



# City of West Allis

## Meeting Agenda

### Board of Review

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Thursday, June 10, 2021

10:00 AM

City Hall, Common Council Chambers  
7525 W. Greenfield Ave.

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#### REGULAR MEETING

1. Call to Order
2. Roll Call
3. Confirmation of appropriate Board of Review and Open Meetings notices
4. Selection of a Board of Review Chairperson
5. Selection of a Board of Review Vice Chairperson
6. Verify that Member(s) have met the mandatory training requirements
7. Verify that the City has an ordinance for the confidentiality of income and expense information provided to the assessor under Wis. Stat. §70.47(7)(af)  
[21-0193](#) DOR guidance about impact of COVID on assessed values
8. Update on previous property tax appeal cases
9. Review of new laws
10. Re-affirmation of policy on procedure for sworn telephone or sworn written testimony requests
11. Re-affirmation of policy on procedure for waiver of board of review hearing requests
12. Filing and summary of Annual Assessment Report by Assessor's Office
13. Receipt of the Assessment Roll by Clerk from the Assessor and sworn statements from the Clerk
14. Perform Statutory Duties:
  - a. Examine the Roll,
  - b. Correct description or calculation errors,
  - c. Add omitted property, and
  - d. Eliminate double assessed property

**15. Certify all corrections of error under state law Wis. Stat. §70.43**

**16. Verify with the Assessor that open book changes have been included in the Assessment Roll**

**17. Allow taxpayers to examine assessment data**

**18. Consideration of:**

*Consideration of:*

- a. Waivers of the required 48-hour notice of intent to file an objection when there is good cause*
- b. Waivers or requests for waiver of the BOR hearing allowing the property owner an appeal directly to circuit court*
- c. Requests to testify by telephone or submit sworn written statement*
- d. Objection forms and hearing for property owners who did not submit acceptable income and expense information pursuant to Wis. Stat. §70.47(7)(af)*
- e. Subpoena requests*
- f. Action on any other legally allowed/required Board of Review matters*
- g. Palpable Errors pursuant to Wis. Stat. §70.43*
- h. Omitted Property pursuant to Wis. Stat. §70.44*

**19. Review notices of intent to file objection**

**20. Consideration of proposed schedule of hearings on objections**

**21. Opportunity for objectors who do not give their intent to appear to give reason to the board as to why they should be heard**

**22. Adjournment**



All meetings of the Board of Review are public meetings. In order for the general public to make comments at the committee meetings, the individual(s) must be scheduled (as an appearance) with the chair of the committee or the appropriate staff contact; otherwise, the meeting of the committee is a working session for the committee itself, and discussion by those in attendance is limited to committee members, the mayor, other alderpersons, staff and others that may be a party to the matter being discussed.

#### **NOTICE OF POSSIBLE QUORUM**

It is possible that members of, and possibly a quorum of, members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information. No action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

#### **NON-DISCRIMINATION STATEMENT**

The City of West Allis does not discriminate against individuals on the basis of race, color, religion, age, marital or veterans' status, sex, national origin, disability or any other legally protected status in the admission or access to, or treatment or employment in, its services, programs or activities.

#### **AMERICANS WITH DISABILITIES ACT NOTICE**

Upon reasonable notice the City will furnish appropriate auxiliary aids and services when necessary to afford individuals with disabilities an equal opportunity to participate in and to enjoy the benefits of a service, program or activity provided by the City.

#### **LIMITED ENGLISH PROFICIENCY STATEMENT**

It is the policy of the City of West Allis to provide language access services to populations of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be directly affected by our programs. Such services will be focused on providing meaningful access to our programs, services and/or benefits.

# 2021 Property Assessment Information

The following is the Wisconsin Department of Revenue's (DOR) responses to the February 15, 2021 questions from the Wisconsin Association of Assessing Officers.

## Maintenance Type

- 1. The DOR's guidance in the past has stated that assessors should not make changes for market conditions in a maintenance year. Does this mean that we should not make changes for property values affected by the COVID-19 pandemic as of 1/1/2021 if we are performing a maintenance assessment in 2021?**
  - No. The assessor should not change property values affected by COVID-19 in this case. During a maintenance assessment, the assessor should make updates for new construction, demolition and changes in classification.
  - A maintenance assessment does not update assessments to full value (ex: changes in the real estate market). The WPAM and DOR Annual Assessor Meetings describe the required assessment processes by assessment type. See the [WPAM](#) and pages 4-1 to 4-3 and slides 123 to 145 of the [2020 DOR Annual Assessor Meeting](#).
- 2. If an assessor is performing a maintenance assessment in 2021, is the assessor responsible to discover which properties were negatively affected by the COVID-19 pandemic in terms of market value?**

