically absent from the borough for a 90-day period, unless excused by the board;
 - 3. Resigns and the resignation is accepted;

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4. Is physically or mentally unable to perform the duties of his or her office;
 5. Is removed from office;
 6. Misses three consecutive regular meetings unless excused;
 7. Is convicted of a felony or of an offense involving a violation of his or her oath of office;
 8. Changes his or her residency to a location outside of the borough for a period longer than 60 days.
- E. A vacancy on the board shall be filled by appointment as described in paragraph A of this section for the unexpired term, or for a three-year term if no unexpired term remains.
- F. The board shall be called as required for equalization matters.
- G. Board members shall be compensated at the rate of \$100.00 per session for each session except the board chair, who shall be compensated at the rate of \$150.00 per session for each session, subject to a maximum of \$100.00 per day or \$150.00 per day respectively. All requests for reimbursement shall be actual expenses incurred on authorized board business.
- (Ord. No. 2016-28 , § 2, 8-23-16; Ord. No. 2013-24 , § 1, 8-6-13; Ord. No. 2012-17, § 2, 6-5-12; Ord. No. 2005-29, § 2, 8-2-05)

5.12.055. Record—Discovery—Motions—Written presentation—On appeal.

- A. *Discovery*: No more than 20 days after a written appeal is filed, the assessor and the appellant may submit interrogatories and requests for production to the other party. All such interrogatories and requests must seek information relevant to the valuation or, in the case of a flat tax appeal, an alleged error in ownership or classification of property. A party may not submit more than ten interrogatories and ten requests for production, including all discrete subparts of each interrogatory and

request for production, to the opposing party. Responses shall be due no later than ten days after the request has been served by fax, in person, or mail upon the opposing party. For good cause shown the board chair may grant additional time to respond and authorize additional interrogatories and requests for production. In determining good cause for this purpose, the chair shall consider the burden and expense on the party to timely produce the requested information, whether the party seeking the extension has exercised due diligence in attempting to respond timely, whether the party seeking additional information has exercised due diligence in attempting to gain the necessary information from other sources, the complexity of the case, prejudice to the other party for allowing additional time and/or requests for information, and other factors deemed relevant by the chair. Any request for an extension or for additional discovery that is granted to one party shall also be equally granted to the other party. In any event, all responses must be delivered to the requesting party no later than 20 days before the board hearing on the appealed assessment.

- B. Upon receipt of a written appeal, the assessor shall provide documents or evidence relating to each assessment that is appealed, including a summary of assessment data, to the borough clerk, for the board of equalization, no later than 15 days before the board hearing on the appealed assessment. Pages shall be marked as assessor's exhibits and numbered. The borough clerk shall mail a copy of the documents or evidence to the appellant by first class mail or email, if appellant consents to electronic service, within two business days of receipt.
- C. The appellant shall provide a copy of any documents or evidence relating equalization, no later than 15 days before the board hearing on the appealed assessment. Pages shall be marked as appellant's exhibits and numbered. The clerk shall provide a copy of the appellant's documents to the assessor within two business days of receipt.
- D. The appellant's case may be made by written presentation, if the appellant so elects, the pages shall be marked as appellant's brief and

numbered. The written presentation, along with any documents and evidence referred to in 5.12.055(B), must be provided to the borough clerk, for the board of equalization, no later than 15 days before the board hearing on the appealed assessment. The clerk shall provide a copy of appellant's filings to the assessor upon receipt.

- E. Except as provided below, all motions submitted by either party to the board of equalization must be submitted to the borough clerk in writing no later than seven days before the scheduled hearing. The opposing party shall have three business days to respond to any motion filed with the clerk. Any motion or opposition thereto must be accompanied by a certificate of service certifying that a true and correct copy of the motion or opposition was served on the opposing party by fax, electronic transmission if the party consents to electronic transmission, in person, or first-class mail at the last known mailing address, email address, or fax number. The chair of the board, or in his or her absence, the vice-chair, is authorized to decide each submitted motion. The decision may be reviewed by the board at the discretion of the chair or vice-chair, as appropriate. For good cause shown, including without limitation the bad faith conduct of the other party or new evidence which could not reasonably be obtained before the seven-day deadline with the exercise of due diligence, a party may submit a motion to the board no less than two business days before the scheduled hearing. In this instance, the chair, or in the chair's absence the vice-chair, shall provide the opposing party with a reasonable opportunity to oppose the motion prior to issuing a decision.

