

**BOARD OF EQUALIZATION
WASHOE COUNTY, NEVADA**

THURSDAY

9:00 A.M.

FEBRUARY 23, 2017

PRESENT:

Philip Horan, Chairman
Eugenia Larmore, Vice Chairman
James Brown, Member
James Ainsworth, Member
Barbara "Bobbi" Lazzarone, Member

Nancy Parent, County Clerk
Jennifer Gustafson, Deputy District Attorney

The Board of Equalization convened at 9:00 a.m. in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Chairman Horan called the meeting to order, the Clerk called the roll and the Board conducted the following business:

17-139E PUBLIC COMMENTS

There were no public comments.

17-140E WITHDRAWN PETITIONS

The following petition scheduled on today's agenda was withdrawn by the Petitioner during the hearing:

Assessor's Parcel No.	Petitioner	Hearing No.
011-124-23	HARRAH AUTOMOBILE FOUNDATION	17-0077

17-141E CONSOLIDATION OF HEARINGS

None of the hearings were consolidated.

**17-142E PARCEL NO. 032-064-02 – RESTLESS ARTISTS THEATRE –
HEARING NO. 17-0016E16**

A Petition for Review of Assessed Valuation was received protesting the 2016-17 taxable valuation on land and improvements located at 295 20th Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Nevada Articles of Incorporation, 10 pages.

Exhibit B: Articles of Incorporation, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including cited statutes, letter from the District Attorney, the exemption application and articles of incorporation, 40 pages.

On behalf of the Petitioner, Doug Mishler was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Lora Zimmer, Assessment Services Coordinator, oriented the Board as to the location of the subject property. She explained the appeal was based on the denial of a request for a property tax exemption for the Restless Artist Theatre.

Mr. Mishler stated the original articles of incorporation for the theater did not include a clause to state the property would revert to the County upon the cessation of the non-commercial theatre's activities because they were previously unaware of the requirement. He said in his opinion the bylaws had been altered to bring the articles into compliance. He mentioned he had some questions about the requirement.

Ms. Zimmer informed the Board the Petitioner originally applied for the exemption under Nevada Revised Statute (NRS) 361.145 which allowed exemptions for non-profit theaters. She noted there was no dispute about whether or not the theater was not-for-profit; however, the NRS required any property that received a tax exemption to revert back to the County upon the cessation of the theater's activities. She noted the original articles of incorporation did not reflect that requirement and instead indicated the property would go to the County or to another theater, whichever they chose. Since the filing of the appeal with the Assessor's Office, the Appellant had amended the articles of incorporation to state in the event the theater's Board of Directors elected to dissolve the corporation any residual assets would be transferred to the County after all the theater's financial obligations were satisfied. She asserted the amended language did not mirror the exact language in the statute.

Chairman Horan asked if the Appellant was currently in compliance with the statute.

Ms. Zimmer replied she thought it would be up to the Board to determine compliance. She maintained the statute required the property receiving the exemption to revert to the County if the theater's business was dissolved; however, the Appellant's articles stated residual assets would be transferred to the County only after all the obligations were paid.

Member Lazzarone asked if the question was whether or not the Appellant's articles of incorporation reflected the correct language. Ms. Zimmer responded in the affirmative and stated the language was not an exact match to the statute.

Chairman Horan asked Jennifer Gustafson, Deputy District Attorney, for clarification.

Ms. Gustafson said she believed the petitioner had requested a total exemption for land, improvements and everything. She explained the deadline for the exemption application was July 5th pursuant to NRS 361.155; however, the property had been purchased sometime between June 15th and July 1st. More importantly, the actual statute dealing with the theater exemption only covered buildings, furniture and equipment, and did not include land or real property; therefore, a land exemption did not apply in this case. Additionally the statute specifically stated such corporations "shall" provide in its articles of incorporation that the property for which the tax exemption is requested "shall" revert to the County in which it is located upon the cessation of the activities of the non-commercial theater. She said that meant this specific language was required to be included in the articles of incorporation. She mentioned she had concerns about the articles which were provided to the District Attorney's Office because they were not dated, signed or notarized and she could not say for certain they were the actual documents that were submitted to the Secretary of State. She noted the Appellant submitted an amendment to the Secretary of State's Office that expressly dealt with one of the articles that was at issue in this case; however, the language did not match the statute. She said the language in the articles indicated the property would revert to the County in the event the board and membership determined to dissolve the corporation, but the language in the statute said the reversion had to occur at the cessation of the activities in the non-commercial theater. This was not the same thing because the theatre could cease to operate while the corporation continued to exist. She noted the Appellant's articles also referred to residual assets reverting back to the County and she was unclear as to whether that meant buildings, furniture and equipment as those were the only things covered by the tax exemption. She concluded the current language in the articles of incorporation did not lead her to believe the property would necessarily revert to the County in the event the theater ceased its operations; therefore, in her opinion the Appellant did not merit a tax exemption in this case.

Chairman Horan asked if it was possible for the Board to place a condition on an approval of the exemption if the Appellant were to provide the appropriate language to the Secretary of State's office.

Ms. Gustafson replied she thought the Appellant could apply for a tax exemption for the next tax year if the necessary information was provided to the Board, but she did not think it was a workable solution since the Board would not meet again for another year.

Chairman Horan responded the point was well made; however, he knew other county boards sometimes conditioned their approvals upon certain provisions being met. He wanted to know if that approach would be possible in this case.

Ms. Gustafson suggested asking the Assessor's Office about any practical problems they might encounter in such a scenario. She explained real property exemptions were applied on a fiscal year basis but she was unsure whether it was the same for buildings, furniture and equipment. She wondered if they could be prorated. She asked if the suggestion was to allow an exemption to become effective on the date the acceptable articles of incorporation were received by the Assessor's Office.

Chairman Horan responded no and explained the idea was to make the exemption effective for the entire tax year. He asked if the Assessor's Office could answer Ms. Gustafson's question about any practical problems they might encounter if they were directed to make such an adjustment.

Ms. Zimmer stated the adjustment could be made through a process they had in place to adjust values for the current fiscal year upon approval by the Board of County Commissioners.

