

**BOARD OF EQUALIZATION
WASHOE COUNTY, NEVADA**

FRIDAY

9:00 A.M.

FEBRUARY 23, 2022

PRESENT:

Eugenia Larmore, Chair
James Ainsworth, Vice Chair
Dennis George, Member

Janis Galassini, County Clerk
Jennifer Gustafson, Deputy District Attorney
Trenton Ross, Deputy District Attorney

ABSENT:

Barbara “Bobbi” Lazzarone, Member
Daren McDonald, Member

The Board of Equalization convened at 9:08 a.m. in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Chair Larmore called the meeting to order, the Clerk called the roll and the Board conducted the following business:

22-056E PUBLIC COMMENT

There was no response to the call for public comment.

22-057E SWEARING IN

Janis Galassini, County Clerk, swore in the appraisal staff.

22-058E WITHDRAWN PETITIONS

The following petitions scheduled on this agenda were withdrawn by the Petitioners prior to the hearing:

Assessor's Parcel No.	Petitioner	Hearing No.
012-232-14	LITHIA MOTORS/LITHIA REAL ESTATE INC	22-0015A
034-021-48	LITHIA MOTORS/LITHIA REAL ESTATE INC	22-0016C
015-303-14	LITHIA MOTORS/LITHIA REAL ESTATE INC	22-0017
034-257-20	PARAGON INDUSTRIES II INC/BEDROSIANS	22-0019
510-082-42	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020A
510-083-03	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020B
510-083-04	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020C
510-083-08	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020D
510-083-09	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020E
510-481-04	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020F

510-481-08	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020G
510-482-01	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020H
510-482-02	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020I
510-482-07	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020J
510-483-01	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020K
510-483-02	SPARKS RETAIL ASSOCIATES LLC/CIRE EQ.	22-0020L
040-162-78	LITHIA MOTORS/LITHIA REAL ESTATE INC	22-0021
163-160-06	FINDLAY AUTOMOTIVE GROUP	22-0023
163-160-08	FINDLAY AUTOMOTIVE GROUP	22-0024
163-160-15	FINDLAY AUTOMOTIVE GROUP	22-0026
020-051-01	GATOR KIETZKE LLC	22-0027
020-051-05	GATOR KIETZKE LLC	22-0028
510-082-52	STRIETZEL, WARREN	22-0030A
510-082-53	STRIETZEL, WARREN	22-0030B

22-059E CONTINUANCES

There were no petitions to be continued.

22-060E PARCEL NO. 050-411-32 – HAYWARD LIVING TRUST, THOMAS J V & DEBORAH E – HEARING NO. 22-0013

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 145 Esmerelda Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

No one offered testimony on behalf of the Petitioner.

No one offered testimony on behalf of the Assessor's Office.

There was no response to the call for public comment.

With regard to Parcel No. 050-411-32 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Vice Chair Ainsworth, seconded by Member George, 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 \$364,086, resulting in a total taxable value of \$550,000 for tax year 2022-23. 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.

22-061E **PARCEL NO. 025-372-02 – MACY'S NEVADA PROPERTIES
CORP – HEARING NO. 22-0032**

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 5100 Meadowood Mall Circle, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 18 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

No one offered testimony on behalf of the Petitioner.

No one offered testimony on behalf of the Assessor's Office.

There was no response to the call for public comment.

With regard to Parcel No. 025-372-02 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Vice Chair Ainsworth, seconded by Member George, 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 \$2,918,307, resulting in a total taxable value of \$9,124,951 for tax year 2022-23. 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.

22-062E **PARCEL NO. 013-321-13 – STORAGE PRO OF RENO LLC –
HEARING NO. 22-0037B**

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 2445 Vassar Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 4 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

No one offered testimony on behalf of the Petitioner.

No one offered testimony on behalf of the Assessor's Office.

There was no response to the call for public comment.

With regard to Parcel No. 013-321-13 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Vice Chair Ainsworth, seconded by Member George, 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 \$916,667, resulting in a total taxable value of \$2,190,797 for tax year 2022-23. 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.

22-063E PARCEL NO. 510-082-54 – WARREN STRIETZEL – HEARING
NO. 22-0030C

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 121 Los Altos Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

No one offered testimony on behalf of the Petitioner.

No one offered testimony on behalf of the Assessor's Office.

There was no response to the call for public comment.

With regard to Parcel No. 510-082-54 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Vice Chair Ainsworth, seconded by Member George, 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 \$30,041,986, resulting in a total taxable value of \$39,451,726 for tax year 2022-23. 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.

22-064E **PARCEL NO. 021-140-26 – BULLOCK FAMILY TRUST, GARY & RACHEL – HEARING NO. 22-0005**

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 6020 Pembroke 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, 12 pages.

No one offered testimony on behalf of the Petitioner.

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

Appraiser Scott indicated the Assessor's Office had spoken to the Petitioner about her concern, which she expressed was the amount of taxes she paid annually. The process was explained to the Petitioner that the Assessor's Office provided a taxable value. With that understanding, the Petitioner wished to withdraw her appeal.