(Ord. No. 2016-28 , § 3, 8-23-16; Ord. No. 2009-01, § 1, 2-3-09; Ord. No. 2004-05(Sub.), § 1, 9-7-04; Ord. No. 2000-49, §§ 2—4, 12-12-00; Ord. No. 2000-05, § 3, 2-15-00; Ord. No. 95-03, § 1, 1995; Ord. No. 90-12, § 1(part), 1990)

5.12.060. Board of equalization procedure.

- A. All appeals must be heard and decided before June 1, unless the board finds a hearing after this date will not prejudice the appellant and the

delay is administratively justified or the appellant has requested a later hearing date. The board must also find that the proposed hearing date will enable the assessor to substantially comply with the requirement that the assessment roll be certified by June 1. The meetings of the board may be scheduled either on weekends, during business hours, or during evening hours. In no event may an appeal hearing begin after midnight.

- B. A quorum of the board must be present in order for the board of equalization to convene and take action. Actions of the board shall be by the majority of members present. A quorum consists of three members. The presiding officer shall select the alternate member to fill a vacancy or substitute in the absence of a regular board member. If membership of the board changes while an appeal is pending the new member may participate only by making an oral or written statement on the record that the member has reviewed the record and proceedings thus far and feels qualified to render an informed and impartial decision.
- C. The chairperson shall preside over the board hearing. In the absence of the chairperson, the vice-chairperson shall preside. If both are absent, the members present shall select a person to preside. The borough clerk shall attend the hearings to record the proceedings, record votes, and administer the oaths to witnesses. The borough attorney or designee shall attend the hearing to advise the board.
- D. The presiding officer shall open the board session by calling the board to order and by calling each appellant's name and asking if the appellant or representative is present. The presiding officer shall bring each appeal before the board in the order scheduled by the borough clerk.

Agenda. Each appeal shall be conducted in the following order:

- 1. Summary of Assessment Data (read into the record by the presiding officer);
- 2. Appellant's Opening Presentation;
- 3. Assessor's Opening Presentation;

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4. Rebuttal by the Appellant;
 5. Rebuttal and closing by the Assessor;
 6. Sur-Rebuttal and closing by the Appellant.
- E. If the appellant or representative is not present when called, the board shall consider any written presentation, evidence, and documents presented to it pursuant to KPB 5.12.055 and thereafter proceed according to the remaining applicable provisions of this chapter.
- F. All persons presenting evidence shall do so under oath, administered by the borough clerk.
- G. 1. *Hearing:* The hearing shall be conducted informally with respect to the introduction of evidence. Irrelevant evidence may be excluded by the presiding officer. Each side shall have a total of no more than 15 minutes to present their case. Each side shall be responsible for dividing their 15 minutes between oral presentation, argument, testimony (including witness testimony), and rebuttal. The board may expand or limit the length of the hearing depending on its complexity, or take other action to expedite the proceedings. Cross-examination will not be permitted during presentation of the case. If a witness testifies during presentation of either the appellant's or the assessor's case, unless excused by the board with the concurrence of the appellant and the assessor, the witness must remain available in the assembly room to be called to testify during rebuttal by the appellant and the assessor.
2. *Exhibits:* The only exhibits that shall be admitted into the record at the hearing are those exhibits provided to the clerk in accordance with KPB 5.12.055 B through KPB 5.12.055 D. However, at the hearing, parties may use demonstrative or illustrative exhibits, provided that all such exhibits may only be duplicates of exhibits or information provided to the board in accordance with KPB 5.12.055 B through KPB 5.12.055 D. Additionally, witnesses may write on a board while orally testifying to illustrate their testimony. The limitation on the use

of exhibits in this section shall not preclude the parties from presenting oral testimony at the hearing.