Assessors are not required to determine market value changes to each property during a maintenance assessment. However, an assessor does need to review the overall municipality and determine the overall level of assessment through the use of assessment and sales ratio studies when completing any assessment type. See the [WPAM](#) and Chapter 10.
- 3. If an assessor is performing a maintenance assessment in 2021 and distributes notices of assessment without making changes for COVID-related market conditions, can or should the assessor make such changes based on appeals and evidence provided on a case-by-case basis during Open Book?**
  - No. A maintenance assessment updates assessments for new construction, demolition and classification.
  - A maintenance assessment does not address changes to the property's market value. The WPAM and DOR Annual Assessor Meetings describe the required assessment processes for any assessment type. See the [WPAM](#) and pages 4-1 to 4-3 and slides 123 to 145 of the [2020 DOR Annual Assessor Meeting](#).
- 4. How should assessors respond to municipal officials and the public, when asked why assessors are not recognizing impacts of COVID-19 for 2021 due to a maintenance year assessment roll?**
  - State law establishes an annual property assessment and taxation process, providing the annual assessment date of January 1 (sec. [70.10](#), Wis. Stats.). The 2021 assessments are effective as of January 1, 2021 and are based on the property's status as of January 1, 2021. However, state law does not require annual full value (ex: fair market value) assessments. Assessments must be within 10 percent of full value once every five years (sec. [70.05](#), Wis. Stats.).
  - A municipality determines whether to conduct a "revaluation" where all property assessments are updated to full value or a "maintenance" assessment where property values are updated for new construction and demolition and classification, though not updated to full value. See Chapter 4, pages 1-3, of the [WPAM](#) for additional information on the different assessment types.
  - Contact your municipality to determine the type of assessment it is conducting for 2021

## Valuation

- 1. If the assessor reduces assessments of some types of commercial properties negatively impacted by the COVID-19 pandemic, should the assessor also increase assessments of other types of commercial (or residential) properties that show evidence of market appreciation as of 1/1/2021?**

If the municipality is completing a 2021 non-maintenance assessment, the assessor is required to follow state law and establish the value of all property according to sec. [70.32](#), Wis. Stats. – establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those

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sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."

- 2. If the assessor makes adjustments to COVID-affected commercial properties, should the assessed values be at market value as of 1/1/21? Should the value be further adjusted to reflect the level of assessment in the municipality? If level of assessment is to be considered, should it be the overall general level of assessment, the commercial class level of assessment, or, if stratified, could the level from a subclass or stratum of commercial properties be used?**

If the municipality is completing a 2021 full revaluation or exterior revaluation, all property is assessed at full value as of January 1, 2021. If a municipality is conducting an interim market update, all property is assessed at the same level (municipality's aggregate level of assessment) of full value as of January 1, 2021. Follow state law ([sec. 70.32](#), Wis. Stats.) and value all real property according to [sec. 70.32](#), Wis. Stats. See Chapter 4, pages 1-3, of the [WPAM](#) for additional information on the different assessment types.

- 3. If we perform a city-wide revaluation in 2021 and we take into account the negative impacts of COVID, assuming the market rebounds as soon as next year, our values could be out of compliance only one year after a full revaluation. Should we really be taking COVID into account if the impact may be short-lived?**
- If the municipality is completing a 2021 non-maintenance assessment, the assessor is required to follow state law and establish the January 1, 2021 value of all property according to [sec. 70.32](#), Wis. Stats., which establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."
  - Similarly, if the municipality is completing a 2022 non-maintenance assessment, the assessor is required to follow state law and establish the January 1, 2022 value of all property according to [sec. 70.32](#), Wis. Stats.
- 4. How can assessors determine or measure the impact of the COVID-19 pandemic on different types of properties in our local market, especially if we have very few sales from 2020? What constitutes a large enough "effect" due to COVID-19 to make adjustments?**
- State law ([sec. 70.32](#), Wis. Stats.) establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."
  - Chapter 10 of the [WPAM](#) provides information on review and use of property sales. See pages 1-3 for information on analyzing and stratifying sales to determine overall value and changes by property type. Chapter 12 focuses primarily on the use of sales to determine residential property assessments. See pages 23-26 for an example.
  - Chapter 13 of the [WPAM](#) provides information on valuation of commercial property. See pages 37-41, which discuss the valuation of leased property and consideration of sales, income and cost information to determine the full value subject to taxation. As noted on page 40, when using the income approach, the goal is to determine market rent. Similar to sales, rental rates and leases are also reviewed to determine whether they are arm's length and represent market rent. In determining market rent, contract rents are analyzed to determine adjustments for many factors including short-term and long-term contracts that may not reflect the market.