There was no response to the call for public comment.

With regard to Parcel No. 021-140-26, 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 Vice Chair Ainsworth, seconded by Member George, 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/her burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

22-065E **PARCEL NO. 132-030-25 – MELISSA TRUST C/O GLEN SIWARSKI – HEARING NO. 22-0009**

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 801 Northwood Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 8 pages.

No one offered testimony on behalf of the Petitioner.

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

Appraiser Smith reviewed comparable sales. The comparable taxable values were well above that of the subject property. He stated the recommendation was to uphold the taxable value.

Chair Larmore indicated the Petitioner was concerned about past issues with an assessment in Incline Village and believed the subject property valuation was not comparable to identical and comparable uses. She stated Appraiser Smith proved the value was lower than the indicated value range.

Vice Chair Ainsworth mentioned it would be difficult for people not in the State of Nevada to understand what was happening in this area with values.

Member George wondered whether there were any impacts related to previous issues in Incline Village that Chair Larmore spoke about. Appraiser Smith stated he spoke to the Petitioner on the phone but had no comment on the past issues.

There was no response to the call for public comment.

With regard to Parcel No. 132-030-25, 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 Vice Chair Ainsworth, seconded by Member George, 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/her burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

22-066E PARCEL NO. 015-291-09 – LITHIA MOTORS / LITHIA REAL ESTATE INC. – HEARING NO. 22-0015B

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 900 E Plumb Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting documentation, 29 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 20 pages.

On behalf of the Petitioner, Wayne Tannenbaum was sworn in by County Clerk Janis Galassini.

On behalf of the Assessor and having been previously sworn, Wendy Jauregui-Jackins, Appraiser, oriented the Board as to the location of the subject property.

Appraiser Jauregui-Jackins reviewed the hearing evidence packet. She stated the buildings were gutted, leaving only some exterior walls and concrete, then rebuilt, and remodeled with substantial additions. The reconstructed building consisted of 112,323 square feet, which included an automobile showroom and service repair garages. She said the large building housed three dealership locations: Lithia Chrysler; Jeep; and Volkswagen. She reviewed the comparable sales and stated they supported the subject land value.

Via Zoom, Mr. Tannenbaum indicated that 95 percent of counties used the market and income approach to determine value. He spoke about the difficulty of valuing dealerships using that information and thought it was an unfair process. He believed there was only one fair way to look at dealership values, which was the cost approach. He brought up using the income approach and stated most of the dealerships he represented were owner occupied. It was difficult to find any kind of lease rates for these type of facilities. He explained the lease rate would have to be determined by square footage based on a service garage and all parts of the dealership. He opined that less than three percent of counties used the income approach for dealerships because it was so difficult to define all the different factors that were included in the sale price of the property. Each dealership was unique and he thought an appraisal would need to be conducted to fairly value a dealership. He reviewed the exhibit documents provided by the Assessor's Office and expressed concern over the value of improvements being higher than the previous year. He disagreed with the assessed value of the property. He spoke about a commercial parcel of land, stating the front portion of the property would be worth more than the back portion. He believed the building classification was a C average, as it was an older building and was not a superior property. He felt the County did not provide exact specifics regarding the process used to arrive at the assessment value and wondered how the Board of Equalization could look at the numbers and determine the real value. He stated the Marshall and Swift documents that were included in their packet explained exactly how the values were determined. He believed their calculations, with multipliers used and additional dollars added to the improvement value, was more than \$2 million less than the County's assessment and noted the value was overly conservative. He addressed the comparisons

included in the Petitioner's documents, which he said supported a lower value even though they were smaller parcels that would normally be valued higher than larger parcels per square foot.

Deputy District Attorney Jennifer Gustafson stated Petitioner evidence was received by the Board at the beginning of the hearing. County Clerk Jan Galassini indicated the evidence would be Petitioner Exhibit A, a 29-page packet.

Appraiser Jauregui-Jackins indicated the Assessor's Office used the Marshall and Swift valuation manuals to achieve replacement cost. She noted the difference was their costs were composed of many detailed building attributes, all of which affected the building's replacement cost. She explained some of the attributes included occupancy codes, ceiling heights, type of framing, exterior walls, type of heating, and sprinkler systems to name a few. She stated statutory depreciation was applied at a rate of one and one half percent per year up to 50 years. The Appellant's analysis was generic in nature, not taking any of the attributes into account, and said the Appellant was using different occupancy codes, quality classes, and using the age life tables for depreciation from Marshall and Swift. She believed the Appellant was well aware of the depreciation used within the State of Nevada, which was statutory. She stated no weight was given to the Appellant's cost analysis and noted the Assessor's Office used the cost analysis for their evaluation and provided comparable sales and uses to show the property did not exceed market value. She reviewed the Appellant's comparable land sales, explaining all were inferior to the subject property. She stated the Assessor's Office total taxable value of \$15,582,726, or \$139 per square foot, was well supported and did not exceed full cash value. The recommendation was to uphold the taxable value.