3. *Failure to respond to requests:* Failure to timely provide information requested pursuant to these rules without good cause shown shall, upon notice from the requesting party to the clerk and the other party, prevent the party failing to provide the information from including such information in the written evidence or using such evidence at the hearing. Before a ruling is issued on this matter, the party failing to provide the requested information shall be provided with a reasonable opportunity by the board chair to present its case as to why this sanction should not be imposed, and the opposing party shall have a reasonable opportunity to respond.
- H. The presiding officer shall first present a brief, factual summary of assessment data concerning the appealed property. This summary is not charged against the time allowed the assessor to present his or her case.
- I. The appellant or representative then presents the appellant's case when called by the presiding officer. At this time the appellant may call the assessor or appropriate appraiser or any other witnesses the appellant intends to present as a witness at this time. The scope of direct questioning is limited to the issues in dispute. Should the appellant wish, and prior to beginning the presentation, a portion of the 15 minutes allowed may be reserved for rebuttal, sur-rebuttal, and closing arguments. At the conclusion of the appellant's presentation, board members may question the appellant or their witnesses.
- J. The assessor or designee then presents the borough's case when called by the presiding officer. At this time the assessor may call the appellant or any other witnesses the assessor intends to present as a witness. The scope of direct questioning is limited to the issues in dispute. Should the assessor wish, and prior to beginning the presentation, a portion of the 15 minutes allowed may be reserved for rebuttal, and/or closing argument. At the conclusion of the assessor's presentation, board members may ask questions of the assessor or their witnesses.

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- K. The time required to answer questions from the board shall not be charged against either party.
 - L. If the appellant or the assessor has reserved a portion of their 15 minutes, each may then present rebuttal evidence, with the appellant proceeding first. The appellant and assessor may call and cross-examine each other's witnesses during rebuttal. The scope of cross-examination is limited to the issues raised in direct questioning.
 - M. The assessor may recommend changes to the existing value during the hearing.
 - N. After the appellant and assessor have presented their cases, the hearing shall be closed by the presiding officer, and no further evidence shall be offered or considered in deliberations unless a member of the board of equalization asks for additional information from either party. Both parties shall be given an equal opportunity to respond to any such requests for additional information.
 - O. The board may decide the appeal after the presentations, or it may defer a decision until no later than the last hearing date. The board may move to go into an adjudicative session for purposes of making a decision. Final board action shall be taken by motions, after reconvening in public, that set out specific findings of fact, and shall not be reconsidered, amended or rescinded by the board. The motions available to the board are: motion to uphold the assessor's valuation, motion to reduce the assessment, motion to increase the assessment, motion to dismiss the appeal, motion to defer the decision, or any other motion set out in Alaska statutes and regulations governing board of equalization appeals. Only one motion may be on the floor at a time, and the board shall vote on the motions until its findings are established. The vote must be taken and entered into the permanent record of the proceedings.
 - P. The burden of proof is on the appellant. The only grounds for the board to adjust the assessment are proof of unequal, excessive, improper, or under valuation, based on facts proven at the appeal hearing. The board

may not alter the assessment of a property unless a timely written appeal has been filed concerning the property. If an appellant has refused or failed to provide the assessor or the assessor's agent full access to property or records related to assessment of the property, upon notice from the assessor to the appellant and the clerk, the appellant shall be precluded from offering evidence on the issue or issues affected by that lack of access. Before a ruling is issued on the admissibility of such evidence, the appellant shall be provided with a reasonable opportunity by the presiding officer to present its case as to why this sanction should not be imposed, and the assessor shall have a reasonable opportunity to respond.