Chairman Horan asked if making the adjustment conditional upon receiving the amended articles with the required language would be acceptable to the Assessor's Office. Ms. Zimmer replied that would be fine.

Ms. Gustafson stated the Board had the discretion to make that decision, but she was concerned about the practicalities of how that would work. She suggested the Board make it clear the exemption would be applicable only to buildings, furniture and equipment as that was the only possible tax exemption according to the statute.

Member Lazzrone asked if the suggestion was to make the adjustment retroactive or to prorate it based on the date the amended articles of incorporation were submitted to the Assessor.

Chairman Horan recommended the adjustment be retroactive, but only after the appropriate language was submitted to the Assessor.

Member Lazzarone asked if a timeframe for the submittal of the amended articles should be specified and Ms. Zimmer replied that was up to the Board.

Chairman Horan suggested giving the Appellant 30 days to submit the amended articles to the Assessor's Office.

Mr. Mishler questioned whether amending the articles to state the property would revert to the County would affect the ability for the corporation to utilize its residual assets to pay off its creditors if the theater closed.

Chairman Horan suggested the corporation might want to consider making preparations to satisfy their debts prior to closing the theater.

Mr. Mishler stated he understood Chairman Horan's recommendation. He said the current language in the articles of incorporation reflected their lawyer's advice.

Chairman Horan expressed to the Appellant that compliance with the statutory requirement would be a condition for the approval of the exemption.

There was no response to the call for public comment.

Member Lazzarone moved to approve the exemption with regard to parcel 032-064-02, hearing 17-0016E16 for fiscal year 2016-17 with the provision that the amended language as set forth in Nevada Revised Statute 361.145 would be provided to the Assessor's Office within 30 days.

Ms. Gustafson suggested the motion language be reworded to include the requirement for the Petitioner to file amended articles of incorporation, including the necessary language found in NRS 361.145, and to provide that to the Assessor's Office in order to be granted an exemption on buildings, furniture and equipment.

Chairman Horan asked Member Lazzarone if she agreed with Ms. Gustafson's suggestion and Member Lazzarone responded in the affirmative. Chairman Horan indicated Ms. Gustafson's suggestions would therefore be incorporated into Member Lazzarone's motion.

With regard to Parcel No. 032-064-02, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Lazzarone, seconded by Member Larmore, which motion duly carried, it was ordered that the Petitioner be granted an exemption for property taxes for buildings, furniture and equipment for tax year 2016-17, with the provision that the petitioner file amended articles of incorporation including the necessary language found in NRS 361.145 and provide the amended articles to the Assessor's Office within 30 days.

Chairman Horan stated the Board wished to accommodate the Petitioner's request but the statutory requirement was very clear. The granting of the exemption was based on amending the articles to include language specific to that requirement, and on providing the amended articles to the Assessor's Office.

17-143E PARCEL NO. 018-351-06 – OUELLETTE 2008 TRUST, LOREN & GAYLA – HEARING NO. 17-0061

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 1708 Belford Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner, Loren Ouellette was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property.

Mr. Ouellette stated he had previous discussions with the Assessor's Office; however, he needed additional time to secure quotes for the cure of some of his property's issues. He stated the home had roughly 5,500 square feet of external surface which was wood siding and when the home was built, the builders neglected to install a moisture barrier underneath the cedar siding. He considered this to be a building defect and a Code violation. He stated he did not know why the barrier was not installed, but as a result there were leaks throughout the house. He alleged windows in the home were warped and window frames were breaking. The quotes that he had received to cure the problems with the home amounted to more than \$200,000. He explained he previously provided the Assessor's Office with an estimated cost of \$150,000, but he thought that estimation might not be accurate.

Chairman Horan asked the Appellant if he had any evidence to support his claims and Mr. Ouellette replied he needed more time to present repair quotations and photographs. Mr. Ouellette stated he did not think he had any other choice than to appeal the case to the State because he needed some additional time to prepare.

Appraiser Lambert stated she wanted to address some of the Appellant's concerns before reviewing the Assessor's Exhibit. She noted the Assessor's Office had not seen any evidence or pictures of water damage, nor had they received the cost to cure said damage. She stated an appointment to do a physical inspection on the property had been scheduled several weeks ago; however, the Appellant cancelled the appointment. Since then, the Assessor's Office had been communicating with the Appellant via emails and telephone calls. She said time had run out to get the information before the hearing so the Appellant was advised to appeal the case to the State Board of Equalization. This would provide more time for the Assessor's Office to do an interior inspection and for the Appellant to submit his cost to cure. She said that would also provide an opportunity for a possible stipulation or for the preparation of a recommendation to the State Board of Equalization. Due to all the reasons stated, the Assessor's recommendation was to uphold the current taxable value.

Chairman Horan asked if the Assessor's Office would have had the ability to make an adjustment based on the Appellant's concerns if there had been more time. Appraiser Lambert replied in the affirmative.

There was no response to the call for public comment.

Member Ainsworth asked when the State Board of Equalization hearings would take place and how long the Appellant would have to prepare for his hearing. Nancy Parent, County Clerk, informed the Board that appeals to the State had to be filed by March 10th; however, she could not advise the Board as to when the actual hearings would take place. Chairman Horan remarked it seemed the State Board of Equalization did not have to adhere to a strict deadline, as did the County Board of Equalization. Appraiser Lambert stated some of the hearings had taken place as late as the month of November.

Chairman Horan said he was glad to know a lot of communication had taken place between the Assessor's Office and the Appellant. He suggested the Board uphold the Assessor's recommendation as he did not see there was much choice in the matter. He said he recognized this would provide an opportunity for the appeal process to work. Member Lazzarone voiced her agreement and asserted no evidence was presented to allow the Board to make an informed decision.

With regard to Parcel No. 018-351-06, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Ainsworth, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

Chairman Horan addressed the Appellant stating he understood a lot of communication had taken place, but there was not enough time to resolve the issue. He informed the Appellant there would be an opportunity to appeal the case and to continue the dialogue with the Assessor's Office. He hoped they could come to an agreement.

