

# STEVEN T. POLIKALAS, LTD.

A LAW CORPORATION

50 WEST LIBERTY STREET, SUITE 950

RENO, NEVADA 89501

TELEPHONE: (775) 322-2232

Washoe County Board of Equalization Hearing  
325 Harbour Cove Drive, Sparks, Nevada  
Parcel Nos. 037-381-01+

February 24<sup>th</sup>, 2023

9:00AM

WASHOE COUNTY COMMISSION CHAMBERS

Washoe County Administration Complex

1001 E. Ninth Street, Building A

Reno, Nevada

Hearing # 23-D116 BE22 Date 2-24-23

☒ Petitioner Exhibit # A  
(A, B, C)

☐ Assessor Exhibit # \_\_\_\_\_  
(I, II, III)



325 Harbour Cove Drive  
Sparks, NV  
APN 037-381-01+  
27 Mixed Use Parcels  
9 Apt Units  
Built in 2002

3 Stories of Stick Built  
Construction & One exterior  
elevator

Assessor's  
Quality Class 2.5  
Property Owner's Petition  
Equalized Quality Class  
2.0





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Equalized Quality Class  
1.5





50 W. Liberty Street  
Reno, NV  
APN 011-183-15

Built in 1980

12 Stories Concrete & Steel  
Construction w/Parking  
Garage & Internal Elevators &  
Staffed guarded entry.

One of Reno's Premier Class A  
Offices

Assessor's  
Quality Class 2.0



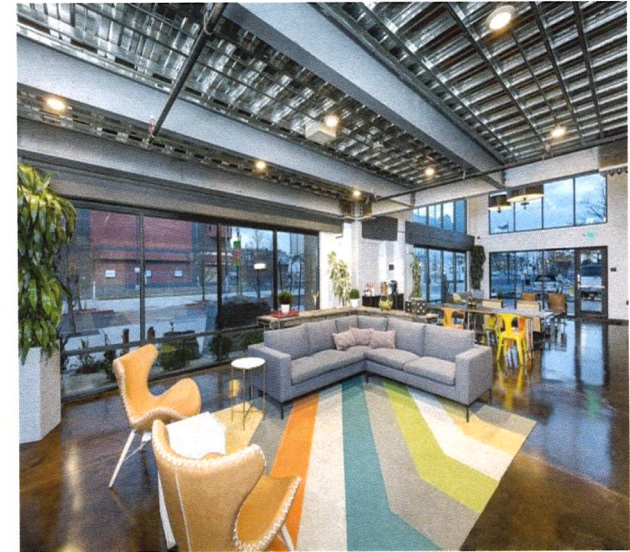
A



C Street Lofts  
1040 Avenue of The Oaks  
Sparks, NV  
APN 032-182-17  
100 Apt Units  
Remolded in 2015

6 Stories of Concrete  
Construction & includes  
interior elevators, a gym,  
clubroom, and modern  
finishes

Assessor's Reduced  
Quality Class 1.5





The Highlands  
2800 Enterprise Road  
Reno, NV  
APN 004-130-81

Built in 2004

3 Stories Stick Frame  
Construction w/Covered  
Parking, a Pool & Fitness  
Center, Basketball Courts, and  
a clubhouse for resident use.

