

**Minutes of Meeting**  
**Assessor's Office**  
**June 4, 2018**  
**9:30 a.m.**

The Kootenai County Board of Commissioners: Chairman Marc Eberlein, Commissioner Chris Fillios and Commissioner Bob Bingham met to discuss the following agenda items. Also present were Assessor Mike McDowell, Chief Deputy Assessor Rich Houser, Specialized Appraisal Manager Rod Braun, Residential Appraisal Manager Darin Krier and Deputy Clerk Tina Ginorio. Also present were Kootenai County residents John and Lori Erickson.

- A. **Call to Order:** Chairman Marc Eberlein called the meeting to order at 9:32 a.m.
- B. **Changes to the Agenda:** There were no changes to the agenda.
- C. **Action Items:**

**2018 Property Assessment Overview with Assessor Mike McDowell, Appraisers, and Staff to Discuss:**

- **2018 Assessment Trends and Statistics**

Assessor Mike McDowell told the Board he and his staff intended to provide the Board with an overview of both residential and commercial appraisal activities over the last year. He said this year the waterfront properties were revalued; there was substantial change in that category. Mr. McDowell said there had been a great deal of commercial growth, particularly in apartment buildings. Additionally, he thanked the Board for aligning with the State Board of Tax Appeals and requiring out-of-state tax consultants to be properly qualified.

Specialized Appraisal Manager Rod Braun began his presentation with the statement, "everything in the County went up." He said most of the adjustments averaged about 10% on land, with the Hayden Lake area coming in around 15%. Mr. Braun commented that almost all of the marinas valuations increased, some significantly. He added that very few of the marinas responded to the Appraiser's Office letters inquiring about slip rates and other information which would affect their valuation, but that the owners may certainly provide the additional information if they wish the Assessors to do a recalculation.

Commissioner Chris Fillios asked when the valuation increases were effective. Mr. Braun confirmed they were effective as of January 1, 2018.

Chairman Eberlein inquired whether there were substantial changes in other types of commercial properties. Mr. Braun stated there were not many, but apartment's valuations did increase. He explained the Appraiser's Office had adjusted their model of the cap rate and vacancy rates. Chairman Eberlein inquired if many of the apartment complexes going up were primarily Section 8

or Section 42 housing. Mr. Braun said many were intended to be market rate apartments.

- **Factors Affecting Property Roll Values**

Residential Appraisal Manager Darin Krier told the Board that the CDA MSA (Metropolitan Statistical Analysis), was twenty seventh in the nation at the end of the fourth quarter last year. He said that they were ranked second in the nation during the third quarter, with a home appreciation rate of about 13.5%. He added that Kootenai County was number six in the nation for the first quarter of 2018, with a home appreciation rate of about 12.41%. Mr. Krier said most of the assessment levels in the County are between 90% and 93% of the market rate.

Chairman Eberlein commented that the total valuation of property in Kootenai County went up by about two billion dollars. Mr. McDowell remarked that the increase was not even, some areas increased more steeply than others. Mr. Krier agreed, saying in some residential areas land values went up between 15% and 35%.

Mr. Krier said improvement rates increased about 4% to 9% for houses categorized as fair to good quality but there was not much data available on improvements for houses rated excellent quality or above. He commented that the market is appreciating so quickly, one problem the assessors are facing is accessing an appropriate depreciation table.

Mr. Krier provided the Commissioners with an overview of the valuation changes in a number of specific neighborhoods in different towns. Chairman Eberlein expressed concern that people on fixed incomes would be priced out of their homes due to property taxes.

- **Board of Equalization Appeal Hearing Processes**

Chairman Eberlein inquired if any of the Assessor's Office staff had suggestions or requests regarding the upcoming Board of Equalization Appeal Hearings. Mr. Braun stated that he felt the most helpful thing the Board could do was closely adhere to the presentation time limits during appeals.

- D. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There was no public comment.

Chairman Eberlein adjourned the meeting at 10:26 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

MARC EBERLEIN, CHAIRMAN

BY: \_\_\_\_\_  
Tina Ginorio, Deputy Clerk

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