- Q. After the last scheduled appeal is heard, the presiding officer shall adjourn the session.
- R. The attorney for the board shall prepare the board's decisions. The borough clerk shall certify the decisions of the board, and shall keep the decisions on file as part of the public record. The clerk shall promptly mail a copy of the board's decision to each appellant, by certified mail, and deliver a copy to the borough assessor.
- S. Either the appellant or the assessor may appeal the decision of the board to the superior court in the Kenai venue district, within 30 days of the date of mailing of the board's decision, as provided by the rules of appellate procedure governing appeals from administrative agency decisions. The record on appeal is the record established at the board hearing.
- T. All parties or their agents and witnesses must appear in person at the BOE hearing unless good cause, such as a serious medical condition that prevents travel, or where the reasonable travel expenses clearly outweigh the potential benefit of the appeal is shown. Telephonic participation may be denied if it would cause substantial prejudice to the other party. Any request for telephonic participation must be received by the borough clerk at 144 North Binkley Street, Soldotna, Alaska, no later than 15 days before the hearing, unless good cause is shown for filing a late

request. Good cause for filing a later request may include a serious medical condition, a serious family emergency requiring the presence of the party, a death in the family, or other similar serious condition or event that either prevented the party from filing a timely request for telephonic participation or that arose after the deadline for filing the request. If telephonic participation is approved, then the party requesting telephonic participation shall be responsible for arranging the telephone call and for payment of associated telephone charges. The chair of the board of equalization is given the discretion to determine whether to grant a request for telephonic participation.

(Ord. No. 2016-28 , § 4, 8-23-16; Ord. No. 2005-29, § 3, 8-2-05; Ord. No. 2005-32, § 1, 8-16-05; Ord. No. 2004-05(Sub.), §§ 2—5, 9-7-04; Ord. No. 2000-49, §§ 5, 6, 12-12-00; Ord. No. 2000-05, § 4, 2-15-00; Ord. No. 98-21, § 1, 7-14-98; Ord. No. 95-03, § 2, 1995; Ord. No. 94-45, § 1, 1994; Ord. No. 90-12, § 1(part), 1990)

CHAPTER 2.58. - CONFLICTS OF INTEREST

2.58.010. - Definitions.

The following words shall have the following meanings:

- A. "Contract" or "contractual relationship" means any agreement or business relationship between the borough, division of the borough, or service area, whether such contract or agreement is expressed or implied. Sales of retail items or establishment as an approved source of supply of materials or goods are also included in the meaning of contract or contractual relationships.
- B. "Municipal officer" or "employee" means an officer or employee of the borough, whether paid or unpaid, and includes any members of any boards or commissions of the borough other than service area boards.
- C.
 - 1. "Service area board members" means those persons, whether elected or appointed, who serve upon boards of the various service areas as may from time to time be established within the borough.
 - 2. "Service area officers or employees" means an officer or employee of the service area involved in the contractual relationship, but does not include officers or employees of service areas other than the one with which a contractual relationship is sought or entered.
- D. "Service area officer or employee" means an officer or employee of a service area, whether paid or unpaid.
- E. "Substantial interest" means a pecuniary or material benefit accruing to the person as a result of a private, business or professional transaction with the borough, or service area. The person shall be deemed to have an interest in the affairs of:
 - 1. His or her spouse, spousal equivalency, minor children or dependents;
 - 2. A firm, partnership or association of which such person is a member or employee;
 - 3. A corporation of which the person is an officer, director or employee. A person shall be deemed to have an interest in the affairs of a nonprofit corporation of which the person is an unpaid director, solely by virtue of the directorship.
 - 4. A corporation in which a person owns more than five percent of the stock, or which is controlled directly or indirectly by such person.

(Ord. No. 2003-39, § 1, 12-17-03; Ord. No. 99-74, § 1, 1-18-00; Ord. No. 83-65, § 1(part), 1983)

2.58.020. - Limitations on contracting.

Unless the provisions of this chapter have been complied with, no contract or contractual relationship may be created between the borough and any of its officers, employees or assembly members, or where such person has, or would have, a substantial interest in the contract in a capacity other than his or her position with the borough. Nor may such persons with a substantial interest participate in the consideration, award or administration of any contract with the borough in which the person has a substantial interest.

(Ord. No. 83-65, § 1(part), 1983)

2.58.030. - Limitations on contracts with service area.

Unless the provisions of this chapter have been complied with, no contract or contractual relationship may be created between a service area and any of its service area board members, service area officers, or employees of the service area, or where such person has, or would have, a substantial interest in the contract in a capacity other than his or her position with the service area. Nor may such persons with a substantial interest participate in the consideration, award or administration of any contract with the borough in which the person has a substantial interest.