Mr. Tannenbaum opined just because something was well said did not mean it was correct and wondered where the land sales from the Assessor's Office were located. Appraiser Jauregui-Jackins indicated they were at the bottom of page 2 of the hearing evidence packet.

Mr. Tannenbaum believed it was difficult to compare the land sales that the Assessor's Office provided which were lacking details about how values were determined. He noted that most reductions were based on improvements, not land value. He understood why this specific land value might not be lowered. He strongly disagreed with the improvement values provided by the Assessor's Office and indicated the information he provided was very detailed. He referred to page 10 of the Petitioner's Exhibit A, which included Marshall and Swift information with details listed for improvements that were included in the base cost, but he said there was no indication from the Assessor's Office about what their numbers included. He believed the numbers the Assessor's Office provided for certain improvements were higher than most counties. He questioned the process for determining replacement cost and referred to the Assessor's Office hearing evidence packet, pages 5 and 7, which he opined was incorrect. He stated this was a typical dealership and he could not understand how the Assessor's Office determined such a high replacement cost figure. He believed the County did not understand what an automotive service center was and included it in the showroom square footage. He noted page 10 of

Petitioner's Exhibit A showed the Marshall and Swift details that indicated what an automotive service center included. He thought the County was missing the values for an automotive service center, which were lower than showroom values. He hoped the Board would consider the difference in improvements and lower the value.

Chair Larmore clarified that Nevada used the cost approach. Income and market values were used for comparisons to ensure they did not exceed those values. She referred to page 5 that stated improvements had been made within the past five years, even though the effective date was 2002. She wondered whether that would impact the quality levels of the improvements. Appraiser Steve Clement indicated the subject property was the old Scolari's and Longs Drug Store and the building was taken down to bare walls and a few foundations. He noted a very conservative approach was used in establishing the weighted year. He stated they did not cost it as a complete auto dealership, which was considered an occupancy of 455, and he read from Marshall and Swift about costing a complete auto dealership. He argued the building cost that Mr. Tannenbaum suggested was absurd and said nothing could be rebuilt in this area for less than the cost the Assessor determined. He said the hearing evidence packet contained a breakdown of all aspects of the building. He believed the difference was that the Assessor's Office classified the subject property as a C-25 which was a good quality class and the Appellant used C average class. He noted a C average dealership would be comparable to the Dodge dealership and stated the subject property was much nicer. He indicated they were confident in the quality class and the costing of the dealership.

Mr. Tannenbaum disagreed and thought the areas were still classified incorrectly. He stated a show room should not include areas such as restrooms, hallways, a parts department, waiting rooms, and cashiers.

Chair Larmore stated the land value was not the issue. She said many improvements had been made recently and on page 10 of the Petitioner's Exhibit A there was a significant difference between the average and good showroom class. She said the automotive center and repair garage had a large difference also. These numbers were consistent with the Assessor's Office numbers. She said many assumptions were present and she did not place much weight on the Petitioner's analysis.

Vice Chair Ainsworth thought the showroom included offices, sales staff, and anyone involved in a sale. The service center area would be the garage area.

Chair Larmore said using the Petitioner's analysis and increasing the quality class to C good would support the Appraisers numbers.

There was no response to the call for public comment.

With regard to Parcel No. 015-291-09, 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 Vice Chair Ainsworth, seconded by Member George, 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.

**22-067E PARCEL NO. 015-301-36 – LITHIA REAL ESTATE INC –
HEARING NO. 22-0016A**

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 2270 Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting documentation, 30 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 20 pages.

On behalf of the Petitioner, Wayne Tannenbaum was sworn in by County Clerk Janis Galassini.

On behalf of the Assessor and having been previously sworn, Wendy Jauregui-Jackins, Appraiser, oriented the Board as to the location of the subject property.

County Clerk Jan Galassini stated Petitioner's Exhibit A, a 30-page document was provided to the Board and placed on record.

Appraiser Jauregui-Jackins requested the hearings be heard separately. Mr. Tannenbaum expressed his dismay and thought they should be heard as one hearing.

Appraiser Jauregui-Jackins stated properties that were sold separately and could function separately were valued individually. Although the parcels sold together, one property was the auto dealership with a service repair garage and the other property was a paint and body shop. She indicated their evidence was prepared independently and requested them to be heard that way. Mr. Tannenbaum stated the property sold together and he wanted them heard together.

Chair Larmore determined the hearings would be presented independently.

Mr. Tannenbaum indicated the subject property was a typical dealership, rectangular in shape and there was nothing special about the building design of the Lithia Subaru dealership. He expressed frustration about the description of a showroom and a service garage, and thought they should be defined in more detail. He stated the price per square foot of the automotive center area was incorrect the previous year and stated it should have been assessed at \$99 per square foot, not \$145 per square foot. He wanted the

Board to explain to him what was included in the description of an automotive service center, which was listed just above showroom in the Marshall and Swift manual. He reviewed the comparable property sales and thought the sale prices should be used. He reviewed the remainder of the Petitioner's Exhibit A. He believed the valuation should be much lower compared to what Marshall and Swift listed based on cost.