**17-144E PARCEL NO. 011-124-23 – HARRAH AUTOMOBILE
FOUNDATION – HEARING NO. 17-0077E16**

A Petition for Review of Assessed Valuation was received protesting the 2016-17 taxable valuation on land and improvements located at 10 S Lake Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner
Exhibit A: Letters, 5 pages.

Assessor

Exhibit 1: Assessor's Hearing Evidence Packet including description of property, cited statutes, letters from the District Attorney, tax exemption application 118 pages.

On behalf of the Petitioner, Paul Georgeson and Jackie Frady were sworn in by County Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Lora Zimmer, Assessment Services Coordinator, oriented the Board as to the location of the subject property. She explained this appeal was brought forward as the result of the denial of a property tax exemption.

Mr. Georgeson, Vice President of the Board of Trustees of the National Automobile Museum, introduced himself and Jackie Frady, Executive Director of the Automobile Musuem. He indicated he wanted to provide the Board with some context and background and then allow Ms. Frady to speak about the museum's relevant history. He would then focus on some of the legal aspects of the case and the District Attorney's (DA's) letter that recommended denial of the petition.

Ms. Frady stated the history of the museum began with Bill Harrah who amassed a collection of approximately 1,400 vehicles. After his death in 1978, Holiday Inn purchased Harrah's which included the famed automobile collection. Holiday Inn's announced plan to sell off the entire collection resulted in a tremendous public outcry. In response to this outcry, former Nevada Governor Robert List helped form a non-profit 501(c)3 corporation, solely for educational purposes, which marked the beginning of the National Automobile Museum - the Harrah Collection.

Ms. Frady explained Holiday Inn donated 175 cars and an extensive research library to the new museum; however, the museum had to find a place to house and display the cars. The City of Reno eventually purchased the site at the corner of Lake and Mill Streets for this purpose and leased the property to the museum for \$1 per year. The museum borrowed money to construct the building. She noted the development of the museum at this location was a key factor in the City of Reno Redevelopment Agency's long-term plan for the revitalization of the downtown area and the Truckee River Corridor. The National Automobile Museum – The Harrah Collection opened its doors on November 5th, 1989. In 1991 the City of Reno assumed the museum's assets and its construction debt, which was refinanced with general obligation bonds. Also in 1991, the Nevada State Legislature approved a 1 percent room tax for the period of one year for the purpose of paying the debt service on the bonds. The museum developed a plan to pay off the construction debt which included a combination of "one-third" commitments; \$3.2 million from the State of Nevada, \$3.2 million from the Reno Redevelopment Agency, and \$3.2 million from the museum. After the bonds were paid, the City retained ownership of the building and the land which it leased to the museum for \$1 per year for 40 years, with an option for a 40-year renewal. For the past 29 years the land had been owned by the Reno Redevelopment Agency and as such was exempt

from property taxes. In October 2014, the Reno Redevelopment Agency voted to approve the donation of the land and building to the museum to accommodate future expansion plans. The ownership officially transferred in December 2016.

Ms. Frady reported the museum was now in the planning process to expand the museum and to continue the tradition of developing downtown Reno and the Truckee River Corridor. She noted 71,059 people visited the museum in 2016 and more than 80 percent of them were from out of town. The museum was dedicated to education, offering youth education programs, activity passports and field trips. She said the most significant programs were award-winning history symposiums featuring notable national and regional scholars and authors. The symposiums were approved by the Nevada Department of Education and provided in-service credit to teachers that were funded by prestigious grants from Nevada Humanities. She said the museum looked forward to being a driving force for the redevelopment of downtown Reno and to building upon and expanding the community and its educational programs.

Mr. Georgeson continued the presentation. He stated once the museum attained ownership of the property it sought an exemption from property taxes pursuant to Nevada Revised Statute (NRS) 361.140. The DA's Office recommended denial of the exemption, which was the reason for the appeal.

Mr. Georgeson explained there were two essential components to qualify for an exemption under NRS 361.140. The first one was to establish whether or not the articles of incorporation indicated the organization was formed for educational purposes, which was undisputed in this case. The second component was to establish whether or not the funds were derived wholly or in substantial part from grants and donations. He stated this was the section of the claim that was disputed by the DA's Office and the basis for the rejection. He noted in the DA's letter, dated November 7, 2016, which was part of the record, the DA identified the museum's operating funds for the past year had amounted to \$1.2 million. The DA further identified \$384,000 of that amount came from donations, \$691,000 came from fees and revenues, and \$136,000 was interest income. He said the DA determined \$384,000 was not substantial to the museum's \$1.2 million operating budget, which was a point of contention. He argued the DA's recommendation to deny the exemption was wrong for three reasons: 1) \$384,000 was clearly "substantial" as that term was defined by normal usage; 2) the DA miscategorized the interest income because it was directly related to and derived from donations; and 3) almost all of the museum's income was donated by those who came to view the vehicles, which were also donated.

Mr. Georgeson further delved into each of the cited reasons for his argument. He noted the statute indicated the funds had to be derived wholly or in substantial part from donations or grants, which was different from saying they had to be derived wholly or in the majority part from donations or grants. He claimed the use of the word substantial left its interpretation up to the discretion of the Board. He said the \$384,000, which the DA's Office identified as being derived from donations, was substantial as it was roughly one-third of the museum's operating funds. He maintained if

one-third of the museum's operating funds were removed, the museum would not be able to continue to operate. This meant the amount was absolutely material and of considerable value. He believed the Board had the opportunity and the discretion to take a reasonable view of what the term "substantial" meant and should grant the exemption based on that point alone.

Mr. Georgeson raised another issue regarding the interest income which he claimed the DA miscategorized. He explained the DA identified \$136,000 in interest income that was earned by the museum; however, he said it was important to note the interest income was earned from the museum's endowment which was made up entirely of donations. The endowment had been approximately \$1 million, which generated roughly \$136,000 in interest. He deduced the interest was also entirely derived from donations and stated if the interest earned was added to the previously identified donation amount of \$384,000, the two figures together amounted to 45 percent of the museum's income for the year.