216 Units Sold in June 2021  
\$67,830,000 or \$314,000 per  
unit.

Assessor's  
Quality Class 1.5

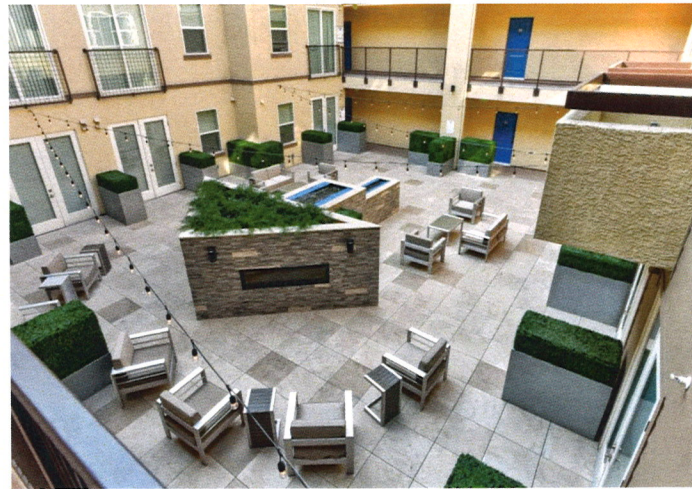




The Bridges  
1125 Avenue of The Oaks  
Sparks, NV  
APN 032-341-35+  
210 Units  
Built in 2017

6 Stories Stick Built  
Construction with concrete  
and steel 1<sup>st</sup> & 2<sup>nd</sup> story  
parking garage

Assessor's  
Quality Class 2.0





Fountain House II  
1240 Avenue of The Oaks  
Sparks, NV  
APN 032-372-01+  
Mixed Use Retail /  
Apartments  
Built in 2017

2 Stories with 1<sup>st</sup> Floor  
Concrete Parking Garage and  
stick built 2<sup>nd</sup> floor. Internal  
climate-controlled entry with  
elevator access and parking  
garage access.

