

**BOARD OF EQUALIZATION
WASHOE COUNTY, NEVADA**

WEDNESDAY

9:00 A.M.

FEBRUARY 14, 2018

PRESENT:

Philip Horan, Chair
Eugenia Larmore, Vice Chair
James Ainsworth, Member
Barbara “Bobbi” Lazzarone, Member
James Richards, 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. Chair Horan called the meeting to order, the Clerk called the roll and the Board conducted the following business:

18-043E PUBLIC COMMENT

There was no response to the call for public comment.

18-044E SWEARING IN

Nancy Parent, County Clerk, swore in the appraisal staff.

18-045E WITHDRAWALS

No petitions were withdrawn from the scheduled agenda.

18-046E REQUESTS FOR CONTINUANCES

On motion by Member Larmore, seconded by Member Ainsworth, which motion duly carried, it was ordered the following hearings be continued to February 26, 2018:

Assessor's Parcel No.	Petitioner	Hearing No.
010-542-03	PHARYE TRUST	18-0004
038-341-22	ELLIOTT, EUGENE V	18-0029
038-341-24	BRADLEY FAMILY TRUST, THOMAS R	18-0030

18-047E CONSOLIDATION OF HEARINGS

On motion by Member Ainsworth, seconded by Member Lazzarone, which motion duly carried, it was ordered the following hearings be consolidated:

Assessor's Parcel No.	Petitioner	Hearing No.
010-542-02	VAN ZANT, TERRY D	18-0012
010-541-13	CONNELL TRUST	18-0016
010-541-05	CONNELL TRUST	18-0017

The discussion for these hearings can be found on Agenda Item 18-055E. See Agenda Items 18-055E, 18-056E, and 18-057E below for the details concerning the petitions, exhibits, and decisions related to each of the properties in the consolidated hearing.

18-048E PARCEL NO. 074-082-02 – JAMES BREARTON – HEARING NO. 18-0015

A Petition for Review of Assessed Valuation was received protesting the 2018-19 taxable valuation on land located at 0 Marina Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessment notice and buyers closing statement, 2 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 074-082-02 based on the stipulation signed 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 stipulation be adopted and confirmed and that the taxable land value be reduced to \$7,469, resulting in a total taxable value of \$7,469 for tax year 2018-19. 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.

18-049E **PARCEL NO. 154-065-05 – DANA M & MICHELLE MORRISON – HEARING NO. 18-0037R17**

A Petition for Review of Assessed Valuation was received protesting the 2017-18 taxable valuation on land and improvements located at 198 N BIG SAGE LANE, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 154-065-05 based on the stipulation signed 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 stipulation be adopted and confirmed and that the taxable land value be upheld, and the taxable improvement value be reduced to \$669,847, resulting in a total taxable value of \$789,847 for tax year 2017-18. 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.

18-050E **PARCEL NO. 154-065-05 – DANA M & MICHELLE MORRISON – HEARING NO. 18-0037**

A Petition for Review of Assessed Valuation was received protesting the 2018-19 taxable valuation on land and improvements located at 198 N. Big Sage Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 154-065-05 based on the stipulation signed 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 stipulation be adopted and confirmed and that the taxable land value be upheld, and the taxable improvement value be reduced to \$671,838, resulting in a total taxable value of \$796,838 for tax year 2018-19. 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.

**18-051E ROLL NO. 2303082 – HV MANUFACTURING COMPANY –
HEARING NO. 18-0065P13**

A Petition for Review of Assessed Valuation was received protesting the 2013-14 taxable valuation on personal property located in Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 13 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Roll No. 2303082 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Larmore, seconded by Member Lazzarone, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable personal property value be reduced to \$7,552,088, resulting in a total taxable value of \$7,552,088 for tax year 2013-14. With that adjustment it was found that the personal property value is valued correctly and the total taxable value does not exceed full cash value.

**18-052E ROLL NO. 2303082 – HV MANUFACTURING COMPANY –
HEARING NO. 18-0065P14**

A Petition for Review of Assessed Valuation was received protesting the 2014-15 taxable valuation on personal property located in Washoe County.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 13 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Roll No. 2303082 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Larmore, seconded by Member Lazzarone, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable personal property value be reduced to \$7,664,413, resulting in a total taxable value of \$7,664,413 for tax year 2014-15. With that adjustment it was found that the personal property value is valued correctly and the total taxable value does not exceed full cash value.

**18-053E ROLL NO. 2303082 – HV MANUFACTURING COMPANY –
HEARING NO. 18-0065P15**

A Petition for Review of Assessed Valuation was received protesting the 2015-16 taxable valuation on personal property located in Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 13 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of

the subject property.

With regard to Roll No. 2303082 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Larmore, seconded by Member Lazzarone, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable personal property value be reduced to \$9,134,456, resulting in a total taxable value of \$9,134,456 for tax year 2015-16. With that adjustment it was found that the personal property value is valued correctly and the total taxable value does not exceed full cash value.