Mr. Georgeson's final argument was that all the income of the museum was in fact derived from donations because people came to see the cars that were donated by Holiday Inn. He acquiesced this was a looser definition of "derived from" but he felt it was important to note from a statutory interpretation standpoint, the Legislature did not define the term more definitively and state the funds had to be "derived directly from" or "obtained from donations" as opposed to the entry fees that were collected.

Mr. Georgeson concluded \$384,000 of the museum's income was clearly substantial and if that amount was added to the \$136,000 in interest income, it was his view the resulting 45 percent of the museum's total income certainly met the definition of substantial. He stated the Board had discretion in this case and maintained it should grant the exemption based on NRS 361.140 and on all the previously stated points.

Chairman Horan thanked both presenters and commended them for putting together solid points of discussion. He asked if all the points that were made in the presentation were also provided in the exemption application. Mr. Georgeson replied he did not think the discussion, as such, was included in the application although information was supplied and conversations had taken place with the Assessor's Office. He said he did not have an opportunity to talk with the DA about the specific issues.

Member Larmore asked what the museum's operating costs were.

Mr. Georgeson responded the museum came within a few thousand dollars of breaking even every year, which included taking money out of the endowment to cover some costs. He detailed some of the costs included extraordinary expenses in the previous year, which included installing a fence around the entire property due to issues with homeless individuals, recovery expenses from an arson fire, and the installation of heightened security measures.

Ms. Zimmer said the issue came down to whether or not the petitioner met the requirement, as stated in NRS 361.140, to derive its income in whole or substantial part from donations or grants. She stated at the time of the application the Appellant submitted their Internal Revenue Service (IRS) Form 990 which broke down the contributions, grants and program service revenues as well as investment income and other revenues. She noted historically the Assessor's Office approved these types of exemption applications when more than half of the applicant's income came from donations and if the Assessor's Office was unable to approve such an application, the DA's Office was asked to review it. Included in the Assessor's exhibits were previous denial letters which showed investment income was not historically identified as donation income. Based on this practice, the portion of the Appellant's income which was derived from donations and grants amounted to approximately 32 percent of their income and was not considered to be a substantial portion. She noted this concurred with other determinations that had been made in the past.

Chairman Horan asked if Ms. Zimmer was referring to other applications when she said "historically". Ms. Zimmer affirmed she was talking about other applications that were made based on the same statute.

Member Brown asked what figure would be considered to be substantial and Ms. Zimmer replied the standard was more than 50 percent.

Mr. Georgeson reiterated his disagreement with the definition of the word substantial as meaning more than 50 percent because he thought it was directly contrary to the statute and to the legislative intent. He said if the Legislators determined majority should be the rule, they would have used the word majority rather than substantial.

There was no response to the call for public comment.

Chairman Horan stated the Assessor's Office had a practice of getting advice from the DA and he wanted to clarify the Board's authority based on the DA's interpretation.

Jennifer Gustafson, Deputy District Attorney, replied the Board had discretion; however, tax exemptions were to be construed strictly against the taxpayer and in favor of taxability. She said she reviewed Deputy District Attorney Herb Kaplan's opinion and she agreed with it. She noted the language in NRS 361.140 stated "whose funds have been derived in whole or substantial part" and the past practice and advice had been that more than 50 percent would be in "whole or substantial" part. She agreed with that assessment.

Chairman Horan said the Petitioner made a strong point as to where the museum's revenue substantially came from. He said a very strong case could be made that interest income earned from an endowment made up of donations could also be considered donations. He thought when exemption applications were submitted they

should be made very strongly and with all of the facts as to what should be considered. He indicated he would support granting the exemption.

Member Lazzarone thanked the petitioner for presenting their case so clearly. She said the automobile museum started out as a donation with donated land. She remarked she had been involved with many non-profit groups and she believed losing a third of one's income would be significant. She concurred with Chairman Horan.

Member Ainsworth commented the fact that the DA's Office did not include the endowment figures as part of the donations received lost their argument for him.

Ms. Gustafson stated she added in the interest from the endowment to the donations and grants, and the total comprised 43 percent of the total income. Chairman Horan stated opined that was very substantial and Member Lazzarone agreed.

Member Brown wondered why the language in the statute was so vague. Member Lazzarone thought the language was purposefully vague to allow individual situations to be considered in context and to allow for some leeway. Chairman Horan concurred.

Member Larmore stated within its legal bounds, the Board should also consider the benefit to the community. She thought that helped with decision making.

With regard to Parcel No. 011-124-23, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Lazzarone, seconded by Member Larmore, which motion duly carried, it was ordered that the Petitioner be granted exemption for property taxes for tax year 2016-17, pursuant to NRS 361.140.

Chairman Horan said it was the view of the Board that the letter of the NRS was met with respect to the donations. He remarked the argument was very well laid out and he appreciated hearing about the history of the museum.

**17-145E PARCEL NO. 011-124-23 – HARRAH AUTOMOBILE
FOUNDATION – HEARING NO. 17-0077**

Paul Georgeson, Vice President of the Board of Trustees National Automobile Museum, stated based on the Board's grant of the property tax exemption in the previous hearing; he would withdraw this appeal.

**17-146E PARCEL NO. 003-886-02 – DUCKETT, JENAY – HEARING NO.
1635F15**

INCREASE – For consideration of and action to approve or deny on RCR Number 1635F15.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Tax and valuation information, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 10 pages.

On behalf of the Petitioner, Jenay Duckett was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Paul Oliphint, Appraiser, oriented the Board as to the location of the subject property.

Ms. Duckett said she purchased her home in April of 2015 and since it was her first home she did not know how much her property taxes would be. She paid \$406 the first year. When she learned her property taxes were going to go up quite a bit, she refinanced her home to allow for the increase. Two months after she refinanced her home she received notice that she owed more money for 2015. She asserted the Assessor's Office received the Certificate of Occupancy in April of 2015 and yet they had assessed her home incorrectly. She noted she supplied some information in her exhibit about other homes in her area that were larger and on bigger lots, but were assessed for less than hers. She requested a fair assessment.