Assessor's  
Quality Class 2.0





325 Harbour Cove Drive  
Sparks, NV  
APN 037-381-01+  
27 Mixed Use Parcels  
9 Apt Units  
Built in 2002

ParcelID	Situs	BldgSF	LandSize	Quality Class	Year Blt	WAY	Land Use	Zoning	TaxableLand	TaxableImps	TaxableTotal	Tenant
037-381-01	325 HARBOUR COVE DR 121	1,262	1,073 C25		2002	2008		400 PD	\$30,902.00	\$160,417.00	\$191,319.00 Restaurant Per Land Use Code	Lighthouse coffee
037-381-02	325 HARBOUR COVE DR 115	1,536	1,306 C25		2002	2008		400 PD	\$37,613.00	\$181,366.00	\$218,979.00 Restaurant Per Land Use Code	Waterbar
037-381-03	325 HARBOUR COVE DR 113	915	778 C25		2002	2008		410 PD	\$22,406.00	\$123,937.00	\$146,343.00 Professional Office Per Land Use Code	Waterbar
037-381-04	325 HARBOUR COVE DR 111	916	779 C25		2002	2008		410 PD	\$22,435.00	\$124,060.00	\$146,495.00 Professional Office Per Land Use Code	Waterbar
037-381-05	325 HARBOUR COVE DR 107	1,853	1,575 C25		2002	2008		400 PD	\$45,360.00	\$222,490.00	\$267,850.00 Restaurant Per Land Use Code	Waterbar
037-381-06	325 HARBOUR COVE DR 105	1,192	1,013 C25		2002	2008		410 PD	\$29,174.00	\$152,993.00	\$182,167.00 Professional Office Per Land Use Code	Waterbar
037-381-07	325 HARBOUR COVE DR 101	1,144	973 C25		2002	2008		400 PD	\$28,022.00	\$148,033.00	\$176,055.00 Restaurant Per Land Use Code	Waterbar
037-382-01	325 HARBOUR COVE DR 221	943	802 C25		2002	2008		400 PD	\$23,098.00	\$126,886.00	\$149,984.00 Restaurant Per Land Use Code	Edward Jones
037-382-02	325 HARBOUR COVE DR 219	695	591 C25		2002	2008		400 PD	\$17,021.00	\$100,812.00	\$117,833.00 Restaurant Per Land Use Code	LandCap Office
037-382-03	325 HARBOUR COVE DR 217	957	814 C25		2002	2008		410 PD	\$23,443.00	\$128,379.00	\$151,822.00 Professional Office Per Land Use Code	NV Tahoe Restaurant Group Office
037-382-04	325 HARBOUR COVE DR 215	916	779 C25		2002	2008		410 PD	\$22,435.00	\$124,060.00	\$146,495.00 Professional Office Per Land Use Code	Waterbar (Back Office)
037-382-05	325 HARBOUR COVE DR 213	959	815 C25		2002	2008		410 PD	\$23,472.00	\$128,501.00	\$151,973.00 Professional Office Per Land Use Code	Waterbar (Back Office)
037-382-06	325 HARBOUR COVE DR 211	916	779 C25		2002	2008		410 PD	\$22,435.00	\$124,060.00	\$146,495.00 Professional Office Per Land Use Code	Waterbar
037-382-07	325 HARBOUR COVE DR 209	959	815 C25		2002	2008		410 PD	\$23,472.00	\$128,501.00	\$151,973.00 Professional Office Per Land Use Code	Waterbar
037-382-08	325 HARBOUR COVE DR 201	3,474	2,954 C25		2002	2008		400 PD	\$85,075.00	\$393,003.00	\$478,078.00 Restaurant Per Land Use Code	Waterbar
037-383-01	325 HARBOUR COVE DR 319	1,651	1,404 C25		2002	2008		210 PD	\$40,435.00	\$201,342.00	\$241,777.00 Apartment Per Land Use Code	Apartment
037-383-02	325 HARBOUR COVE DR 317	936	796 C25		2002	2008		210 PD	\$22,925.00	\$126,156.00	\$149,081.00 Apartment Per Land Use Code	Apartment
037-383-03	325 HARBOUR COVE DR 315	915	778 C25		2002	2008		210 PD	\$22,406.00	\$123,937.00	\$146,343.00 Apartment Per Land Use Code	Apartment
037-383-04	325 HARBOUR COVE DR 313	957	814 C25		2002	2008		210 PD	\$23,443.00	\$128,379.00	\$151,822.00 Apartment Per Land Use Code	Apartment
037-383-05	325 HARBOUR COVE DR 311	1,507	779 C25		2002	2008		210 PD	\$22,435.00	\$186,129.00	\$208,564.00 Apartment Per Land Use Code	Apartment
037-383-06	325 HARBOUR COVE DR 309	959	815 C25		2002	2008		210 PD	\$23,472.00	\$128,501.00	\$151,973.00 Apartment Per Land Use Code	Apartment
037-383-07	325 HARBOUR COVE DR 307	910	774 C25		2002	2008		210 PD	\$22,291.00	\$123,450.00	\$145,741.00 Apartment Per Land Use Code	Apartment
037-383-08	325 HARBOUR COVE DR 305	841	715 C25		2002	2008		210 PD	\$20,592.00	\$116,146.00	\$136,738.00 Apartment Per Land Use Code	Apartment
037-383-09	325 HARBOUR COVE DR 301	1,627	1,383 C25		2002	2008		210 PD	\$39,830.00	\$198,757.00	\$238,587.00 Apartment Per Land Use Code	Apartment

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TO: WASHOE COUNTY BOARD OF EQUALIZATION

FROM: STEVEN T. POLIKALAS, ESQ.  
ON BEHALF OF OWNER LANDCAP SPARKS IV LLC

PARCEL		HEARING	
NOs.	037-381-01+	NOs.	23-0116A – 23-0116Y

DATE OF	02/24/2023	TIME:	9:00 AM
HEARING:			

PLACE: WASHOE COUNTY COMMISSION CHAMBERS  
Washoe County Administration Complex  
1001 E. Ninth Street, Building A  
Reno, Nevada



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**SUBJECT PROPERTY**



**THE PROPERTY:** The Subject Property is located at 325 Harbour Cove Drive in Sparks, Nevada (APN 037-381-01+). The Subject Property is known as 325 Harbour Cove Drive and is a mixed-use Retail/Office/Apartment building that was initially constructed as an individually parceled building which consists of 27 individual parcels. The building was constructed with the intent of small office users being able to purchase their own office and residential condos. The building in sum failed and was eventually



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foreclosed by multiple lenders on due to lack of demand. The property was constructed with one exterior elevator which is the only access to the second and third floor tenant spaces. This is very inefficient as the elevator is not climate controlled or secured in a locked interior space. The building was built in 2002.