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- 5. For leased properties affected by COVID-19, should the assessor consider high vacancy and/or collection loss or restructured leases & reduced rents? Should the assessor consider loss of business income due to forced closures, customer capacity limits, or other forms of reduced business income related to the pandemic?**
- State law (sec. [70.32](#), Wis. Stats.) establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."
  - Chapter 13 of the [WPAM](#) provides information on valuation of commercial property. See pages 37-41, which discuss the valuation of leased property and consideration of sales, income and cost information to determine the full value subject to taxation. As noted on page 40, when using the income approach, the goal is to determine market rent. Similar to sales, rental rates and leases are also reviewed to determine whether they are arm's length and represent market rent. In determining market rent, contract rents are analyzed to determine adjustments for many factors including short-term and long-term contracts that may not reflect the market.
- 6. In evaluating the negative impact of the pandemic on income properties such as motel/hotels, restaurants, small businesses, etc., should the assessor consider income received from state/federal government stimulus packages? Is it a matter of public record how much stimulus money was given to individual businesses?**
- State property assessment law (sec. [70.32](#), Wis. Stats.) provides for the assessor to value the real property. State property assessment law (sec. [70.03](#), Wis. Stats.), defines real property as:
    - (1) Chapters 70 to 76, 78, and 79, "real property," "real estate," and "land" include not only the land itself but all buildings and improvements thereon, and all fixtures and rights and privileges appertaining thereto, except as provided in sub. (2) and except that for the purpose of time-share property, as defined in sec. [707.02 \(32\)](#), real property does not include recurrent exclusive use and occupancy on a periodic basis or other rights, including, but not limited to, membership rights, vacation services, and club memberships
    - (2) "Real property" and "real estate" do not include any permit or license required to place, operate, or maintain at a specific location one or more articles of personal property described under sec. [70.04 \(3\)](#) or any value associated with the permit or license
  - State property assessment law does not provide for the assessor to value the person who owns the property or payments to that person unrelated to the state law definition of real estate under sec. [70.03](#), Wis. Stats.
- 7. A reduction of tax base causes an increase in tax rates, which "penalizes" properties not negatively impacted by COVID. If the legislature is not proposing a tax credit or property tax relief, should we as assessors be expected to "fix" an economic crisis when the assessor's focus should be on real estate values rather than business values? State law requires assessors to value real property according to sec. [70.32](#), Wis. Stats. and the [WPAM](#). State law does not provide for assessor to make arbitrary or otherwise unsubstantiated assessment changes.**
- 8. In our assessment work, we normally use 3 years sales data and 3 years of stabilized income/expenses for establishing values. Should we disregard that practice to react immediately to the COVID impact as of 1/1/2021?**
- State law establishes an annual property assessment and taxation process, providing the annual assessment date of January 1 (sec. [70.10](#), Wis. Stats.). The 2021 assessments are effective as of January 1, 2021 and are based on the property's status as of January 1, 2021.
  - State law also (sec. [70.32](#), Wis. Stats.), establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."

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- Chapter 10 of the [WPAM](#) provides information on review and use of property sales. See pages 1-3 for information on analyzing and stratifying sales to determine overall value and changes by property type.
- Chapter 12 of the [WPAM](#) focuses primarily on the use of sales to determine residential property assessments. See page 6 for discussion on the adjustment process, first adjusting for time and reflecting the sale price as of the assessment date with an adjustment example chart on page 8. See pages 23-26 for additional information and examples on the sales comparison approach to value.
- Chapter 13 of the [WPAM](#) provides information on valuation of commercial property. See pages 37-41, which discuss the valuation of leased property and consideration of sales, income and cost information to determine the full value subject to taxation. As noted on page 40, when using the income approach, the goal is to determine market rent. Similar to sales, rental rates and leases are also reviewed to determine whether they are arm's length and represent market rent. In determining market rent, contract rents are analyzed to determine adjustments for many factors including short-term and long-term contracts that may not reflect the market. Also consider page 69, which outlines the appraisal process for reviewing income and expenses over several years.

### 9. In 2020, my municipality was hit with both COVID-19 and a series of violent protests that damaged properties and closed businesses. If we are adjusting for COVID relief, should we also be adjusting for violence relief as well?