Appraiser Oliphint read from page 1 of Exhibit I and reviewed the features, comparable sales, and range of values associated with the subject property. He stated he felt the indicated value of \$196,937 was under market value and that the home was fairly assessed. He mentioned he had not had a chance to see the additional evidence which was submitted by the Appellant.

Chairman Horan asked if the Appraiser and the Appellant had had a chance to discuss the evidence and Appraiser Oliphint replied no.

Chairman Horan recommended the Board take a 10 minute break to allow the Appraiser and the Appellant to discuss the issues.

10:01 a.m. The Board recessed.

10:08 a.m. The Board reconvened with all members present.

Appraiser Oliphint stated he and the Appellant spoke and looked over the submitted information. He pointed out the other homes in the area that were identified by the Appellant were older and some depreciation had been applied so their taxable values were somewhat less than hers. He explained this was a situation where the paperwork for

the Appellant's home had been submitted, but somehow it was not put into the Assessor's system.

Chairman Horan asked if the Appraiser and the Appellant had reached an agreement. Appraiser Oliphint did not think they had come to an agreement, but said he thought there was a better understanding of the differences in taxable value.

Chairman Horan asked the Appellant if she felt she was better informed. Ms. Duckett replied in the affirmative; however, she expressed frustration with having to pay a balloon payment due to an error in the Assessor's Office. Chairman Horan said mistakes happened and there was an obligation to go back and correct them. Ms. Duckett understood, but argued the normal process allowed her a whole year to pay for the taxes and she was being required to pay the balloon payment within one month. Chairman Horan stated many times the corrections were the reverse of this situation and the Board had to make those adjustments as well.

Member Lazzarone asked the Assessor's Office if there was a way to give the Appellant more time to pay her bill because she understood that paying a lump sum could be a burden.

Chairman Horan responded the Board did not deal with tax collection; they only dealt with assessments. He asked the Petitioner what action she would like the Board to take.

Rigo Lopez, Chief Appraiser, said he talked to Linda Jacobs in the Treasurer's Office to confirm there was a program to extend these types of payments out over a period of time. His recommendation to the property owner was to talk with Ms. Jacobs. He stated valuation was the Assessor's Office's responsibility and they felt terrible about the mistake; however, mistakes sometimes happened and they did the best they could. To be fair, the Assessor was required to bring the mistake to the Board to ask for approval so they could make the correction.

Chairman Horan thanked Mr. Lopez for the information about the Treasurer's Office.

Appraiser Oliphint continued to review page 1 of Assessor's Exhibit I. He mentioned the home was purchased for \$211,000. He believed the taxable value was below the comparable sales and the sale price of the subject.

Ms. Duckett had nothing further to add.

There was no response to the call for public comment.

Chairman Horan stated he thought it was unfortunate the Board had to go back and correct mistakes. He thought the Assessor's Office made a good case for the valuation and he hoped the Petitioner would talk with the Treasurer's Office. He said he would support the Assessor's valuation in this case.

Pursuant to NRS 361.345, on motion by Member Lazzarone, seconded by Member Larmore, which motion duly carried, it was ordered to approve an increase for RCR Number 1635F15 as recommended by the Assessor's Office. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

Chairman Horan noted the Appellant would have the opportunity to appeal to the State Board of Equalization.

17-147E PARCEL NO. 024-055-53 – WAL-MART REAL ESTATE BUS TRUST – HEARING NO. 17-0064

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 4855 Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Value Statement, 1 page.

Exhibit B: Comparable Sales, 12 pages

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 24 pages.

Exhibit II: Additional hearing evidence packet regarding values based on square footage, 2 pages.

On behalf of the Petitioner, Lou Newman was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Assessor, oriented the Board as to the location of the subject property.

Mr. Newman identified the subject as a 209,000 square foot Wal-Mart Supercenter, which was a mega warehouse discount store constructed in 1995. He stated it was of average quality, condition and masonry. He said the Assessor valued it at \$82.42 per square foot and he was seeking a value of \$55 per square foot.

Chairman Horan asked if Mr. Newman had any additional evidence to submit. Mr. Newman replied yes and provided handouts to the Clerk.

Nancy Parent, County Clerk, noted the Petitioner submitted documents for this hearing as well as others on the agenda and for each of them she would mark the additional evidence as Exhibit A.

Mr. Newman asserted a \$106,000 square foot former Target sold in the Reno metropolitan area in 2016 for \$62.42 per square foot.

Chairman Horan asked if the Petitioner and the Appraiser had discussed the additional evidence and Appraiser Bozman replied they had not.

Member Horan declared the Board would take a short break to allow the Petitioner and the Assessor to speak with each other.

10:25 a.m. The Board recessed.

10:33 a.m. The Board reconvened with all members present.

Chairman Horan asked if the Petitioner and the Appraiser had come to an agreement; Appraiser Bozman stated they had not.

Mr. Newman stated at 209,000 square feet the subject property was the largest format supercenter Wal-Mart built and they no longer constructed buildings of this size. He said he had two comparable sales to discuss. The first was a former Target that sold in 2016 for \$62.42 a square foot and it was 106,000 square feet. Chairman Horan asked where it was located. Mr. Newman replied it was at 505 East Prater Way in the Iron Horse Shopping Center.

Mr. Newman noted there was a 205,000 square foot Wal-Mart property for sale in Las Vegas and they were asking \$43.70 per square foot for it. He referred to another comparable sale which was a former Kmart in Carson City, which was 166,000 square feet and sold for \$24.00 per square foot. He said this same Kmart was offered for lease with an asking lease rate of \$6 per square foot. He noted there was a 73,000 foot supermarket at the Rancho Sierra Shopping Center in Las Vegas which was for offered for lease at \$7 per square foot.

Mr. Newman said Wal-Mart was no longer constructing buildings of this size, which indicated functional obsolescence; and Wal-Mart was likely the last company using the super big box type stores. He argued there were two questions which related to demand: 1) Who would buy or lease this property if it was available for sale on the effective date of the valuation; 2) What would they pay to own or lease the property? He concluded the property was assessed at \$82.42 per square foot and his request was for a valuation of \$55 per square foot.