### **JUSTIFICATION FOR REDUCTION OF QUALITY CLASS**

Only nine (9) of the parcels serve as apartments. These apartments do not have assigned of covered parking and residents are forced to use the original and only exterior non-secured elevator to get to floors 2 and 3 where the units are located. The back patios of the apartments are not private since it is a prior walkway that is partitioned by see through fencing since it was the prior walkway for original potential office use. The apartments have no gym or private area for pets unlike most apartments and lacks other amenities. The HOA was necessarily abandoned long ago as an HOA is not at all feasible for a 9 unit building that lacks common area and amenities.

The owner feels that the building office parcels are out of equalization by quality classed when compared to other offices that have a 2.0 quality class unlike the subject which is 2.5, 50 W. Liberty is a 12 story office building in downtown Reno that commands high rents and includes office tenants, a coffee shop, a bank, the Churrasco Brazilian Steakhouse (The former Adele's space), 2 gyms, and has a staffed guarded entry with 5 elevators for tenants uses as well as a large secured and a covered parking garage with elevator access. At the Subject Property, Lighthouse Coffee has no



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bathroom in their space for employees or patrons who require a key from the Coffee shop to gain access.

The owner also feels that the apartment parcels are out of equalization by quality class when compared to other apartments that have a 1.5 quality class (unlike the Subject Property which is 2.5), 1040 Avenue of The Oaks, C Street Lofts, is a 6-story renovated prior hotel tower that was converted to apartment use by the same owner as the subject property. The building has internal elevators unlike the subject which only has one exterior elevator. The building has a gym, clubroom, resident BBQ Area, and many other features that the subject property does not include. The apartment units have modern remodeled finishes as well as balconies that were added during the renovation along with sliding glass doors, new windows, and new heating and air conditioning. The Assessor reduced the quality class to a 1.5 and the owner feels this is the most similar comparable to the subject property.

Additionally 2800 Enterprise Road is a student housing project near UNR that was constructed in 2004 and consists of 216 units that are 3 stories tall with a clubhouse, pool, gym, basketball court, and other features that the subject property does not include. This property recently transacted for \$67,830,000 or \$314,000 per unit in June of 2021. This complex has modern finishes and was renovated with new cabinets, countertops, flooring, etc. prior to the sale. This property is currently quality classed at a 1.5 compared to the subject property which is a 2.5.



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Another property that has a lower quality class than the Subject Property is the Bridges, a mixed-use apartment complex in Victorian Square constructed in 2016. The Bridges has a concrete gated multi-story covered parking garage on either side as it is comprised of two towers, one of which one is six stories tall. The Bridges includes multiple indoor elevators for tenants' use with direct access covered parking to the inside. The Bridges has a climate-controlled bridge over Avenue of The Oaks. The Bridges also has a large gym for the residents among other amenities such as a dog washroom, and two atriums with a large built in water feature. On the commercial side, The Bridges is occupied by Pinon Bottling Co., Elevation Orthodontics, and Champagne Pediatric Dentistry. Both Elevation and Champagne Pediatric Dentistry paid for their own very specialized buildouts that include a lab and medical use which is indicative of more plumbing fixtures etc., which add to quality class determination. The Bridges is a superior property to the subject and has a 2.0 quality class being applied to both towers of the property.