- If the municipality is completing a 2021 non-maintenance assessment, the assessor is required to follow state law and establish the January 1, 2021 value of all property according to sec. [70.32](#), Wis. Stats., which establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."
- State property assessment law does not provide for the assessor to value the person who owns the property or the value of the business operating at the property. These are unrelated to the state law definition of real estate under sec. [70.03](#), Wis. Stats.

### 10. How is the effect of the COVID-19 pandemic different from the 2008-2009 recession in terms of its effect on property values (commercial and residential)? How is it similar?

An assessor needs to follow the state laws and the WPAM appropriate to that assessment year. For the January 1, 2008 assessment, assessors were required to follow state laws effective on January 1, 2008 and the 2008 WPAM. The same applies for the 2009 and 2021 assessments. For the January 1, 2021 assessment, assessors are required to follow the state laws effective on January 1, 2021 and the 2021 [WPAM](#).

### 11. A company is trying to discount for COVID-19 and changing the depreciation rates on the 2021 Statement of Personal Property. What should the assessor do?

- State law (sec. [70.34](#), Wis. Stats.) provides for the valuation of personal property at its true cash value. To determine the amount and value of personal property of any person, state law (sec. [70.35\(1\)](#), Wis. Stats.) allows the assessor to examine such person under oath or require such person to submit a return of such personal property and the taxable value thereof. Assessors are responsible for auditing these returns, (ex: [Statements of Personal Property](#)). Contact the filer for information on the values and any adjustments.
- **Note:** State law (sec. [70.35\(3\)](#), Wis. Stats.) does not require the assessor to accept the form and values provided by the filer. If the assessor determines a personal property value different than the value provided by the filer, DOR recommends sending a [Notice of Personal Property Assessment](#). See Chapters 17 and 19 of the [WPAM](#).

# 2021 Property Assessment Information

## Equalized Values

**1. If the assessor reduces assessments for certain commercial properties based on evidence that the property values dropped due to the COVID-19 pandemic, should these value losses be reported on the MAR as "extreme economic obsolescence?"**

- The Equalized Value is adjusted each year to reflect market value changes by property class. The adjustments are called "economic changes" and are based on the prior year sales data. However, unique circumstances may occur in the marketplace that impacts the value of a specific property or type of property, that cannot be captured in the sales analysis and may not be adequately reflected in the economic change.
- If an assessor is conducting a revaluation and determines an assessment adjustment is warranted on a single property or property type due to unique market circumstances, the assessment change can be reported on the Municipal Assessment Report as Economic Obsolescence. The assessor should provide comments explaining the reason for the Economic Obsolescence entry. The Equalization District Office will likely contact the assessor to discuss the Economic Obsolescence entry and may request the assessor's analysis used as a basis for the assessment change.

**2. How will DOR account for value losses for certain types of commercial properties in the 2021 Equalized Values? In some cases, there will not be any sales data within the municipality, but there may be other sales in the county, market area, or regionally that would support a value loss for certain types of properties (for example, hotels).**

- DOR conducts a sales analysis by property class each year. The analysis may extend beyond a municipality's boundaries, when appropriate, to help identify market trends. Assessors provide property type codes when submitted assessment data to DOR. The property type codes are utilized to help to identify trends related to specific property types.
- See response to question 16 for additional information related to adjustments to the Equalized Value for market value changes

**3. Could DOR conduct a study using PAD sales data (perhaps by County) to help guide assessors in estimating the effects of COVID-19 on different types of commercial properties? National data suggests that some types of properties, such as industrial property, has increased in value, while retail and hospitality properties have decreased sharply.**

It is the municipal assessor's responsibility to analyze sales activity used to determine assessed values. All assessors have access to [statewide sales data](#) as well as the associated [assessment data](#) provided by assessors (see Provide Assessment Data "Download Assessments"). This information can be utilized by assessors to evaluate market value changes for specific types of properties on a local level or regional level.

**4. If the assessor provides DOR with stratified commercial assessment data for their municipality, will DOR use this information? Or would it be a waste of our time? Many assessors would be able to stratify their commercial assessments into categories, such as multi-family, industrial, retail, office, etc.).**

- All stratification studies submitted to DOR by municipal assessors are reviewed by DOR staff, and if the analysis is supported by a sufficient number of sales, it is used to adjust the Equalized Value
- Stratification information should be completed using DOR's [Sales Stratification Form](#), and submitted to the appropriate [Equalization Bureau District Office](#) by May 1, 2021
- Contact the [Equalization Bureau District Office](#) in your area for assistance