Chairman Horan asked if it was correct the Petitioner was asking for a total valuation of \$11.5 million. Mr. Newman stated that was accurate and it reflected roughly \$55 per square foot.

Appraiser Bozman read from page 2 of Exhibit I and reviewed the features, comparable sale and range of values associated with the subject property. He said the comparable sales he provided were the best available for the subject property.

Improved Sale 1 (IS-1) included a grocery, which most of the Wal-Marts also had. He noted the comparable sales ranged from a low of \$126 per square foot for IS-5, which was a shopping center that was 50 percent vacant at the time of sale. The subject's taxable value was lower than that with a taxable value of \$82.42. The comparable land sales ranged from \$5.77 to \$13.26 per square foot, which supported the subject's taxable land value.

Appraiser Bozman pointed out the income approach on page 3 of Assessor's Exhibit I utilized a value of .95 cents per square foot, which was supported by a rent chart on page 9. He stated the most comparable property was a Home Depot located on South Virginia Street which had a lease of .93 cents per square foot. He declared large footprint stores like the subject property would lease for at least .95 cents per square foot because they were much more "finished" than a Home Depot would be. Wal-Marts had pharmacies, fast food restaurants, retail operations and tire centers in them. He said in that sense they were not really comparable properties, which meant the leases would be higher for a Wal-Mart property.

Appraiser Bozman further explained the income approach used by the Assessor's Office. He stated the .95 cents per square foot amount was applied to the square footage to come up with a potential gross income (PGI) of \$2,382,258. Because the subject property had a single occupant, they applied a 5 percent vacancy and collection loss which gave them an effective gross income of \$2,263,145. Moving on to the subject of operating expenses, he explained there were triple net leases in this sort of market and therefore the net operating income (NOI) was calculated to be \$2,149,988. A conservative 7.5 percent capitalization rate was used to determine a total value of \$28,666,505, or \$137 per square foot, which supported the subject's taxable value.

Appraiser Bozman addressed some of the properties the Appellant referred to. He said the Kmart that sold in Carson City was 95 percent vacant at the time of sale, so it was essentially a dark-store sale which was not comparable to an ongoing operation. To provide more specific information about dark-store sales, he stated there was a Lowe's in the area that sold for about \$34 per square foot and a Scolari's Market that sold for \$113 per square foot; both of these were vacant properties. He explained many times dark-stores were deed restricted because stores like Wal-Mart, Target, Lowe's and Home Depot did not want to sell to their competitors. He stated deed restrictions prevented buyers from operating the same sort of business and he gave the example of the Kmart on Summit Ridge that was carved into smaller units. He said a deed restriction may also restrict the size of a retail operation. He alleged since the Kmart in Carson City was 95 percent vacant at the time of sale, it was not a comparable property to the subject property.

Appraiser Bozman stated when stores like Wal-Mart or Target were vacated the highest and best uses of the properties were no longer the same; demographics could change, traffic flows could change and development could change. He expressed it was not possible to compare apples to oranges and it was hard to find big box sales of ongoing operations. He indicated it might be possible to find comparable

sales if one did a national search, but many of the properties were built-to-suit which meant properties were built to certain specifications and leased. He claimed real estate investment trusts (REITs) sometimes bought these as investment properties and would assert their leases were higher because the properties were attached to a brand name. He claimed if these types of properties were being utilized at their highest and best use, they could still be considered comparable sales to the subject.

Appraiser Bozman stated he had another packet to submit with some additional comparable sales as well some data that showed Wal-Mart opened 11 Wal-Mart Supercenters in 2017. He claimed this countered the Appellant's claim that supercenters were no longer being built. He said the new stores might be less than 200,000 square feet, but Wal-Mart was still in the big box store business, it was a major portion of their operations and the stores were in successful locations with high traffic counts.

Ms. Parent noted the additional handout would be labeled Assessor's Exhibit II and would be included with all of the Wal-Mart and Sam's Club hearings.

Appraiser Bozman stated the Target the Petitioner referred to on Prater Way was in fact part of the sale of an entire shopping center. He said it was actually sold twice and the second sale was the one that had been referred to. He noted the Target had been vacant for approximately 10 years and a lease of the property had been attempted at one time, which fell through. He thought that might indicate there was a deed restriction on the property, which was common in these sorts of situations. He further asserted the property the Petitioner referred to on Summit Ridge was vacant for quite some time. He would not comment on the properties in Las Vegas because they were in a completely different market.

Appraiser Bozman reviewed Assessor's Exhibit II and stated the first comparable sale was a former Scolari's Market on Sharlands Avenue near Robb Drive. He said it sold for \$113 per square foot and it was repurposed as a Saint Mary's Medical Center and Reno Orthopaedic location. He noted the property was no longer being utilized at its highest and best use, and yet it still sold for \$113 per square foot. The second property on the exhibit was a Lowe's on Oddie Boulevard. He declared it was in an inferior location than the subject property and sold for \$34 per square foot; however, it was purchased by Renown to be used as offices. Since it was not going to be utilized for the purpose it was originally intended, he did not think it was comparable to the subject property. The third sale was an operating Wal-Mart which sold for \$168 per square foot. The fourth and fifth sales on the exhibit were Home Depots, one which sold for \$238 per square foot and another for \$183 per square foot. He thought this illustrated the point that operating stores sold for substantially more than dark stores. He asserted even if could be claimed there was a lease fee included in those numbers, there would still be a substantial cushion to substantiate the \$82.42 per square foot value on the subject property. He noted the Assessor's Office utilized Marshall and Swift as their costing model and market values were only applied to land. Based on the information he set forth, he recommended the Board uphold the value on the subject property.

Chairman Horan remarked he understood the point being made in reference to the out-of-area properties; however, those had no bearing on valuations in Washoe County. Appraiser Bozman agreed with that statement.

