

DIRECTIVE #11-043

TO: County Appraisers

SUBJECT: View and Inspection Requirements

This Directive Supersedes Directive #07-042

This directive is adopted pursuant to the provisions of K.S.A. 79-505, and shall take effect and be in force from and after its publication in the Kansas Register. A question has arisen whether recent, digital imaging tools and remote sensing technology can be used to replace routine, cyclical field inspections of real property performed for ad valorem tax purposes. Field inspections are performed by county appraisers for primarily three purposes: (1) Six (6) year property characteristic reinspections; (2) discovery (locating and accounting for all real property in the county on an annual basis); and (3) final review performed for valuation purposes. See the relevant statutes below.

Relevant Statutes:

- (1) Every parcel of real property shall be actually viewed and inspected by the county or district appraiser once every six years. (K.S.A. 79-1476).
- (2) The county appraiser shall list and appraise all real property in the county on an annual basis. (K.S.A. 79-1455). When real property subject to taxation has been omitted from the tax rolls, such property shall immediately be listed on the tax roll for the current year, and up to two prior years. (K.S.A. 79-1475).
- (3) The county appraiser shall determine the fair market value of each parcel of real property as of January 1 each year from an actual view and inspection of the property. (K.S.A. 79-501, 79-503a).
- (4) The county appraiser shall not increase the valuation of real property unless the record of the latest physical inspection is reviewed and documentation exists to support the increase in compliance with the Directives and Specifications of the Director of Property Valuation. (K.S.A. 79-1460 (a)).
- (5) The county appraiser shall prepare and maintain an annual appraisal record for each parcel of real property and every improvement thereon, including the location, measurements, descriptors and other information necessary to accurately value and assess it for ad valorem tax purposes. (See K.S.A. 79-1459(b) and (c) for a more complete list of requirements).

Analysis:

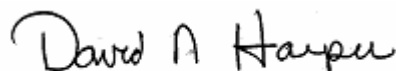
Laws currently in effect were written at a time when it was not possible to measure or adequately review property characteristics without an on-site, physical inspection or “field” inspection. New developments in technology provide opportunities for efficiency and greater uniformity and accuracy; however, certain elements of their use also pose risks. At this time, the decision of whether to allow a county to utilize digital imaging tools and remote sensing technology in place of certain field inspections shall be made on a case-by-case basis. Once the technology and business rules are sufficiently developed to allow incorporation into the annual Maintenance Specifications, the approval process required by this Directive will become obsolete. In the meantime, the following guidelines shall apply.

Guidelines:

- (1) The Maintenance Specifications currently allow a county appraiser to utilize still or video images to meet certain requirements of a final review. *See* Maintenance Specifications Section 16.7, Final Review. Any request to deviate from the Maintenance Specifications must be submitted in advance by the county for the Director’s approval. *See also* Directive No. 92-003.
- (2) The Maintenance Specifications currently allow a county to augment the six (6)-year reinspection process using digital image data, but only *in addition to* an on-site physical inspection. Furthermore, alternative reinspection methods for measurement and property characteristic verification must be approved by the Director. *See* Maintenance Specifications Section 12.1.1., Re-inspections. Therefore, the county appraiser shall submit a request for approval of any plan to utilize digital image tools and remote sensing technology *in lieu of* an on-site field inspection. For counties that are not in substantial compliance, the request must also show that the implementation of the new procedures will not adversely impact the county’s plan to regain compliance.
- (3) If the county plans to utilize rectified orthophotos for discovery purposes, images shall have a minimum 6” pixel resolution in urban/suburban and 12” resolution in rural areas. The images shall be updated at least every two years in rapid growth areas, or every six (6) years in slow growth areas. Such images may be used for change detection, but are not sufficient by themselves to replace a physical reinspection or verify building wall measurements.
- (4) If the county plans to utilize low-level oblique images for the six (6)-year reinspection cycle and wall measurement verification, each parcel shall require a view from the four cardinal directions (N, E, S, W), and a minimum 6” pixel resolution in urban/suburban & 12” pixel resolution in rural areas. The images shall be updated at least once every six (6) years.
- (5) If the county intends to utilize street-view images for verification of construction quality and physical condition, sub-inch pixel resolution will be required. The images of every improved parcel of property in the county shall be updated at least once every six (6) years.
- (6) The implementation plan shall clearly identify the on-site physical field inspection activities the county intends to replace with this technology and shall include 1) specifications for the image products and software to be utilized; 2) a completion

schedule, workflow plan and post-implementation business rules for the new technology; and 3) a copy of the contract or proposed contract for software and/or services.

- (7) If the county is proposing to utilize oblique image technology for a quality control review of wall measurements data, the integrity of the software tools and imagery resolution must be confirmed. A pilot study shall be conducted by the county to independently confirm the accuracy of wall measurements obtained from the oblique imagery. The study shall examine a sample of improved properties and note any discrepancy when the true wall measurement on the property record varies from the wall measurement determined by imagery software varies by more than 2 feet or 5%. The purpose of the pilot study is to confirm that measurements obtained from the oblique imagery can be used to comply with Maintenance Specifications, Section 6.1 (data integrity of improvements) and Section 12.5 (quality control reviews of re-inspections). Once the county appraiser has documented that measurements obtained through use of this technology is at least as reliable as tape measurement data collected during an on-site, physical field inspection, the new method may be adopted to perform quality control reviews.
- (8) When the county's plan is implemented, each property record shall indicate the type of field inspection (physical review or remote sensing) performed.
- (9) The county appraiser shall continue to perform an on-site inspection and annual physical field check in order to:
- List new construction or improvements on a parcel.
 - Review demolition on a parcel or catastrophic damage in a neighborhood.
 - Verify the property characteristics of improved property involved in a valid sale transfer.
 - Examine any improved property with unclear, distorted or obstructed imagery.
 - Inspect any property requiring a valuation appeal decision based upon the property characteristics.
 - Evaluate neighborhood condition, desirability, trend, conformity, amenities and factors that influence value.
- (10) The use of digital image tools and remote sensing technology to perform certain field inspections does not supplant the county appraiser's duty to monitor interior property characteristics and property uses by means of building permits, interviews or questionnaires. *See, e.g.*, Maintenance Specifications, Sections 7.1 and 7.4 (residential property); 8.6.1 and 9.4.1 (tenants); 12.3 (land devoted to agricultural use); 12.2.4 (re-verification); and 12.4.1 (records).



Approved September 19, 2011

David N. Harper
Acting Director of Property Valuation