

**MAYOR AND COMMISSIONERS MEETING
CITY OF REHOBOTH BEACH**

July 11, 2014

The Special Meeting of the Mayor and Commissioners of the City of Rehoboth Beach was called to order at 9:01 a.m. by Mayor Samuel R. Cooper on Friday, July 11, 2014 in the Commissioners Room in City Hall, 229 Rehoboth Avenue, Rehoboth Beach, DE.

ROLL CALL

Present: Commissioner Toni Sharp
 Commissioner Patrick Gossett
 Commissioner Bill Sargent
 Mayor Samuel R. Cooper
 Commissioner Stan Mills
 Commissioner Lorraine Zellers
 Commissioner Mark Hunker

Also in attendance was: City Manager Sharon Lynn
 City Solicitor Glenn Mandalas
 Mr. Jonathan Larson, PTA/DelVal

The purpose of this Special Meeting was for the Commissioners to sit as the Board of Appeals to decide appeals taken from the annual assessment list which appeals were heard by them on June 19 and June 20, 2014.

Commissioner Patrick Gossett had distributed documents prior to the meeting on an update of figures. The information which was provided was reflective of Mr. Larson's notes and field notes. Global changes affecting land values are reflected in three predominant areas in the City. These are: (1) Commercial Boardwalk. The first 100 feet of property depth from the property line on the Boardwalk will be valued at \$650.00 per square foot. (2) Second block of Rehoboth Avenue. All properties will be valued at \$425.00 per square foot. (3) Residential Boardwalk section. All oceanfront properties will be valued at \$550.00 per square foot. Another document was provided of the comparisons and the breakdown between the three categories. The documentation will provide the Board of Appeals on how the changes, both globally and what was proposed for the formal appeals, will affect the community. Discussion ensued.

Commissioner Bill Sargent made a motion, seconded by Commissioner Stan Mills to change the assessment of the commercial properties along the Boardwalk to \$650.00 per square foot going back 100 feet, as detailed in the memo from the assessor. Motion carried unanimously.

Commissioner Sargent made a motion, seconded by Commissioner Mills to set the property value at \$425.00 per square foot in the second block of Rehoboth Avenue as recommended by the assessor. Motion carried unanimously.

Commissioner Sargent made a motion, seconded by Commissioner Mills, to set the per square foot value of residential zoned properties along the Boardwalk at \$550.00 per square foot. Motion carried unanimously.

The Board of Appeals ruled on the following appeals from June 19 and 20, 2014.

1. Joe Ryan/Ryan Amusements, 115 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 115 South Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

2. Ronald Lankford/Atlantic Sands Hotel, 101 North Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 101 North Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Ronald Lankford/Breakers Hotel, 105 Second Street.

No action was taken.

Ronald Lankford/Celebration Mall, 20 Baltimore Avenue.

No action was taken.

3. Paul & Cynthia Lovett, 2 Canal Street.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 2 Canal Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

4. Robert & Bernadette Worthing, 212 Stockley Street.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 212 Stockley Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

5. Raymond (Hugh & Lynn) Mahaffy, 39 Surf Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 39 Surf Avenue, to accept the adjusted assessment as recommended by the assessor and the value be reduced based on the reduction in lot size. Motion carried unanimously.

6. Dana Keeny, 151 Columbia Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case 151 Columbia Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

7. Bradley Askin, 1011 Scarborough Avenue Extended.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 1011 Scarborough Avenue Extended, to accept the adjusted assessment as recommended by the assessor and the improvements valuation be reduced. Motion carried unanimously.

Bradley Askin, 1014 Scarborough Avenue Extended.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 1014 Scarborough Avenue Extended, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Bradley Askin, 1021 Scarborough Avenue Extended.

Commissioner Sargent made a motion, seconded by Commissioner Gossett that in the case of 1021 Scarborough Avenue Extended, to accept the adjusted assessment as recommended by the assessor and the improvements valuation be reduced. Motion carried unanimously.