Mr. Newman stated he wanted to speak in regards to the Assessor's Exhibit II, which included a Wal-Mart. Chairman Horan responded the Wal-Mart in that exhibit was in Chula Vista, California and would not be considered comparable because it was out of the area. Mr. Newman replied he would still like the opportunity to address it. He said in this case the Wal-Mart was under a net lease, which meant Wal-Mart was the high credit tenant of the property. This also meant Wal-Mart would not default on a lease which would be very attractive to an investor. He stated he had a chance to interview two principals in one of the largest real estate investment trusts about their model of buying and selling properties. He was curious about how they looked at the revisionary value of real estate. He said he knew the capping of the NOI was significantly important to them, but he wanted to know what they thought about lands and buildings when they were ready to sell or buy. He stated the response was that their model was very simple; they bought and sold property based on the NOI when the cap rate was favorable and they did not intend to lose money during their holding period. He asserted the net lease market of high credit national tenants was a different type of market than one that included fee-simple purchases in a local market. He said the properties he selected in his evidence packet were not under leases. He did not want to assume that owner occupied properties would be valued using data from a properties that were under a net lease.

Mr. Newman pointed out on page 2 of Assessor's Exhibit I, all of the comparables listed were shopping centers. He claimed multi-tenant shopping centers involved an entirely different type of risk because the risk was spread out amongst the tenants rather than to a single occupant such as a big box store with more than 200,000 square feet.

Mr. Newman responded to the Assessor's income approach on page 3 of Exhibit I, saying they utilized an \$11.40 annual lease rate and the support for that, on page 10, indicated the Assessor's Office considered properties as small as 6,000 square feet for the comparable rents. He said the largest Home Depot, which was \$11.16 per square foot on an annual lease, was half the size of the subject property. He claimed if one scaled that to the size of the subject the result would be in the \$5.50 or \$6.00 range, which was in line with the comparables he submitted. He reiterated his request for a valuation of \$55 per square foot for the subject property.

There was no response to the call for public comment.

Chairman Horan stated it seemed to him the Assessor's packet contained sales that were current, comparable and supported the valuation. Member Lazzarone concurred.

Member Brown stated he did not understand the Appellant's description of the first comparable warehouse as being functionally obsolescent.

With regard to Parcel No. 024-055-53, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Lazzarone, seconded by Member Ainsworth, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

17-148E PARCEL NO. 039-051-08 – WAL-MART STORES INC # 3254 –
HEARING NO. 17-0065

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 5260 W 7th Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Value statement, 1 page.

Exhibit B: Comparable sales, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 25 pages.

Exhibit II: Additional hearing evidence packet regarding values based on square footage, 2 pages.

On behalf of the Petitioner and having been previously sworn, Lou Newman appeared before the Board.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Assessor, oriented the Board as to the location of the subject property.

Mr. Newman stated given the Board's decision on the first hearing, the rest of the cases were essentially the same and contained the same evidence. He stated he would accept a decision to uphold the valuation and respectfully asked for the right to appeal to the next level.

There was no response to the call for public comment.

Chairman Horan said based on the discussion on the previous item the Board would uphold the Assessor's valuation and the Petitioner would reserve the right to appeal.

With regard to Parcel No. 039-051-08, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and

the Petitioner, on motion by Member Brown, seconded by Member Larmore, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

17-149E PARCEL NO. 086-380-32 – WAL-MART REAL ESTATE BUS TRUST – HEARING NO. 17-0066

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 250 Vista Knoll Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Value statement, 1 page.

Exhibit B: Comparable sales, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 25 pages.

Exhibit II: Additional hearing evidence packet regarding values based on square footage, 2 pages.

On behalf of the Petitioner and having been previously sworn, Lou Newman appeared before the Board.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Assessor, oriented the Board as to the location of the subject property.

Mr. Newman said he would accept the decision to uphold the valuation and respectfully request the right to appeal to the next level.

There was no response to the call for public comment.

Chairman Horan suggested the Board make a motion based on the discussions had during the previous two hearings.

With regard to Parcel No. 086-380-32, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Lazzarone, seconded by Member Ainsworth, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

17-150E **PARCEL NO. 160-791-03 – SOUTHTOWNE CROSSING LLC – HEARING NO. 17-0067**

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 155 Damonte Ranch Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Value statement, 1 page.

Exhibit B: Comparable sales, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 26 pages.

Exhibit II: Additional hearing evidence packet regarding values based on square footage, 2 pages.

Member Larmore, stated pursuant to Nevada Revised Statute (NRS) 281A.420, she had to disclose a potential conflict of interest. She said she had done some work for the owners of Southtowne Crossing, LLC in the past; however, there was not an ongoing relationship and it would not materially affect her decision in this case.

On behalf of the Petitioner and having been previously sworn, Lou Newman appeared before the Board.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Assessor, oriented the Board as to the location of the subject property.

Mr. Newman said he would accept the decision to uphold the valuation and respectfully request the right to appeal to the next level.

There was no response to the call for public comment.

With regard to Parcel No. 160-791-03 which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Lazzarone, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

17-151E **PARCEL NO. 510-381-01 – WAL-MART REAL ESTATE BUS
TRUST – HEARING NO. 17-0068**

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 5065 Pyramid Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Value statement, 1 page

Exhibit B: Comparable sales, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 25 pages.

Exhibit II: Additional hearing evidence packet regarding values based on square footage, 2 pages.

On behalf of the Petitioner and having been previously sworn, Lou Newman appeared before the Board.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Assessor, oriented the Board as to the location of the subject property.

Mr. Newman said he would accept the decision to uphold the valuation and respectfully request the right to appeal to the next level.

There was no response to the call for public comment.

With regard to Parcel No. 510-381-01, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Ainsworth, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

17-152E **PARCEL NO. 024-055-52 – SAMS REAL ESTATE BUSINESS
TRUST – HEARING NO. 17-0063**

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 4835 Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Value statement, 1 page.

Exhibit B: Comparable sales, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 22 pages.

Exhibit II: Additional hearing evidence packet regarding values based on square footage, 2 pages.

On behalf of the Petitioner and having been previously sworn, Lou Newman appeared before the Board.