**18-054E ROLL NO. 2303082 – HV MANUFACTURING COMPANY –
HEARING NO. 18-0065P16**

A Petition for Review of Assessed Valuation was received protesting the 2016-17 taxable valuation on personal property located in Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 13 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Roll No. 2303082 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Larmore, seconded by Member Lazzarone, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable personal property value be reduced to \$10,563,385, resulting in a total taxable value of \$10,563,385 for tax year 2016-17. With that adjustment it was found that the personal property value is valued correctly and the total taxable value does not exceed full cash value.

**18-055E PARCEL NO. 010-542-02 – TERRY D VAN ZANT –
HEARING NO. 18-0012**

A Petition for Review of Assessed Valuation was received protesting the 2018-19 taxable valuation on land and improvements located at 2875 Idlewild Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Agent Authorization Form, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, Wayne Connell was sworn in by County Clerk Nancy Parent.

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

Nancy Parent, County Clerk, indicated Mr. Wayne Connell presented a signed agent authorization form to represent Mr. Van Zant, which was placed on file. Ms. Parent added she had exhibits for Mr. Connell's two hearings which would each be marked Exhibit A for those respective hearings.

Assessor Coi Greener noted all three hearings pertained to a land adjustment and each parcel was located in the same community. Chair Horan confirmed one of the three parcels had a different floorplan but each hearing dealt with the same issue of land value adjustment.

Mr. Connell claimed he requested documentation explaining how his condominiums were assessed but did not receive a response until February 13. He stated the land value of all 48 units facing the river was being taxed at 32.9 percent while those that did not face the river were only being taxed at 4.4 percent. He said he purchased one of his units for \$170,000 in 2014 and alleged the assessed value on that property increased by 109 percent since 2015. If that were accurate he stated his property would be worth \$340,000, but he had not seen any sales of units in that complex for more than \$290,000. He remarked the comparable sale used by the Assessor's Office (AO) which sold for \$290,000 contained an additional 232 square foot office. He expressed frustration that one unit was used as a basis for assessment when there were several different floorplans. He reviewed the parcels listed on page 2 of Exhibit A for hearing numbers 18-0016 and 18-0017.

Mr. Connell stated other residents did not appeal because they were intimidated by the process. He wondered why the AO would reference sales figures for a nearby complex that was incomplete. He alleged the market value of one of his units increased by only 8 percent since 2012 and felt there was no justification for a 32.9 percent land tax increase on 30-year-old condominiums. He pointed out all units enjoyed the same area and were responsible for a right-of-way along the river regardless of whether or not they faced it. He alleged he and other condominium owners were being singled out unfairly.

Chair Horan clarified the issue being addressed was land value only and not building improvements. He suggested focusing on one of the three consolidated parcels.

Appraiser Greener stated she would discuss parcel 010-541-05. She read from page 2 of Exhibit I and reviewed the features, comparable sales, and range of values associated with the subject property. She reviewed page 3 of Exhibit I.

Appraiser Greener said she performed paired sale analyses of river units versus those not on the river and offered to provide the Board with pictures of those units. She explained the paired sales were comparable to the subject unit in terms of size and date purchased, with the main difference being whether they faced the river. She summarized people were willing to pay between \$17,000 and \$66,000 additional for a riverfront property. She mentioned a sales representative for a development noted their company increased the lot premium for riverfront units from \$50,000 of \$70,000, a fact which supported the demand for buyers to be on the river.

Appraiser Greener apologized for not sending Mr. Connell documentation earlier as she assumed he would present his case at the hearing. She clarified which units were used as comparables in her analysis. She explained when choosing sales for comparison she tried to pick the closest model matches but would look to others with similar floorplans if necessary. She said all the paired sales presented supported the suggested taxable value. Regarding single family homes elsewhere along the river she noted the AO valued each neighborhood separately. She indicated the one referenced by Mr. Connell did receive a tax increase the prior year but there was insufficient paired sales data to warrant an increase for that parcel in the current tax year.

Appraiser Greener addressed a query by Mr. Connell, saying the AO would decrease the assessed value of a parcel if the market declined. She referenced page 5 of Exhibit A which illustrated decreases in value. She stressed the AO was not responsible for taxes, only valuation.

Chair Horan asked whether the lot values for each unit in the complex were the same with adjustments made only for various units' proximity to the river. Appraiser Greener confirmed there was an adjustment for units located on the river. She confirmed the Chair's assertion all units facing the river had a consistent lot value, while houses along the river with different lot sizes had different valuations. Chair Horan asked whether there was an adjustment for the easement referenced by the appellant, to which Appraiser Greener replied she was not aware of any. She confirmed it was typical of the AO to make an adjustment if an easement was an issue, the size of which would depend on the particular easement. Senior Appraiser Steven Clement clarified the aforementioned walking path easement on the river did not encumber those parcels.

Appraiser Greener affirmed Member Lazzarone's assumption every unit on the river saw a 30 percent increase in 2018. She acknowledged it seemed like a large percentage but it was equivalent to the value of one of the appellant's own properties. She

stated the 30 percent increase was only for the river adjustment and the overall total taxable amount did not increase that much.

