

HUMBOLDT ASSOCIATION OF REALTORS®
BROKERS MEETING
Thursday, February 13, 2014
2:00 p.m.

ATTENDANCE: Mikki Cardoza, Rahi Miraie, Victoria Copeland, Jean Gladstone-Clark, Heike Kutchukov, Robin Ronay, Kathi Ray, Debbi Bindel, Dick Lindstrom, Ruth Schnell, Austin Dach, Mikki Cardoza, Joanie Frederick, Greg Anderson, Joyce West

Staff present: Lois Busey, Executive Officer; Kristen Zeck, Administrative Assistant

NOTES: Notes from November 7, 2014 Meeting. Notes from the November 2013 broker meeting were in the packets.

GUEST SPEAKER: Mari Wilson, Humboldt County Assessor, was present to answer any questions regarding property tax and assessments. Victoria questioned the assessor legalities on assessing parcels Humboldt County Planning Department has listed as shaded parcels or illegal parcels. Mari noted it's not the Assessors job to report or notice anyone if a parcel is shaded or not. They do not have anything to do with legalities, they only assess the value. Mari has been in direct contact with Kevin Hamblin, Humboldt County Planning Department Director, trying to keep communication open between the Planning Department and the Assessor's Office. Victoria commented on the issues that future owners of a shaded parcel think the parcel is legal because they are paying property taxes on it. Mari noted every buyer should contact the Humboldt County Planning Department to make sure potential parcels are legal and not rely that a parcel is legal just because it has an APN. Likewise, Real estate agents should not assume that a parcel is legal just because it has an APN. Cliff Johnson mailed out 1,900 letters two years ago to landowners that had questionable shaded parcels. Victoria questioned why the Assessor's office does not report changes on parcels to the Humboldt County Planning Department. Mari noted they are not a policing agency or an agency to correct problems on a parcel; they are only to assess value for taxation purposes. The Planning Department reports changes, permits, etc. to the Assessor's Office, not the other way around. Those present thought it would be a great idea to invite Kevin Hamblin, Humboldt County Planning Department Director, as a guest speaker to the June Broker's meeting.

Mari noted commercial property taxes are starting to increase. There is talk of Split Property Tax Rolls. Commercial property will be assessed every four years instead of the current assessment at change of ownership. The County feels there is a potential loss of tax revenue when a corporation holds a property indefinitely.

Proposition 8 was discussed and how to have a review done on a parcel. Members questioned the Builders Exclusion and how and when the builder transfer is finalized affects the new owner in regards to supplemental tax bills. Mari explained that an assessor drives out to assess January 1st for the percentage of completion. Our members requested a copy of the assessor's construction list. Mari will email the list to Mikki to distribute to our membership. Greg commented it is crucial to appeal the base year on new construction to get the lowest start point for value. A homeowner of new construction has only four years to appeal the base year value. All you have to do is submit comp's to have the base year value readjusted immediately. If you ask for a Prop 8 appeal, you must wait a year for the Assessor office to assess to see if the value should decrease. The Prop 8 appeal is only a temporary decrease; the Assessor's office will review the market condition and adjust the taxation value annually. Greg reported he, Brain Mitchell and Charles Petty are members of the appeals board.

Realtors noted concerns with the Assessor's Department staff and their non-helpful attitudes. Most present commented that they have all experienced problems with the staff in that office. There is a big problem with the staff not releasing property characteristics with an owner's written consent. Another issue has been not being allowed to take a photo of information, that any information must be handwritten in the office. Marie noted it is a policy of the Assessor's Office to not allow photos. Mari will take our comments under advisement

and talk to the Assessor's office staff. Some agents suggested writing official letters with details of the issues and who the problem is with and sending them to department heads. There was a compliment on Jesse, a computer tech at the Assessor's office for his friendly service. Mari noted Jesse is the computer tech who is inputting the characteristic data into the database that will eventually be accessed by the public for free. Agents suggested setting up an email address to handle requests for characteristics from Realtors and owners; Mari will see about setting up such an email. Marie commented owner's authorizations must have a "wet" signature in order to be valid for an agent to obtain the property characteristics. There is an owner authorization form available on line that can be used to get the characteristics. Staff was asked to email the link/form to our membership.

Mari reported that in special circumstances when two sales (house flipping) happen on a property in a given year, the first tax bill becomes a personal debt and is not secured by the property. Robin asked Mari how does an agent or bank handle parcels that have a postal or site address that differs what the planning department or Assessor's Office has. Mari noted the issue will need to be cleared up thru the Planning Department. She noted she has worked with the Planning Department in the past to get addresses and APN's corrected if brought to her attention.