Appraiser Jauregui-Jackins reviewed the information included in the hearing evidence packet. She indicated one of the comparable property sales, a Lithia Dealership on Mill Street, had a lease with a purchase option. The sale price for the property was locked in the lease at a market value from 2015 and was not representative of the 2021 real estate market. She added that the land sale was not included in the Assessor's Office comparable sales due to the circumstances of the sale. She indicated the taxable valuation was well supported and did not exceed full cash value. She recommended the Board to uphold the taxable value for tax year 2022/23.

Mr. Tannenbaum asked for his previous comments about dealerships to be considered in this appeal. He expressed frustration about inconsistent costs per square foot on parcels that were older than the subject property and inferior in class. He argued that the comparables provided by the Assessor's Office were extremely inconsistent with the values of service garages compared to Marshall and Swift. He stated that parcel 015-301-38 was approximately the same size but was a newer building listed as a service repair garage for \$73 per square foot, which he thought was a more accurate valuation. He could not understand how an older building was valued at \$107 per square foot. He wanted a much lower valuation applied to the improvement value.

Chair Larmore asked the Assessor's Office to provide information about the difference in showrooms. Mr. Tannenbaum wanted information about service garages explained also. Appraiser Steve Clement explained that costing had an economy scale and when comparing a 29,000 square foot showroom to one that was 9,000 square foot, the ceiling heights played a huge role in the cost. He discussed the quality class, heating and cooling, and exterior wall type, and said he was sure the costing would be justified based on the different attributes the Assessor's Office collected. He explained the difference of valuations between a 112,000 square foot building and something a third of the size and stated there would be an economy scale in the costing, along with other attributes.

Chair Larmore believed the Assessor's Office looked more at the underlying components rather than just the Marshall and Swift listing. Appraiser Clement replied that was correct. Chair Larmore thought it would be the same case for an automotive garage and Appraiser Clement agreed.

Mr. Tannenbaum argued the Assessor's Office could not explain the difference between \$73 per square foot versus \$105 per square foot for the same size building. Chief Deputy Assessor Cori Burke explained the difference in valuation was the \$73 per square foot building was an S Class, a steel building, which was less expensive to construct. She added the building also had lower ceiling heights.

Mr. Tannenbaum mentioned the effective age of one building was older than a newer building, had the same quality and ceiling heights, but was only \$90 per square foot.

Vice Chair Ainsworth commented the Assessor's Office staff used complex evaluations and the Petitioner based the valuation on square footage.

Chair Larmore stated there were significant differences with quality and multipliers, along with the issue of depreciation. She believed Marshall and Swift provided a ballpark value but the detailed analysis used was more concise.

There was no response to the call for public comment.

With regard to Parcel No. 015-301-36, 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 Vice Chair Ainsworth, seconded by Member George, 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.

22-068E PARCEL NO. 015-301-38 – LITHIA REAL ESTATE INC –
HEARING NO. 22-0016B

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 657 E Grove Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting documentation, 30 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 18 pages.

On behalf of the Petitioner, Wayne Tannenbaum was previously sworn in.

On behalf of the Assessor and having been previously sworn, Wendy Jauregui-Jackins, Appraiser, oriented the Board as to the location of the subject property.

Mr. Tannenbaum indicated the information he provided included a detailed breakdown of the Marshall and Swift pages. He argued the County did not provide detailed information about how the valuation was determined and felt it was not right.

Appraisal Jauregui-Jackins explained this was a service repair garage so the sales were a little different. She reviewed the hearing evidence packet. She stated the total taxable value did not exceed full cash value and it was the recommendation of the Assessor's Office to uphold the taxable value for tax year 2022/23.

Mr. Tannenbaum stated there were some counties similar to Washoe County that used the cost approach, but did not include detailed information, only listed an area and valuation. He said many counties had extensive details about the breakdown for valuation even if a property was complicated to value. He believed appraisal departments did not provide detailed evidence to the taxpayer unless the Board approved reductions; then they would provide detailed support for the valuations. He believed it was up to the Board to require the Assessor's Office to provide a detailed breakdown to determine the valuation.

Chair Larmore believed the discussion from the previous hearings stood for this hearing also.

There was no response to the call for public comment.

With regard to Parcel No. 015-301-38, 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 Vice Chair Ainsworth, seconded by Member George, 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.

11:14 a.m. The Board recessed.

11:25 a.m. The Board reconvened with Members Lazzarone and McDonald absent.

22-069E **PARCEL NOS. 031-012-28, 031-012-29, 031-012-31, 031-012-35, 031-012-36, 031-012-37, 031-012-39, 031-012-40, 031-012-41, AND 031-012-42 – PARADISE RETAIL I LLC – HEARING NOS. 22-0018A, 22-0018B, 22-0018C, 22-0018D, 22-0018E, 22-0018F, 22-0018G, 22-0018H, 22-0018I, AND 22-0018J**

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 2211 Oddie Boulevard, 2203 Oddie Boulevard, 0 Oddie Boulevard, 2193 Oddie Boulevard, 2125 Oddie Boulevard, 2225 Oddie Boulevard, 2229 Oddie Boulevard, 2267 Oddie Boulevard, 2275 Oddie Boulevard, and 2131 Oddie Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting documentation, 62 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 67 pages.

