



Dipattamenton Kontribusi yan

Adu'ana

DEPARTMENT OF

REVENUE AND TAXATION

GOVERNMENT OF GUAM

Gubetnamenton Guahan

EDDIE B. CALVO, Governor Maga'lahi
RAY S. TENORIO, Lt. Governor Tifente Gubetnadot

JOHN P. CAMACHO

Director

Direktor

MARIE M. BENITO

Deputy Director

Sigundo Direktor

Department of Revenue & Taxation

2014 Board of Equalization

Real Property Tax Division

BOARD MEETING- March 14, 2014

Meeting was called to order at 3:21 p.m. Quorum was established.

Attendees Present:

Cynthia Ecube, Chairwoman

Pelagio Sardoma, Secretary

Elmore Cotton, Member

John Terlaje, Property Tax Supervisor

Katrina B. Hodges, Property Tax Assessment Supervisor

Ann A. Soares, Word Processor Secretary II

Appellants Present:

W. Nicolas Captain, Captain Appraisals

Mathews Pothan, Guam Marriott/Pacific Star

Hiroyuki Miyata, Leo Palace Corp.

Daisuke Yamaki, Leo Palace Corp.

Publication Notice of Meeting:

Notices were published on March 10, 2014 and March 12, 2014, Guam Marianas Variety as per John Terlaje and confirmed by Cynthia Ecube.

Approval of Minutes:

A motion by Moe Cotton was made to approve the minutes for February 6, 2014 meeting regarding the Old Business: the issue of the Certification of 2012 and 2013 Real Property Tax Assessment Roll and was seconded by Pelagio Sardoma, motion was granted.

New Business:

Appeals for 2010, 2011 and 2012 Tax Valuation.

PC

Discussions:

John Terlaje mentioned that for the record the application for: Mang Sheung Ahlf/Cliff Condo-Application was approved and adjusted in house. Allan M. Perez-Did not wish to attend meeting. Application was denied, he did not have enough evidence or an appraisal report to show his properties is of less value. Needs to be scheduled for next BOE meeting in June.

◆ First Appellant-Nick Captain, Captain Appraisals/Mathews Pothan, Guam Marriott
Issue: Value is above market. Parcel Description is Lot 237-2-B9 L11 and B9 L11-14.

◆ Marina Hotel: Appraised Value Total estimated at 3.144M Bldg: 50,000 Land: 15,000. For clarification these are segments on property assessments. Value is actually about 1.64M.

◆ New Marine Park Hotel: Parcel is where building lot is, there are multiple lots and some vacant lots, they are requesting for an appraised value. There is a huge difference on the appraised value on unused property. Obsolescence affecting property, 3 story walkway, property leaks and flooding, property is at its end of economic useful life, uninsured property site.

◆ Value on property is actually double as per RPT. Building is of no value, but is on a prime location. Owner requesting building to be demolished and land assessment be lowered. Building is speculative of flooding and leaks. Management is paying about 400 monthly on utilities. Proposal is to reduce value and demolish building. Proposal to reduce value, motion was made by Moe Cotton and seconded by Pel Sardoma, motion was granted.

◆ Guam Marriott: The Marriott Hotel is under sale. Management's agreement is with UFB Corporation, they actually bought it from them. The agreement is for 20 years. The property closest to the road is being leased on Fee Simple, there's 400 rooms. UFB leasehold is Fee Simple and ownership is paid. Building is estimated to be worth 1.83M. Landlord pays the property taxes but after 17 years, Lessee assumes payment. Based on Fee Simple, the government is not responsible for settlement agreements. Property was sold at a lot less. Sale was at 10.8M, 50% higher and had 6.1M in improvements. Property values decreased in 2010. They are appealing for decrease in value due to structural issues and on non-taxable items like fixtures and furnishings. Operating loss is at 2M per year.

ps.

- ◆ Upscale hotels are on low appraisal values based on past climate changes and cost analysis. They are subject to amendments. There is a huge difference on Government vs. Private Appraisal, it's like comparing apples to oranges. Last tri-annual 1993 to present is boom preliminary until tri-annual of 2014. There are mitigating circumstances and challenges. Aggregate value is 15.3M, actual value is 6.1M. Proposal to reduce value, motion was made by Moe Cotton and seconded by Pel Sardoma, motion was granted on assessments of redemption.
- ◆ 2nd Appellant-Nick Captain, Captain Appraisals/Hiroyuki Miyata & Daisue Yamaki-Leo Palace Guam Corporation. Issue: Value is above market.
- ◆ Hotel Velvedere-Building B - 2 Million Building was abandoned since 2011 and is losing value of property. Building shutdown, there are 200 rooms worth 54M with condo, golf course and pool. Spent about 200 Thousand a year on power. Requested value is at 33% at \$128,700.00.
- ◆ Westin Hotel, sister property valued at 80 Million with actual value at 41 Million (see page 158).

Next BOE meeting will be scheduled in June to schedule 2013 Appeals. Motion to approve the appeal was made by Elmore Cotton and seconded by Pel Sardoma. Motion to approve was made by Moe Cotton and seconded by Pel Sardoma. Motion was granted.

Meeting adjourned at 4:49p.m.

The following minutes was approved by the Board of Directors on 3/14/14, 2014.


PELAGIO SARDOMA, Secretary