8. John Papajohn/Aquabaq Investors, Ltd., 22 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 22 Rehoboth Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

John Papajohn, Macedonian Phalanx, 3 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 3 Wilmington Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

John N. Papajohn Trust Etal, 2 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Toni Sharp, that in the case of 2 Rehoboth Avenue, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

9. Rhonda Brandy, 324 Country Club Drive.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 324 Country Club Drive, to accept the assessment as recommended by the assessor and no change be made.

Motion carried unanimously.

10. Bob Derrickson, 10 Baltimore Avenue (rear of Carlton's).

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 10 Baltimore Avenue (rear of Carlton's), to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

11. Ronald Moore/Houston Ventures, 527 North Boardwalk #317.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 527 North Boardwalk #317, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

12. Ronald Moore/Arch Street Associates LLC, 24 Brooklyn Avenue Unit C.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 24 Brooklyn Avenue Unit C and to the other four units in the building, the land value be reduced to \$250.00 per square foot as recommended by the assessor. Motion carried unanimously.

13. Jeffrey Zerby/Boardwalk Plaza Hotel, 2 Olive Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 2 Olive Avenue, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

14. Amato/Time Square Real Estate, 28 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 28 Wilmington Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Trahos Enterprises II LLC/Dave & Skippy's Sandwich Shop, 1 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 1 Wilmington Avenue, to accept the adjusted assessment as recommended by the assessor and reduce the property value to \$400.00 per square foot. Motion carried unanimously.

Amato/Trahos Enterprises III, 53 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Gossett, that in the case of 53 Rehoboth Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Amato/Beta Trust, 2 First Street.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 2 First Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Amato/Decca Associates, Shorebreak Lodge Restaurant, 10 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 10 Wilmington Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Amato/Federal Realty, 67 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Lorraine Zellers, that in the case of 67 Rehoboth Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Amato/Lazarus M. Kirifides Trust, 17 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 17 Rehoboth Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Amato/Theodore & Constantine Michell, 18 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 18 Wilmington Avenue, to accept the adjusted assessment as recommended by the assessor and the value be reduced due to removal of Building #2. Motion carried unanimously.

Amato/Seaside Real Estate, 30 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 30 Wilmington Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Amato/STM Global Amusements/Greene Turtle on the Avenue, 52 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 52 Rehoboth Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

15. Patricia Kahn/Pickwick Oceanfront LLC, 401 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 401 South Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

16. Dolle's Realty Inc., 1 North Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 1 North Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

17. John & December Hughes, 76 Columbia Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 76 Columbia Avenue, to accept the adjusted assessment as recommended by the assessor and the value be reduced based on the reduction in lot size. Motion carried unanimously.

18. Donald Alexander/Star of the Sea #709, 301 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of Star of the Sea #709, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

19. Mark Purpura, 5 Third Street.

Commissioner Sargent made a motion, seconded by Commissioner Zellers, that in the case of 5 Third Street, to accept the adjusted assessment as recommended by the assessor. Commissioner Sargent withdrew the motion.

Commissioner Sargent made a motion, seconded by Commissioner Zellers, that in the case of 5 Third Street, to accept the adjusted assessment as recommended by the assessor and the value be reduced based on the reduction in lot size. Motion carried unanimously.

20. Robert Streimer, 153 Henlopen Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 153 Henlopen Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

21. Thurlow Cunliffe/Nanette C. Cunliffe Estate, 14 Laurel Street.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 14 Laurel Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

22. Adam Pesachowitz, 51 Lake Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 51 Lake Avenue, to accept the adjusted assessment as recommended by the assessor based on a reevaluation of

the structure. Motion carried unanimously.

23. Bruce Vivari (Barbara Wagner)/Vivari LLC, 19 Lake Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 19 Lake Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

24. Donald Collins Roth, Jr., 501 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 501 South Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

25. Donald Collins Roth, Sr., 221 Philadelphia Street.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 221 Philadelphia Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

26. Brian Ramole, 12A & 12B Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mark Hunker, that in the case of 12A & 12B Wilmington Avenue (commercial units), to reduce the land value by 50% as recommended by the assessor. Motion carried unanimously.

27. Thomas Patterson, 7 Lake Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 7 Lake Avenue, to accept the adjusted assessment as recommended by the assessor and the value be reduced based on a reevaluation of improvements. Motion carried unanimously.

