BOARD OF REVIEW
MEETING MINUTES
MAY 15, 2013
VILLAGE HALL BOARD ROOM

CALL TO ORDER
The 2013 Board of Review was called to order at 9:02 a.m. by Village Clerk Goeckner.

ROLL CALL
Present were: Members present were: Kenney, Niggemeier, Schneider, Warren and Kling. Also present were Attorney Sajdak, Clerk Goeckner and Jim Danielson of Accurate Appraisals.

ELECTION OF CHAIRPERSON
MOTION (Warren/Schneider) to appoint Member Niggemeier as Chairperson for the 2013 Board of Review, motion carried unanimously.

ELECTION OF VICE CHAIRPERSON
MOTION (Schneider/Warren) to appoint Member Kenney as Vice Chairperson for the 2013 Board of Review, motion carried unanimously.

VERIFICATION OF MANDATORY TRAINING
Clerk Goeckner verified that two members of the current Board have received mandatory training for the 2013 Board of Review, those being Chris Niggemeier and Sam Schneider. Certification will be required in the year 2014.

APPROVAL OF MINUTES – MAY 16, 2012
MOTION (Kling/Warren) to approve the minutes of May 16, 2012 with a correction to the date on the second page to that of May 16, 2012, motion carried unanimously.

REVIEW PROCEDURES
The Clerk outlined the procedures for the 2013 Board of Review. It was decided that the Board would deliberate after all objections had been heard.

REVIEW ROLL
The roll was presented to the Clerk, and reviewed by the Clerk and members of the Board.

HEAR OBJECTIONS
The Clerk informed the Board members of a filing which was received at 1:00 p.m. on May 14, 2013. Jim Sedgwick, River Lane Holdings, LLC appeared before the Board to request a waiver of the 48 hour notice to appear before the Board of Review. He stated his delay was due to human error. He had been having oral communication with the assessor. He just didn’t get here with the formal objection paperwork in time. Clerk clarified that the communication he had was not with the Clerk for Board of Review, but with the Assessor. **MOTION (Schneider/Warren) to waive the 48 hour notice, 3 in favor, 2 opposed (Warren, Kling), motion carried.**

Jim Sedgwick, agent for River Lane Holdings, LLC
GTNV 211 983 995

Clerk swore in Assessor Jim Danielson and also swore in the objector Jim Sedgwick.

Mr. Sedgwick stated the appraisal value is so different from the Assessor's record. 11.11 acres of un-platted vacant expansion real estate, planned for future condo expansion. Appraisal Associates appraisal determined a value of $720,000. The bank gave him permission to use the appraisal and provided it to the assessor. Difficulty finding direct comparables. Can't compare to a single family platted subdivision. Compared to Glen at Seven Stones in Sussex with 14.83 acres of expansion real estate currently assessed at $550,000 and ours is assessed at $143,000/acre. Used another comparable sale from October 2012, the Cove on Friestadt which sold for roughly $7600/acre. His direct appraisals range as low as $8500/acre. Feels the value would be $415,781 to the high end of $1,062,000 if compared to lot sale for single family subdivision lots.

No questions from the board at this time.

Assessor Danielson stated it was started as a condo plat with 150 or so units platted then some were converted to single family as needed. The Sussex property stated was only comparing to an assessment and had not been finalized. The sale was in 2010 before the utilities and road were in. It was bank owned and a foreclosure and we can't use that sale as a comparable. Most expansion real estate is vacant land. This land has all of the utilities and roads. They did some things to it and sold a 46 acre parcel for $1,705,500 and a 28 parcel for $1,200,000. Builders have also purchased single lots. We are assessing these at roughly $37,000 per parcel remaining. They sold at $46,500 for the 28 parcels. When we say $38,700 for 46, we felt our $37,000 per parcel for 41 was fair. The Sussex sale was not an arm's length sale. We felt the current assessment of $1,587,100 was fair.

Discussion of other factors included comparing other types of lots, restrictions etc. and sales, discounts on value, platted vs. un-platted lots, infrastructure installed, different zoning, values and basis for them, bulk pricing vs. individual lots.

2nd hearing:
Gary A. Van Cleve – Attorney and Agent for 505 Bridge LLC
GTNV 211 983 995
Village Attorney Brian Sajdak arrived at 10:15 am.
Attorney Van Cleve attending by telephone conference call.

Mr. Van Cleve provided documentation by e-mail prior to the meeting. Building is 31,000 sq. ft. with 25,900 sq. ft. of retail and remainder as warehouse. Structure built on 3.2 acres. Comparables with average sale under $32/ sq. ft. We want to approach on the income approach and have used an $8.26 / sq. ft. value. In discussion the observation seems there is too much weight being given to the current contract rent and the lease is due to expire in 2 years. More reliable to look at market rent of $12/sq. ft. incidentally. In conclusion the reconciliation we presented to you is weighted more heavily on our income approach to value. Because of the comparable sales and that analysis we came to $2,175,000 which is about $70/sq. ft.

Assessor Jim Danielson provided their analysis on the property Gander Mountain/Gun World. 31,080 sq. ft. current assessment of $3,550,000. Prepared comparable then went through income approach. Current lease on this property. Was $3,912,500 purchase in 2008. Lease rate goes for another 2 years at $12/sq. ft. Petitioner is arguing rate is less than $12/sq. ft. with same capitalization rate of 8%, cost to a rate of $3,750,000 based on current lease.

Other pertinent facts per discussion included comparables per sq. ft., lease agreement at $12/sq. ft. only for 2 more years, have not seen lease terms for comparables used by Assessor and sales approach.
Closed testimony at 10:38 a.m.

DELIBERATIONS AND DECISIONS ON OBJECTIONS
Assessor Jim Danielson stepped out of the room in fairness to taxpayers.

Deliberation of case #1 – River Lane Holdings, LLC – GTNV211 983-995
Discussion of values, comparisons, appraisals and considerations.
MOTION (Kenney/Warren) to reduce the land value from $1,587,100 to $980,000.
Discussion regarding recommendation being lower than what objector had agreed to in testimony. **MOTION (Kenney/Schneider) to amend the motion to reduce the land value to $1,062,000 what Mr. Sedgwick stated as acceptable.**

Attorney Sajdak – Point of order that it is 11:02 a.m. with BOR starting at 9:02 a.m. and there are no other parties in the audience to file objections and that would be closed.

Roll call vote on the amendment, 3 in favor (Schneider, Niggemeier, Kenney), 2 opposed (Warren, Kling), carried.
Roll call vote on the motion as amended, to reduce the assessed value to $1,062,000, 3 in favor (Schneider, Niggemeier, Kenney) 2 opposed (Warren, Kling), carried.

Deliberation of case #2 – 505 bridge LLC - Parcel GTNV 294-988
Discussion to uphold the value placed by the Assessor.
MOTION (Warren/Kenney) to uphold the Assessor's valuation of $3,550,000, by roll call vote, carried unanimously.

Clerk will deliver notifications to all parties by certified mail with return receipt.

ADJOURNMENT
MOTION (Schneider/Kenney) to adjourn the meeting Sine Di at 11:10 a.m., carried unanimously.

Respectfully submitted,

Barbara K. D. Goeckner MMC/WCPC
Village Clerk