Mari wrote a letter in support of Prop 60 (county-wide) and Prop 90 (state-wide). These Props are where property owners 55 years and older can get a tax break when they sell their large home and downsize as long as the newer property is equivalent value or less than the old property. Right now Humboldt County only has the county-wide selection. There was an Assessor in Santa Clarita who opposed the state-wide proposition and it is not in effect as of this time. Mari will email the letter of support to Mikki to give to Lois and those who are interested.

Greg asked Mari if the Humboldt County Assessor's Office would be open to help in supplying a competent individual to help input characteristic into the database so we can someday soon have access without having to pay for the information. Her response was she was not opposed and there may be a grant in the future that will assist with hiring someone to help.

HAR: Scholarship & Grant Program. Lois reported as of this time we have received \$692 in donations from the Non-Event Fundraiser, \$100 in chocolate sales, and over \$200 from the Wine Pull fundraiser at the Sweetheart mixer. The Scholarship and Grant applications are out. The Scholarship & Grant Committee awarded three grants to Ami Brusca, Valerie Reed and Courtney Burman.

FlexMLS Summit suggestions/ideas. Lois reported Robin Ronay and Staci will be attending a FlexMLS summit in San Diego. If anyone has any suggestions or ideas for the girls to address at the summit, let them know today. There was a suggestion to get a bar like Crescent City's MLS that states low price, high price and median price across the top of the page. Agents suggested selecting all the properties in a search and click the compare button in Flex.

CAR: State Directors Reports. Lois commented the State Directors reports are on the table and to please take one or more back to your offices and share the information.

FEMA Flood Insurance Reform. Victoria reported that properties in the FEMA flood areas that have a structure that is not in the flood zone must obtain elevation certificates to avoid paying for the expensive flood insurance. She noted Baird Engineering is the cheapest that she has found so far in the Southern Humboldt area. The certificates range from \$450 to \$5,000 to obtain. As of this time the flood certificate requirement has been stalled for four more years.

RPA Draft Revisions. Lois commented that CAR is looking for agent comments on the draft of the soon to be updated RPA. The comments must be submitted by February 14th. HAR is trying to schedule a RPA class in

the fall. The new RPA form will be released in November 2014. Agents commented it would be nice to have a provision to include water heater strapping and CO monitors prior to appraisals.

Short Sale Debt Forgiveness. Lois reported CAR has added the IRS and the California Franchise Tax Board opinion letters online for agents to download. CAR advises to give clients the letters and have them take to their tax preparers or accountants and to not give any advice regarding short sale debt forgiveness.

FHA now accepts E-Signatures. Agents reviewed the information in the packet.

BRE information on trust account. Agents reviewed the information in the packet.

SRA Bills. CAR is still advising agents to tell the property owners to pay in protest until everything is resolved.

CAR Legal Webinars – Monthly. Be sure to sign up for the monthly CAR legal webinars.

NAR: National Flood Insurance Program. Agents reviewed the information released from NAR regarding the elimination of the future grandfathering provision in the National Flood Insurance Program.

HAR EVENTS:

Recent: Tax Class & Obamacare Insurance – November 14th
Toys for Kids Mixer – December 12th
Installation dinner at Ingomar Club – January 11th
General Membership Meeting – February 6th
Sweetheart Mixer – February 12th

Upcoming: Safety Class – February 19th
New Member Orientation – March 13th
Finance Workshop- March 25th
Selling Rural Properties Class – April 30th
Social Media Class – May 21st
General Membership Meeting & Affiliate EXPO – June 5th

OPEN FORUM. Lois distributed copies of the League of Women Voters booklets.

Lois reported the City of Eureka presented extending Measure “O” beyond 2016 at the Board of Directors meeting. They asked for support at the City of Eureka meeting when they address whether or not to put it on the next ballot.

Victoria reported that the City of Eureka is starting to work on their General Plan Update. She asked everyone to visit their website and go to their virtual town hall meeting section and answer the questions.

Keep Eureka Beautiful will plant a tree in your yard and waive the \$75 fee at this time. Contact them for more information.

There is a special meeting by Caltrans regarding the Broadway Feasibility Study at the Wharfinger Building on February 27th from 4:30 – 6:30 p.m.

Adjourned: 3:50 p.m.