On behalf of the Petitioner, Wayne Tannenbaum was previously sworn in.

County Clerk Jan Galassini indicated Petitioner's Exhibit A, a 62-page document and Assessor's Exhibit I, a 67-page document were provided to the Board and placed on file.

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

Mr. Tannenbaum stated the main issue with this property was vacancy rates. He spoke with the appraiser about the value, but he thought there were few counties or states that looked at the cost approach for every property and he wanted to compare the market value. He stated no one would purchase this property based on the cost approach, but possibly based on actual cost and expenses for the shopping center. He noted additional factors were included when purchasing a retail center. He mentioned the retail center was built in 1973 and had significant vacancies making it unattractive. He believed the subject properties should be valued at the calculation for income and expenses and requested the taxable value be reduced to \$7,431,066. He thought the Board understood the market value and a buyer would not purchase this property based on cost. He referred to page 40 of the Petitioner's Exhibit A, which showed two years in a row they had vacancy issues. The income and expenses were based off a cap rate of 6.48 which equated to the similar value for years 2020 and 2021. As of January 2020, the vacancy rate was 37 percent and for January 2022 it was 46 percent. He wondered whether the County would do a lease up cost. He hoped all these factors would be considered and the taxable valuation reduced.

Appraiser Jackson stated the Petitioner did not supply his opinion of value until a few days before the hearing. She noted they had a chance to review the information and felt the value should be upheld. She reviewed the hearing evidence packet and believed the recent building of apartments in the area would revitalize retail centers on Oddie Boulevard. She noted the property received a stipulated value of \$9,552,182 by means of obsolescence on the big box space and the lack of finish on vacant suites. She stated the value was \$335,195 less than the previous year's stipulated value. She pointed out incorrect data included within the Petitioner's Exhibit A, noting that Wells Fargo and Jack in the Box had sold prior to the end of the tax year and depreciation exceeded the percentage of the allowable deduction. She believed the land sale comparisons were not true comparables to the subject property since they were located in residential areas or outside the area.

Member George asked whether the taxable value was less than the stipulated amount from the previous year. Appraiser Jackson confirmed it was \$335,195 less than the previous year.

Mr. Tannenbaum stated a stipulation did not mean that was believed to be market value. He thought a complete appraisal of the subject property would need to be conducted to actually compare to land sales comparisons due to many variables with location, percentage of area being residential, and vacancy rates. He stated the reason for the difference between the County's income analysis and his analysis was due to an increase in vacancy rates. He said there was a problem with this property and it was obvious. He remarked that the center would need a major remodel. He thought it was unfair to use the analysis the Assessor's Office used for this property and said the income analysis supported a lower valuation.

Vice Chair Ainsworth thought the Assessor's Office had done their job and he believed it was up to the owner to make improvements to fill vacancies. He noted that the low occupancy rate did not change the taxable value of the property based on comparables.

Member George mentioned the Assessor's Office determined a lower taxable value, which would reduce the amount of taxes paid. However, the Petitioner still indicated it was not lowered enough and wanted it lowered another \$2 million. He felt the Assessor's Office did their job.

Chair Larmore stated she did not see any evidence that would change her mind about the valuation and felt the vacancy issues were being captured.

There was no response to the call for public comment.

With regard to Parcel No. 031-012-28, 031-012-29, 031-012-31, 031-012-35, 031-012-36, 031-012-37, 031-012-39, 031-012-40, 031-012-41, and 031-012-42, which petitions were brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Vice Chair Ainsworth, seconded by Member George, 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 properties in the current assessment year.

22-070E **PARCEL NO. 163-160-13 AND 163-160-14- FINDLAY-SHACK**
PROPERTIES LLC – HEARING NO. 22-0025A AND 22-0025B

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 9150 and 9190 S Virginia Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting documentation, 29 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 39 pages.

On behalf of the Petitioner, Wayne Tannenbaum was previously sworn in. County Clerk Jan Galassini received Petitioner's Exhibit A, a 29-page document, which was provided to the Board and placed on file.

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

Mr. Tannenbaum inquired about the properties being heard together and wondered why they were not being heard separately as the previous hearings were. Appraiser Johns indicated the appeal was submitted to be heard together. Chair Larmore noted it was her decision for the previous hearings to be heard separately.

Mr. Tannenbaum reviewed the Petitioner's Exhibit A and hoped the Board would take all his arguments related to dealerships on previous hearings into consideration, including comments and rebuttal. He believed the land valuation was high compared to the comparable sales.

Appraiser Johns reviewed the hearing evidence packet. He mentioned a comment was made by the Appellant about the price for a dealership included intangibles such as franchise fees, rights to the name, and other items that would be packaged together. However, an appraiser spoke with the Chief Financial Officer of Reno Toyota, the purchaser of the Chrysler dealership, and indicated the price was only for the real property and did not include the intangible items. He stated that all the comparables, once adjusted for size, age, and class, supported the taxable value of the subject property. He stated the taxable value did not exceed full cash value and recommended the value be upheld.