On behalf of the Assessor and having been previously sworn, Tracy Burns, Appraiser, oriented the Board as to the location of the subject property.

Mr. Newman said he would accept the decision to uphold the valuation and respectfully request the right to appeal to the next level.

There was no response to the call for public comment.

Chairman Horan stated this petition was a little bit different than the previous hearings for the Wal-Mart stores because a warehouse store was not the same as a megastore; however, he thought the sales comparisons supported the Assessor's valuation.

With regard to Parcel No. 024-055-52, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Lazzarone, seconded by Member Ainsworth, which motion duly carried, it was ordered that the Assessor's taxable values be upheld and it was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property in the current assessment year.

Chairman Horan stated he really appreciated the way the Petitioner presented his appeals. Mr. Newman thanked the Chairman.

17-153E ROLL CHANGE REQUEST - RESIDENTIAL

INCREASE – For consideration of and action to approve or deny on RCR Numbers 1634F15, 1634F16, 1636F16, 1638F16, 1639F16, 1640F16.

The following exhibits were submitted into evidence:

Petitioners

None

Assessor

Exhibit I: Assessor’s Roll Change Request, the number of pages varies with each parcel.

Stacy Ettinger, Senior Appraiser, stated each of these roll change requests were in the same neighborhood as the previously heard appeal for parcel number 003-886-02. The parcels were all left off the roll and the Assessor’s hearing evidence packets supported the taxable values that were added to the roll for the years specified.

Chairman Horan asked if the properties were all in the same neighborhood, to which Appraiser Ettinger answered yes. The name of the neighborhood was Mountain View Estates.

There was no response to the call for public comment.

On motion by Member Brown, seconded by Member Lazzarone, which motion duly carried, it was ordered to approve an increase for RCR Numbers 1634F15, 1634F16, 1636F16, 1637F16, 1638F16, 1639F16, 1640F16 as recommended by the Assessor’s Office. With those adjustments it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

003-886-01	WALKER, DANIEL B	1634F15
003-886-01	WALKER, DANIEL B	1634F16
003-891-06	BRITTON, CHRISTOPHER K	1636F16
003-891-07	AKE, JAY-DEE	1637F16
003-892-07	BABU, LOKMAN	1638F16
003-892-08	MERRITT TRUST, RONALD R	1639F16
003-892-09	NICHOLS, MARK A	1640F16

17-154E BOARD MEMBER COMMENTS

Chairman Horan stated he wanted to recognize Member Brown for nine years of service on the Board of Equalization. He said he had been a part of several of those years and he appreciated Member Brown’s diligence, preparedness and cogent recommendations. He said Member Brown would be missed and presented a Certificate of Appreciation to him for his service.

Member Brown said it had been a fast nine years and it was great to work with such a well-oiled machine. He thanked County Clerk Nancy Parent for always being

so organized, the District Attorney's Office for always being on top of things, his fellow Board Members for the great rapport and finally the Assessor's Office for being very competent and professional.

Chairman Horan concurred with Member Brown's statements. He commented he had been involved with this Board for 10 years and in that time he had witnessed many improvements in the approach to the hearings as well as a decrease in the number of appellants to appear before the Board. He said that was due to the Assessor's Office's willingness to communicate with the petitioners to work toward resolutions. He advised anyone who was new to the Assessor's Office to learn from those who had been through the process many times before. He stated County Clerk Nancy Parent and her office did an outstanding job of getting information to the Board members, the District Attorney's Office helped to keep the Board on the right path, and the technology folks helped to improve the process by making all of the supporting documentation for the hearings available online. He also thanked the Board members for giving up their time to participate in the hearings and for their willingness to listen and make judgments. He commented it had been a very successful season.

Member Lazzarone noted she was the newest member; this was her second year serving on the Board and she felt she gained valuable experience from it. She said she told people about how well the Assessor's Office worked with the public. She also thanked the Clerk's Office and the District Attorney's Office for their support. She looked forward to serving again next year.

17-155E PUBLIC COMMENT

Rigo Lopez, Chief Appraiser, thanked Mr. Brown for his nine years of service on behalf of the Assessor's Office. He said the Assessor's Office appreciated the Board's direction and tried hard to improve the process. He said they tried to be as open as they could with the taxpayers; however, things sometimes got missed due to the fact that there were more than 174,000 parcels to value. He thanked all of the Board members and said although there were only six hearing dates, some of those days were difficult to attend due to bad weather. He mentioned the Assessor's office and the Clerk's Office both had undergone some staff changes and he appreciated Nancy Parent, County Clerk, and her staff for keeping the lines of communication open. He commented his information technology staff was vital and without them the Assessor's Office would be lost.

Nancy Parent, County Clerk, stated her staff enjoyed working with the Board and she thanked them for their time and effort. She said she would greatly miss Member Brown and his service on the Board; she suggested he consider being an Alternate Member on next year's Board. She appreciated all the kind comments made about her office and staff. She noted Cathy Smith, Board Records and Minutes Division Supervisor, had been put the test with employee changes this season and she thanked Jan Galassini, Chief Deputy Clerk, for relieving a lot of pressure for her personally. She remarked the Assessor's Office was the real reason everything ran so smoothly and she

thanked them for taking on jobs such as noticing the petitioners. She commended Jennifer Gustafson, Legal Counsel, for always being calm, reassuring and sound in her advice.

17-156E APPROVAL OF MINUTES

Nancy Parent, County Clerk, stated the last item is to discuss was the process of approving the minutes when they were finished. She said when they were done they would be sent to the board members either on CD or through email for their review. She asked the members to submit any changes, additions or mistakes to the Chairman. If she did not hear back from anyone within 10 days, the original signature pages would be submitted to the Chairman for his signature.

Chairman Horan stated that was fine as this process had worked well in the past.

* * * * *

11:24 a.m. There being no further hearings or business to come before the Board, the meeting was adjourned without objection.

PHILIP HORAN, Chairman
Washoe County Board of Equalization

ATTEST:

NANCY PARENT, County Clerk
and Clerk of the Washoe County
Board of Equalization

*Minutes prepared by
Catherine Smith, Deputy Clerk*