(Ord. No. 83-65, § 1(part), 1983)

2.58.035. - Contracts or sales not constituting substantial interest.

The following shall not constitute a substantial interest prohibited by this chapter:

- A. A contract with a person, firm, corporation or association in which the person has an interest solely by reason of employment as an officer or employee thereof, if the remuneration of such employment will not be directly affected as a result of such contract, and the duties of such employment do not directly involve the procurement, preparation or performance of any part thereof;
- B. A contract in which the person has an interest if such contract was entered into prior to the time he was elected or appointed as such service area board member, service area officer or employee, but this exception shall in no event authorize a renewal of any such contract;
- C. A contract with or sale by a corporation in which the person has an interest by reason of stockholdings when:

1. The stock of the corporation is listed on either the New York or American Stock Exchanges, or
 2. Less than 5 percent of the outstanding stock of the corporation is owned or controlled directly or indirectly by such board member, officer or employee;
- D. A contract or sale in which a service area board member, service area officer or employee has an interest, if the total consideration payable thereunder, when added to the aggregate amount of all consideration payable under contract in which such person had an interest during the fiscal year, does not exceed the sum of \$100.00.
- E. A person shall not be deemed to have an interest in the affairs of a nonprofit corporation of which the person is an unpaid director, appointed by the borough to fill a seat designated for a borough or service area officer or employee to represent the borough's interests on that board, solely by virtue of the directorship.

(Ord. No. 2003-39, § 2, 12-17-03; Ord. No. 83-65, § 1(part), 1983)

2.58.040. - Voting on certain questions prohibited.

- A. No assembly member or member of any service area board or commission may vote on any question on which he or she has a substantial direct or indirect financial interest unless an assembly member is not excused from voting as provided in KPB 22.40.140.
- B. The following do not constitute a vote on a question on which an assembly member, a service area board member or commission member has a substantial financial interest:
1. A vote to adopt or approve a variance request, a conditional use request, or an amendment to a zoning text or map, unless the assembly member, service area board member or commission member is directly or indirectly the applicant initiating the request;
 2. A vote on the question of recommending, approving or directing a condemnation proceeding;
 3. A vote on a question of granting or modifying a franchise, or a vote on a question of setting the rates charged or charged by a corporation, firm or partnership whether under franchise or not and whether authorized by law, ordinance or contract to set or alter such rates, provided the assembly member, service area board member or commission member has an interest in such franchise or rate-setting solely by reason of employment as an officer or employee of such corporation, firm or partnership, and the remuneration of such employment will not be

affected as a result of such franchise grant or modification or such rate-setting, and the duties of such employment do not directly or indirectly involve the negotiation or setting of the terms of the franchise or rates; or

4. Provided he has an interest solely by reason of the ownership of stock in the corporation if it is listed on the New York or American Stock Exchanges ownership direct or indirect of less than 5 percent of the outstanding stock or shares in the subject corporation.

(Ord. No. 99-74, § 2, 1-18-00; Ord. No. 83-65, § 1(part), 1983)

2.58.050. - Ability to contract upon disclosure of interest.

- A. Notwithstanding the provisions of Section 2.58.020, municipal officers, employees or assembly members may engage in business or contractual relationships with the borough upon compliance with the provisions of this section.
- B. Notwithstanding the provisions of Section 2.58.030, a service area board member, director or employee of the service area board may engage in business or contractual relationships with the service area upon compliance with the provisions of this section.
- C. Any of the persons described in subsections A and B in this section may engage in the authorized transactions if the conditions have been met:
 1. At least 10 days before the business relationship or contract is entered into or sought or bid upon, whichever event is earliest, the person shall file a notice of intent to do business with the borough or service area board. The notice will be upon the form to be prepared by the administration.
 2. The notice of intent to do business shall fully disclose the conflict between the person who is otherwise prohibited from entering into such contractual relationship, and shall fully disclose the nature of the proposed business relationship and specify the department or service area with whom the contract will be made. The notice of intent to do business shall be sworn under oath as to the information supplied therein.
 3. Such notice of intent to do business shall be filed with the office of the clerk, and a copy shall be provided by the clerk to the particular department, service area board, or other division of the borough with whom the person intends to enter into the business relationship or contract.
 4. The notice of intent to do business shall be kept on file with the borough clerk until such time as any business or contractual relationship that arises in connection with the notice is completed. The notice will be available for public inspection.