Mr. Connell read from his original letter to the AO, dated January 8, and said he just received the response on February 13. He suggested since a house sale on the river dated February of 2016 was not being used in the AO's assessment, no condominiums sold after that date should be used either. Mr. Connell confirmed Chair Horan's statement that February 2016 sale was outside the development they were discussing. Mr. Connell said Appraiser Greener used sale data for condominiums that were not yet complete. He felt it would be fair to tax all river units the same amount. He said the purchase price of his unit only increased by 8.2 percent since 2005 and felt it should not be compared to the land values in an area where people overpaid for the land. He insisted if the Assessor was going to compare his unit to outside areas it should be compared to those that received a 0 percent increase. He summarized the owners of the river units wanted to be treated fairly and a 32.9 percent increase was not fair.

There was no response to the call for public comment. Chair Horan closed the public hearing.

Chair Horan issued caution when comparing houses and condominiums as they were different types of property. He said the Board's job was to be consistent with the lot values for each type of property in a neighborhood. He stated the overall taxable value when land and improvements were combined was \$128,000, well within the market value of \$290,000. He remarked regardless of the size of the increase, it was consistent in the neighborhood.

Member Lazzarone expressed concern the increase was so large but given the AO was considering only the land value and not the age of the building or other buildings that had not yet been built, she felt the value of those units had gone up.

Chair Horan informed the Petitioner that he would be eligible to file an appeal with the State. He commented based on what the appellant presented relative to other properties and the fact that the assessed valuation was well below market value, the Assessor's recommendations were supportable. He made similar comments for each of the three consolidated parcels.

With regard to Parcel No. 010-542-02, which petition was brought pursuant to NRS 361.356, 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 has failed to meet his burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

18-056E **PARCEL NO. 010-541-13 – WAYNE A & PATRICIA A CONNELL**
– HEARING NO. 18-0016

A Petition for Review of Assessed Valuation was received protesting the 2018-19 taxable valuation on land and improvements located at 2875 Idlewild Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter, comparable sales, and photographs, 4 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, Wayne Connell was sworn in by County Clerk Nancy Parent.

On behalf of the Assessor, Coi Greener, Appraiser, oriented the Board as to the location of the subject property.

For discussion that took place on this hearing, see Agenda Item 18-055E.

With regard to Parcel No. 010-541-13, which petition was brought pursuant to NRS 361.356, 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 Assessor's taxable values be upheld and it was found that the Petitioner has failed to meet his burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

Deputy District Attorney Jennifer Gustafson corrected the parcel number which was originally misspoken by Member Lazzarone.

18-057E **PARCEL NO. 010-541-05 – CONNELL TRUST – HEARING NO. 18-**
0017

A Petition for Review of Assessed Valuation was received protesting the 2018-19 taxable valuation on land and improvements located at 2875 Idlewild Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter, comparable sales, and photographs, 4 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, Wayne Connell was sworn in by County Clerk Nancy Parent.

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

For discussion that took place on this hearing, see Agenda Item 18-055E.

With regard to Parcel No. 010-541-05, which petition was brought pursuant to NRS 361.356, 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 has failed to meet his burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

18-058E PARCEL NO. 010-543-01 – ROBERT A. SHERMAN – HEARING NO. 18-0032

A Petition for Review of Assessed Valuation was received protesting the 2018-19 taxable valuation on land and improvements located at 2875 Idlewild Drive, 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, 10 pages.

On behalf of the Petitioner, no one was sworn in by County Clerk Nancy Parent.

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

Appraiser Greener stated she did a paired analysis which indicated there was a demand and people were willing to pay more for a unit on the river versus a non-river unit; that amount ranged from \$17,000 to \$66,000. She recommended the Board

uphold the total taxable value of \$144,396, which was well below comparable sales.

There was no response to the call for public comment. Chair Horan closed the public hearing.

Deputy District Attorney Jennifer Gustafson advised the Board to explain their justification for their action as if this were a new hearing not related to others heard before it.

Chair Horan stated the Board looked at the evidence from the Assessor's Office (AO) and it was consistent with the properties in the same complex. He said the paired sales presented supported the AO's recommendation for the land value and improvements, though the focus of their discussion was on the land value. The assessed valuation was well below market value.

Member Lazzarone expressed concern the taxes had increased so much but said the recommendation of the AO was justifiable.

With regard to Parcel No. 010-543-01, which petition was brought pursuant to NRS 361.356, 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 has failed to meet his burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

18-059E BOARD MEMBER COMMENTS

Member Larmore remarked as the local real estate economy continued to increase, there would be many increases in valuation. She pointed out current values were starting from a lower base since values decreased in the past.

Chair Horan added the abatement issue would continue to be a factor, especially if property values started to decrease.

18-060E PUBLIC COMMENT

There was no public comment.

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9:59 a.m. There being no further hearings or business to come before the Board, the meeting was adjourned.

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
Derek Sonderfan, Deputy Clerk*