Mr. Tannenbaum believed the Assessor's Office did not provide detailed information and wanted the Board to ask questions about their process to determine costs. He stated that in each of the hearings, the Assessor's Office was overvaluing the improvements.

Chair Larmore thought this was like the previous hearings and said the concern with dealerships was determining the quality. She noted the Board had heard quality hearings and had shopping center appeals, typically the Petitioner would provide information as to why their quality did not meet a certain threshold. She said that was not done in these cases.

There was no response to the call for public comment.

With regard to Parcel No. 163-160-13 and 163-160-14, 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 Vice Chair Ainsworth, seconded by Member George, 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.

22-071E PARCEL NOS. 140-213-20, 140-213-22, & 140-213-48 – RC WILLEY HOME FURNISHINGS – HEARING NO. 22-0022

A Petition for Review of Assessed Valuation was received protesting the 2022-23 taxable valuation on land and improvements located at 1201 Steamboat Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting documentation, 24 pages.

Assessor

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

On behalf of the Petitioner, Wayne Tannenbaum previously sworn in. County Clerk Janis Galassini received Petitioner's Exhibit A, a 24-page document, which was provided to the Board and placed on file.

On behalf of the Assessor and having been previously sworn, Jeff Cronin, Appraiser, oriented the Board as to the location of the subject property. He noted a pending reversion map and said APN 140-213-48 was the product of prior APNs 140-213-20 and 140-213-22.

Mr. Tannenbaum stated the cost approach was used to determine value. He reviewed the Petitioner's Exhibit A and believed the improvement value was where the difference was. He indicated that the Assessor's Office improvement values were higher than the Marshall and Swift values provided in the Petitioner's Exhibit A.

Appraiser Cronin defended the value by stating a stipulated value for APN 140-213-20 was issued from the previous year and mentioned the value for that parcel was maintained at the stipulated amount \$15.1 million for the 2022/23 tax year. He stated the smaller parcel, APN 140-213-22 was purchased in February 2020 for \$557,340. After the purchase of the smaller parcel, as mentioned previously, a revised map was submitted to establish APN 140-213-48. He indicated the value of the parcel included obsolescence of

\$3,474,036 from the previous agreed upon value. He reviewed the hearing evidence packet. He indicated the value did not exceed actual cash value and recommended the taxable value be upheld. He noted the Appellant costed the entire building as a warehouse storage building, which was incorrect. He said that 80 percent of the building was considered warehouse showroom and store, and 20 percent was warehouse storage.

Mr. Tannenbaum stated the subject property was larger than any sale or rental comparable. He believed this building deserved a large percentage adjustment to the comparables the Assessor's Office provided.

Chair Larmore explained the cost approach for automotive dealerships was the most appropriate and in this case the cost approach was statutorily used to set the value but all approaches were reviewed to insure it was not higher than income or market values.

There was not response to the call for public comment.

With regard to Parcel No. 140-213-48, 140-213-20, & 140-213-22, 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 Vice Chair Ainsworth, seconded by Member George, 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.

22-0072E ROLL CHANGE REQUEST – NEIGHBORHOOD CODE OASD

DECREASE – consideration of and action to approve or deny RCR No. 2 – Neighborhood Code OASD – Lakeridge Shores (RCR 2-1 THROUGH 2-148) which decreases the land value for the 2022/2023 assessment based upon review of current land sales and listings in this neighborhood.

<u>ASSESSOR'S PARCEL NO.</u>	<u>PROPERTY OWNER</u>	<u>RCR</u>
042-040-06	CLEMENTS FAMILY TRUST, WILLIAM A	2-1
042-040-07	BERNDT FAMILY TRUST, THEODORE B	2-2
042-040-08	KORCHECK, STEVEN M	2-3
042-040-09	BLAIR, LUCINDA L	2-4
042-040-10	LIBERT, KEITH E & THERESA A	2-5
042-040-12	KRONISH TRUST, HERBERT	2-6
042-040-13	CRUMLEY LIVING TRUST, ERICA	2-7
042-040-14	SALTERN, FLOYD E	2-8
042-040-15	LAMOUREAUX, ANDREW M & JANA	2-9
042-050-01	SIERRA CAPITAL INVESTMENTS LLC	2-10