Another mixed-use apartment complex, Fountain House II, in front of the movie theater in Sparks, demonstrates the need for equalization of the Subject Property's quality class. Fountain House II has two mixed use buildings with Engine 8 Urban Winery, Chuy's Mexican Kitchen, and Siren Hair Salon as retail tenants. Above the retail tenants are apartments with built in balconies, a covered and gated parking garage, internal common area for mail with elevators for resident use. Both of the Fountain House II buildings are quality classed by the Assessor as 2.0, less than the Subject Property.

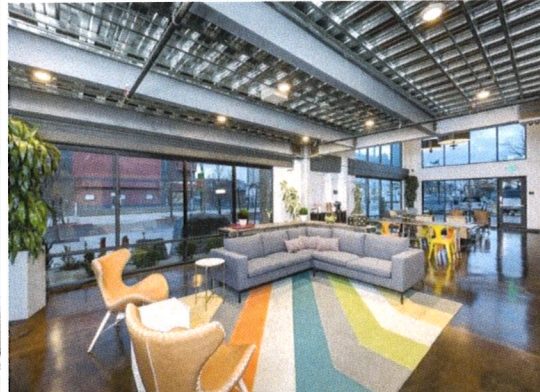


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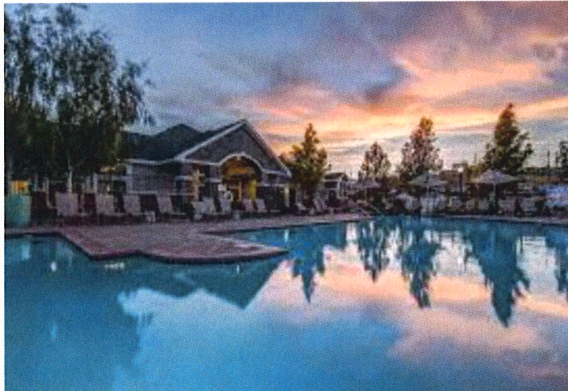
The owner respectfully asks the board to reduce the quality class of the Subject Property to a 1.5. This would equalize the subject property to other similarly situated properties.



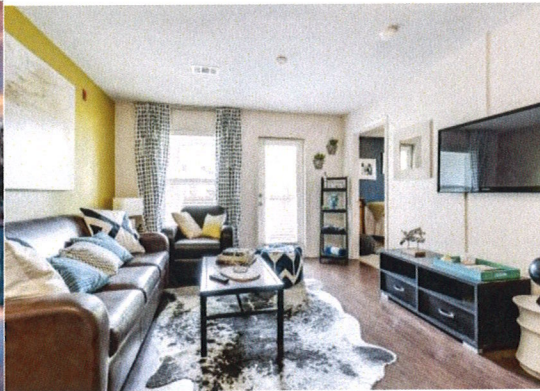
1040 Avenue of The Oaks



1040 Avenue of The Oaks



2800 Enterprise Road



2800 Enterprise Road



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The Bridges 1125/1135 Avenue of The Oaks      Covered Parking Garage and built in balconies.



325 Harbour Cove Drive



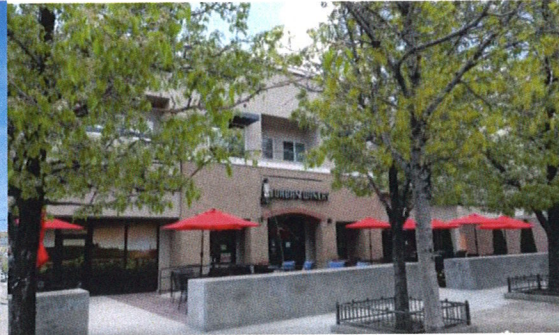
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Fountain House II



Engine 8 Urban Winery at Fountain House II



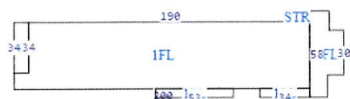
Exterior of 325 Harbour Cove Drive



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Assessor sketch seen on all parcels instead of the sketch of the parcel itself.