

DEPARTMENT OF ASSESSOR
309 2nd Ave S - Room 100
Minneapolis, Minnesota 55401-2234

J. Scott Renne, MAI, CAE
City Assessor

TDD (612) 673-2157



May 28, 2002

Ways and Means Chair Barbara Johnson
City of Minneapolis
350 South Fifth Street
Minneapolis, Minnesota, 55415

Subject: Request to start a candidate for Assessor III at Step 5 of the salary range

Dear Chair Johnson:

The purpose of this memo is to submit a request to Ways and Means for their approval of our request to the Ways & Means Committee and the City Council to start Jeff Namie, MAI at Step 5 of the Assessor III salary range. This memo will attempt to address both the department need and the applicant's qualifications. On May 2, 2002, a request was made of HR and granted to start Mr. Namie at Step 2 with the initial job offer. Mr. Namie's response to the offer was to make a counter offer at the mid-point of the range or \$55,000 per year. Recognizing that we must be at a step, not between steps, his proposal is closest to Step 5 at \$56,846 per year. The department has the funds within its budget to pay the salary at Step 5. The department has submitted this request to HR and received their approval for Step 5.

Department Need.

The Assessor III position was made available when the previous incumbent, Dan Boris, was promoted to the Real Estate Supervisor. The responsibilities of the position are to be a member of the "Loop Team" that has responsibilities for initial valuation and defense of values for the central business district (CBD). When fully staffed, the team consists of three Assessor III's on a full time basis, and on an as needed basis, the Real Estate Supervisor of the Income Section, the Director of Assessments and on a very limited basis, the City Assessor.

Having a highly skilled team to appraise the CBD is critical for the stability of the City's tax base. In the early 1990's there was a commercial real estate recession. The resulting property tax appeals and large property tax refunds caused a major disruption in local government finance. The office real estate market is again in a period of high vacancies and eroding rent levels. Although values have been "stepped down" for many properties for two consecutive assessments, appeals are still increasing. The number of Tax Court petitions has increased by 107% in the past two years. Historically the CBD has paid up to 40% of the City's taxes. The Assessor's office needs adequate resources to perform both macro and micro analysis for the initial assessment and the high number of appeals.

AFFIRMATIVE ACTION EMPLOYER

Recycled paper 20% post consumer waste

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Qualifications of the Applicant as related to Job Requirements

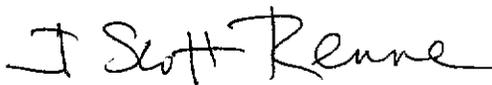
Mr. Namie's qualifications exceed those identified in the categories of education/experience, licenses/certifications and knowledge/skills/abilities. He would be relocating from Florida at his own expense.

Education/experience: The requirements state that the applicant must have graduated from an accredited college with Bachelors degree in Real Estate Business, Economics, Computer Science or closely related field and three years of experience. Mr. Namie has a Bachelor of Science degree in Business Administration with a major in real estate and urban land studies. He also has a strong appraisal related educational background with course work in appraisal of complex investment properties. Mr. Namie far exceeds the minimum of three years full time experience. He began his career as an appraiser in September 1979 and has worked in the field continuously since that time.

Licenses/certification: The licenses and certification would be met by Mr. Namie as soon as he takes a 30 hour course in assessment law, history and procedures. His previous course work would meet the other educational requirements. His professional designation of "*Member of the Appraisal Institute*" is the terminal professional designation in real estate appraisal. The requirements for this designation are so rigorous that fewer than 3% of practicing appraisers achieve it. It gives him immediate and elevated credibility when working with taxpayers or their attorneys. The designation requires advanced knowledge in complex appraisal applications, which are common place in appraising central business district properties. Mr. Namie is the only candidate that had this professional designation.

Knowledge/skills/abilities: This category identifies seven bullet points. Mr. Namie meets and exceeds six of the seven with the only questionable item of "knowledge of the State of Minnesota Assessor's by-laws and Laws". The Minnesota Department of Revenue has a weeklong course in this topic twice a year and it would be our expectation that he rapidly obtain this knowledge. The Assessor's Office respectfully requests the approval of the Ways and Means Committee and ultimately the City Council to offer Mr. Namie Step 5 of the Assessor III salary range.

Respectfully submitted,



J. Scott Renne, MAI
City Assessor



Ann Eilbracht
Director of Human Resources