042-050-02	BATTS FAMILY TRUST	2-11
042-050-03	LIN, TSUNG-HSIEN J	2-12
042-050-04	FELSTEAD, ROBERT T & MARILOU P	2-13
042-050-05	RECK, TERRY & JANET S	2-14
042-050-06	FOOS, STEPHEN N & CLARE M	2-15
042-050-07	NORMAN TRUST, ROGER W	2-16
042-050-08	NORMAN TRUST, ROGER W	2-17
042-050-14	RONHAAR, LEAH K	2-18
042-071-01	HOEL, SEAN E	2-19
042-071-02	MARTIN, AILEEN et al	2-20
042-071-03	PLECHA, STANLEY L JR & MARLA F	2-21
042-071-04	BENNETT, MICHAEL P & KATHRYN Y	2-22
042-071-05	SANBORN TRUST, JOSEPHINE & WALTER II	2-23
042-071-10	CLAREMONT TRUST	2-24
042-071-11	RAMOS, SUSAN R	2-25
042-071-12	GIBSON, MARK D et al	2-26
042-071-13	DJS TRUST	2-27
042-071-14	OLGUIN, LUCY D	2-28
042-071-15	PONDEROSA INVESTMENTS LLC	2-29
042-071-16	ADDI, LINDA	2-30
042-071-17	ARGER FAMILY TRUST	2-31
042-071-18	COLODNY, BRIAN & VICKI L	2-32
042-072-01	MCNAMARA, JOHN T & BRENDA H	2-33
042-072-02	MONTOYA FAMILY TRUST, GERALD & LUPE	2-34
042-072-03	MARTIN FAMILY TRUST	2-35
042-072-04	MCCLISH FAMILY TRUST	2-36
042-072-05	BALDWIN TRUST, CYNTHIA	2-37
042-072-06	OLSEN, RICHARD J & JANICE M	2-38
042-072-07	LE-CAER DOMINI 1997 FAMILY TRUST	2-39
042-072-08	COSTET, JAY L & LINDA L	2-40
042-072-09	MIRANDA SURVIVORS TRUST A	2-41
042-072-10	ATCHISON TRUST, RICHARD D et al	2-42
042-080-01	BIONDI, STEVEN C & TRACI S	2-43
042-080-02	NYLK TRUST, JANINA	2-44
042-080-03	BARONE, JOSHUA A & SALLY A	2-45
042-080-04	DIETRICH, JASON & CAROLINE	2-46

042-080-05	CHADWICK, CHARLES R JR & SANDRA	2-47
042-080-08	CLIPPARD FAMILY 2019 TRUST	2-48
042-080-09	YANG, JIE et al	2-49
042-080-10	HISS TRUST, PAUL W	2-50
042-080-11	HART, CARL W III & IRENE Q	2-51
042-080-12	SHAW, VALERIE C	2-52
042-080-13	REGHETTI TRUST	2-53
042-080-16	ROUMANAS, ATHAN et al	2-54
042-080-17	LAMONTE FAMILY TRUST	2-55
042-080-18	FEICKERT, FRED	2-56
042-080-19	HUCKABAY 1987 TRUST	2-57
042-080-20	ECE FAMILY TRUST	2-58
042-080-21	MAUPIN FAMILY TRUST, ERNEST & CATHERI	2-59
042-080-22	CHEEK FAMILY TRUST	2-60
042-080-23	DETOMASO, LINDA	2-61
042-080-24	ALBERS FAMILY TRUST	2-62
042-080-25	WORK, MATHEW A & KALIE M	2-63
042-080-26	LURIE FAMILY TRUST	2-64
042-080-27	ZUREK FAMILY TRUST, RONALD M & JO ANN	2-65
042-080-28	CANNADY, MINDY C et al	2-66
042-080-29	SHOREY TRUST, JOAN A	2-67
042-080-30	HUG FAMILY TRUST, PROCTER & JULIE	2-68
042-080-31	KWAPIL TRUST, NANCY E	2-69
042-080-32	MUNNELL TRUST, BETTY J	2-70
042-080-33	LIEBERSTEIN FAMILY TRUST	2-71
042-080-34	MURRAY INTERVIVOS TRUST, THOMAS P & C	2-72
042-080-35	JENTZ FAMILY TRUST	2-73
042-080-37	FORSYTHE TRUST, JAMES W & EARLENE M	2-74
042-090-01	KLEARMAN LIVING TRUST	2-75
042-090-02	SMITH, SHAUN A & KATHIE J	2-76
042-090-03	ROSS, STEPHAN P & FAYTH M	2-77
042-090-04	PREMIER ASSET ACQUISITIONS INC	2-78
042-090-05	BERG FAMILY TRUST	2-79
042-090-14	CASHELL FAMILY TRUST	2-80
042-090-15	JOST, DANIEL & DEBBIE	2-81
042-090-16	GALLOP LIVING TRUST	2-82