- D. Filing a notice of intent to do business or enter into a contractual relationship with the borough, department or service area board shall in no way affect the prohibition on voting or participating in decisions as set forth in Section 2.58.040.

(Ord. No. 83-65, § 1(part), 1983)

2.58.055. - Prohibition of contracts involving conflicts seriously affecting of duties.

If the award of a contract involving a conflict would create a situation in which an assembly member, service area board member, municipal officer, or employee could not adequately perform the duties of his or her office due to the conflict, then the conflict of interest is absolute and the contract must be awarded to another person.

(Ord. No. 83-65, § 1(part), 1983)

2.58.058. - Prohibition of dual service on assembly and borough boards and commissions, and on assembly members' eligibility for employment by the borough.

- A. No assembly member may serve on any borough board or commission.
- B. An assembly member shall not be eligible for employment for which a wage is paid by the borough until one year has elapsed from the date the member leaves the assembly. This does not preclude appointment of assembly members within the one-year period to borough boards or commissions for which a per diem amount, but no wage, is paid. While an assembly member may not simultaneously serve as an assembly member and borough mayor, nothing in this provision shall render an assembly member ineligible to run for borough mayor and, if elected, to serve as borough mayor at any time.

(Ord. No. 2002-33, § 1, 9-3-02; Ord. No. 85-95, § 1, 1986)

2.58.060. - Penalty for violations.

Any violation of the provisions of this chapter shall be punished by a fine of not more than \$500.00 or by imprisonment for not more than 30 days, or by both such fine and imprisonment. Each act of violation shall constitute a separate offense.

(Ord. No. 83-65, § 1(part), 1983)

2.58.070. - Common law superseded.

The provisions of this chapter supersede the common law on conflicts of interest arising out of substantial interests that may apply to borough officers, employees, and elected officials.

(Ord. No. 99-74, § 3, 1-18-00)

BOARD OF EQUALIZATION MOTIONS

MOTION TO UPHOLD ASSESSOR'S VALUATION:

I move that the borough assessor's valuation on the property described as [tax parcel number] be upheld.

SECOND...

The appellant, [name], has not presented sufficient evidence to prove an unequal, excessive, improper or under valuation for the following reasons: _____

MOTION TO REDUCE OR INCREASE ASSESSMENT:

I move that the assessor's valuation of the property described as [tax parcel number], be [reduced/increased] to \$[recommended dollar amount].

SECOND...

as the valuation of the borough assessor is [excessive/unequal/improper/undervalued] for the following reasons: _____

MOTION TO DEFER A DECISION:

I move that the board defer its decision on the valuation appeal of the property described as [tax parcel number], owned by [appellant's name], until the final hearing date [or set a date].

SECOND...

MOTION TO DISMISS THE APPEAL:

I move that the board dismiss the appeal of the property described as [legal description or tax parcel number], owned by [appellant's name] for the following reasons:

SECOND...

MOTION TO ADJOURN INTO ADJUDICATIVE SESSION:

I move to adjourn the hearing and deliberate in adjudicative session. Attorney Liz Leduc and Borough Clerk Johni Blankenship are to be included in the adjudicative session.

SECOND...

MOTION TO CONDUCT APPEAL HEARINGS AFTER JUNE 1:

I move the 20__ tax assessment appeal hearings be scheduled for hearing and decision after June 1, 20__.

SECOND...

This will not prejudice the appellants and the delay is administratively justified in light of the number of appeals and the notice requirements of the Kenai Peninsula Borough code.

Conducting hearings after June 1 will still enable the borough assessor to substantially comply with the requirement that the 20__ assessment roll be certified by June 1, 20__.