28. Dennis & Barbara Heagy/Heagy Trust, 23 Maryland Avenue #318.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 23 Maryland Avenue #318, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

29. Susan Mooney/Hudson Trust, 311 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Hunker, that in the case of 311 Rehoboth Avenue, to accept the adjusted assessment as recommended by the assessor and the improvement value be reduced due to economic depreciation. Motion carried unanimously.

Susan Mooney/Hudson Trust, 313 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Hunker, that in the case of 313 Rehoboth Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

30. Laura Winslow/Winslow Estate, 4 Pennsylvania Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 4 Pennsylvania Avenue, to accept the adjusted assessment as recommended by the assessor and the value be reduced based the reduction in lot size. Motion carried unanimously.

Laura Winslow/Winslow Estate, 38 Surf Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 38 Surf Avenue, to accept the adjusted assessment as recommended by the assessor and the value be increased based on the increase in land size. Motion carried unanimously.

31. George Hocker/Hocker Realty Co. Inc., 801 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 801 South Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

32. Derrickson/Commodore Associates/Atlantis Inn Motel, 154 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 154 Rehoboth Avenue, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Derrickson/Commodore Associates/Efficiency Apartments, 47 Wilmington Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 47 Wilmington Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

Derrickson/DFLD Associates, Village by the Sea, 149 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 149 Rehoboth Avenue, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Derrickson & Midway Realty, Browseabout Books, 133 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 133 Rehoboth Avenue, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Derrickson & Midway Realty, Browseabout Shops, 137 Rehoboth Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 137 Rehoboth Avenue, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Derrickson/Burton Estate, 220 Philadelphia Street.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 220 Philadelphia Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

33. Capano/Surf 3 Investments, 319 South Boardwalk #3.

Commissioner Sargent made a motion, seconded by Commissioner Mills, that in the case of 319 South Boardwalk #3 and two other units, to accept the adjusted assessment as recommended by the assessor and the land valude be reduced. Motion carried unanimously.

Louis J. Capano, Jr., 1103 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 1103 South Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Louis J. Capano, Jr., 1 Queen Street.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 1 Queen Street, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Louis J. Capano, Jr., 1101 South Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 1101 South Boardwalk, to accept the global change as recommended by the assessor and no further change be made. Motion carried unanimously.

Capano/Rehoboth Beach Trust, 501 North Boardwalk.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 501 North Boardwalk, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

34. Allen Fielding, 16 St. Lawrence Street.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 16 St. Lawrence Street, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

35. Karen VanEss, 38 Delaware Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Zellers, that in the case of 38 Delaware Avenue, to accept the assessment as recommended by the assessor and no change be made. Motion carried unanimously.

36. Mary Ellen Anderson, 54 & 56 Olive Avenue.

Commissioner Sargent made a motion, seconded by Commissioner Sharp, that in the case of 54 & 56 Olive Avenue, to accept the adjusted assessment as recommended by the assessor which increased the improvement value, decreased the land value, but resulted in a total net increase. Motion carried unanimously.

Mr. Larson had found an error on a tax map number for the vacant lot at 2 Wilmington Avenue, but it had not been made part of the record.

Mayor Cooper said that at the next opportunity, it would need to be corrected and a new assessment would need to be sent out. A letter should be sent to the owner and state that it was an error and when it will be corrected. In the Charter change, it would be up to the City Manager whether or not to do a supplemental. The supplemental would be at a time when errors can be corrected. He thought that it would be good to institute a supplemental policy for when appeals can be heard with regard to errors.

Commissioner Gossett will produce a follow-up report and present it at the next Workshop Meeting. Options will be presented as to a three year or five year reassessment, costs involved, putting policies in place, the next step forward, processes from other municipalities, etc. The tax rate will need to be set at the next Regular Meeting. The City Manager will be sending out a letter to property owners informing them of the changes in the formal appeals.

There being no further business, Mayor Cooper adjourned the meeting at 11:49 a.m.

Respectfully submitted,

(Lorraine Zellers, Secretary).