042-090-17	MORRIS, MELANIE K et al	2-83
042-090-18	RECE TRUST	2-84
042-090-19	TILLER FAMILY TRUST, LARRY & DIANN	2-85
042-090-20	SK8NINE PRODUCTIONS LLC	2-86
042-090-21	KOTTINGER 1993 TRUST, WILLIAM B III	2-87
042-090-22	FRANCE FAMILY TRUST, PATRICK J	2-88
042-090-23	VON BARTHELD, CHRISTOPHER & SONIA	2-89
042-090-24	VON BARTHELD, CHRISTOPHER & SONIA	2-90
042-090-25	KARHOHS, JEFFREY W et al	2-91
042-090-26	BYDALEK FAMILY TRUST	2-92
042-090-27	PATERSON, EDWARD J et al	2-93
042-090-28	ROSAIA FAMILY TRUST, ERNEST D & LYNN F	2-94
042-090-29	TAFOYA POWELL LIVING TRUST	2-95
042-100-01	CATAMOUNT PROPERTIES 2018 LLC	2-96
042-100-02	SELF FAMILY TRUST	2-97
042-100-03	WOO, ELLEN Y et al	2-98
042-100-04	LEARY, JAMES J et al	2-99
042-100-05	WELCOME WAY TRUST	2-100
042-100-06	FIELD, BENJAMIN G et al	2-101
042-100-07	MAYER, DAVID et al	2-102
042-100-08	BUCKLEY FAMILY TRUST, THOMAS & SUZAN	2-103
042-120-01	ERNST FAMILY TRUST	2-104
042-120-02	PERI TRUST, JOSEPH H	2-105
042-120-03	TERRANOVA FAMILY 2005 TRUST, MARY L	2-106
042-120-04	MARINA TRUST	2-107
042-120-05	LISSNER FAMILY TRUST, PETER & CASSADEE	2-108
042-120-06	SHELTRA FAMILY TRUST, RUSS & MARGO	2-109
042-120-07	BERNARD FAMILY TRUST, DONALD II & S	2-110
042-120-08	MORKIN LIVING TRUST	2-111
042-120-09	KALATHIL, SUMODH C & MEENAKSHI	2-112
042-120-10	TOPOL, NOEL S & CINDY LOU	2-113
042-120-11	B B & S CHILDRENS TRUST	2-114
042-120-12	WILSON TRUST, GREGORY F & PATRICIA	2-115
042-120-13	AUDREY YANG & THOMAS TO FAMILY TRUST	2-116
042-120-14	AUDREY YANG & THOMAS TO FAMILY TRUST	2-117
042-120-15	HUTCHISON TRUST, ALLEN & MARTHA	2-118

042-120-16	ZENG, DEWAN et al	2-119
042-120-17	J. BURROUGHS & E. MANN TRUST	2-120
042-120-18	DEVLIN BARNET 2018 TRUST	2-121
042-120-19	WESTFALL, DAVID & SHIRLEY	2-122
042-120-20	LOHSE FAMILY TRUST	2-123
042-120-21	BUCHWALD, SUSAN S & THEODORE C	2-124
042-120-22	FRYE LIVING TRUST	2-125
042-120-23	WICKERSHAM FAMILY TRUST, JAMES K	2-126
042-130-04	SCHWARZE, FREDERICK C JR & RUTH ANN	2-127
042-130-05	HAWKINS, LOYD G et al	2-128
042-130-06	LESTER, JOSEPH T III	2-129
042-130-07	STAUB FAMILY TRUST, CARL & KIM	2-130
042-130-08	HEYNEN LIVING TRUST, ROBERT R	2-131
042-130-09	BABCOCK, JOSEPH S	2-132
042-130-10	CIRAC TRUST, MICHAEL E & KAREN J	2-133
042-130-11	CLARK TRUST, PAUL & REBECCA	2-134
042-130-12	TILBROOKE, MICHAEL & REBECCA	2-135
042-130-13	MARS, GEORGE	2-136
042-190-01	WOODS FAMILY TRUST	2-137
042-190-02	KLEPPE FAMILY TRUST, JOHN & JULIANNA	2-138
042-190-03	ZIDECK FAMILY TRUST, RONALD R	2-139
042-190-04	COWARD FAMILY TRUST	2-140
042-190-05	QUINLAN FAMILY TRUST, MARK & DIANA	2-141
042-190-06	THOMAS LIVING TRUST	2-142
042-190-07	LANGSNER TRUST, MARGARET S et al	2-143
042-190-13	ETNYRE FAMILY TRUST, WILLIAM R & PENNY	2-144
042-190-14	2775 SPINNAKER DR LLC	2-145
042-190-16	TOMOZY LIVING TRUST, KURT & OLIVIA	2-146
042-190-17	BOSCO TRUST, PETER I A	2-147
042-190-18	ANDOETOE, HAROLD A	2-148

There was no response to the call for public comment.

On motion by Vice Chair Ainsworth, seconded by Member George, which motion duly carried, it was ordered to approve the recommendation of the Assessor's Office to decrease the values for RCR No. 2-1 through 2-148 as set forth on the spreadsheet attached to the Roll Change Request. With those adjustments, it was found that the subject properties are valued correctly and the total taxable value does not exceed full cash value.

22-073E BOARD MEMBER COMMENTS

Vice Chair Ainsworth thanked staff for the job they did by making this process easy.

Chair Larmore thanked the Board members for their comments and discussion.

22-074E PUBLIC COMMENT

There was no response to the call for public comment.

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12:53 p.m. There being no further hearings or business to come before the Board, the meeting was adjourned.

EUGENIA LARMORE, Chair
Washoe County Board of Equalization

ATTEST:

JANIS GALASSINI, County Clerk
and Clerk of the Washoe County
Board of Equalization

*Minutes prepared by
Doni Gassaway, Deputy Clerk*