

**BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA**

THURSDAY

9:00 A.M

FEBRUARY 14, 2008

PRESENT:

**Patricia McAlinden, Chairperson**  
**Benjamin Green, Vice Chairman**  
**John Krolick, Member\***  
**Linda Woodland, Member**  
**Philip Horan, Alternate Member**

**Nancy Parent, Chief Deputy County Clerk**  
**Jaime Dellera, Deputy County Clerk**  
**Herb Kaplan, Deputy District Attorney**

The Board met in the Silver and Blue Room, Lawlor Events Center, University of Nevada, Reno, 1664 N. Virginia Street, Reno, Nevada. Chairperson McAlinden called the meeting to order, the Clerk called the roll and the Board conducted the following business:

**08-685E      WITHDRAWN PETITIONS**

The following petitions scheduled on today's agenda had been withdrawn by the Petitioners:

<b>PARCEL NUMBER</b>	<b>PETITIONER</b>	<b>HEARING NUMBER</b>
025-011-17	Delaware North Company	08-1074
090-051-01	Donnelley RR & Sons Company	08-1219

**08-686E      SWEARING IN OF ASSESSOR STAFF**

Nancy Parent, Chief Deputy County Clerk, swore in Assessor's Office staff that was not previously sworn.

**08-687E      NON-STATUTORY NOTICING REQUIREMENTS**

Chairperson McAlinden said this agenda item referred to the Board's adopted practice of providing a 10-day notice to Petitioners. She felt this was an issue because this year's heavy schedule was making it difficult to adhere to the 10-day notice, and she noted the Open Meeting Law required a 3-day notice.

Member Green felt the 10-day notice becomes very difficult at this point in the hearings. He indicated a 3-day notice should be used for any further continuances rather than moving everything to the February 28th. Member Horan agreed.

Chairperson McAlinden indicated she wanted to work with the Assessor's Office and the Clerk's Office to make sure information was posted in a timely manner on the Board of Equalization's web site, which might mitigate some confusion. She felt using the U.S. Mail could be enhanced by combining it with using the web site effectively, as well as using e-mails.

Josh Wilson, Assessor, said he would work with the Board to make sure noticing happens, and he wanted to make sure the Clerk's Office had time to post the agenda pursuant to the Open Meeting Law. He understood the discussion was the 10-day notice would continue for already scheduled hearings, while a 3-day notice would be used for requests for continuances. He indicated he would offer his staff's services to do personal notifications by phone if needed.

**\*9:05 a.m.** Member Krolick arrived at the meeting.

Member Green clarified he meant three working days or more.

If the Board voted to rescind its practice of a 10-day notice, Chairperson McAlinden asked when the change should happen. She suggested any rescheduling from this point on would not require a 10-day notice and any Petitioners scheduled from February 25th to the 29th would also not receive a 10-day notice. Member Woodland agreed.

Herb Kaplan, Deputy District Attorney, said he understood hearings were already scheduled through February 27th, while February 28th was being used for hearings that were continued from other dates. He did not see why everyone remaining would not be provided the 10-day notice because doing so would not affect the Board's ability to hear the cases already scheduled. Because of statutes requiring the Board to complete its hearings by the end of February, he said there would be a problem if someone came in on February 19th or later asking for a continuance since there would be no way they could be provided with a 10-day notice. He suggested leaving the 10-day notice in place for the already scheduled hearings and implementing a 3-day notice for any hearings where continuances were requested. He also suggested that, in addition to mailing the notice, someone try to contact the Petitioner to let them know when the hearing was scheduled because they might not get the mailed notice in time.

For 2008, Chairperson McAlinden clarified the Board would continue its practice of a 10-day notice for those Petitioners already scheduled. Any Petitioners asking to be continued from today forward would receive a 3-day notice and the Assessor's Office would attempt to contact the Petitioner by e-mail or telephone. Mr. Wilson indicated the contact would probably be by telephone because not many e-mail addresses were provided on the appeal form. He stated a draft of the new petition included a place for an e-mail address. Chairperson McAlinden said she supported using e-mail because it created a written record.

Mr. Kaplan suggested providing more than 3-days notice if possible. Chairperson McAlinden clarified it would be a minimum of 3-business days.

On motion by Chairperson McAlinden, seconded by Member Woodland, which motion duly carried, it was ordered that for 2008 the Board of Equalization continue its practice of providing a 10-day notice for Petitioners already scheduled. It was also ordered that any continuances would receive a minimum of 3-days notice of the new hearing date and the Assessor's Office would make every attempt to contact the Petitioner by telephone or e-mail.

Chairperson McAlinden said she wanted to discuss how the Board felt about continuing the practice of a 10-day notice because the workload for any year could not be anticipated. She asked if a 10-day notice was practical or should other options be considered. Member Krolick stated keeping the 10-day notice going forward made a lot of sense because last year it only took nine days to complete all of the hearings. He felt this year was an extraordinary circumstance. Chairperson McAlinden suggested the Board consider providing 3-days or more notice. Member Krolick felt this discussion should be tabled until next year's organizational meeting. Chairperson McAlinden said this discussion was on today's agenda because of a comment made at this year's organizational meeting that the public did not have enough notice to participate in the discussion.

Member Krolick said the 3-day notice for a continuance was a great practice. He suggested the Petitioner's hearing notice should indicate the deadline the Board was working under so anyone scheduled towards the end of the month could request their hearing be rescheduled if their scheduled date would not work.

Member Horan noted petitions had to be filed by January 15th. He asked if the Assessor had any comment about their ability to do the scheduling due to the 10-day notice. Mr. Wilson replied the only issue this year was scheduling days in late January because, unless scheduling was started before the filing deadline, the ability to have any January hearing dates was limited by the 10-day notice. He indicated that might not be a problem unless the appeal volume was as substantial as it was this year.

Member Horan felt it was a good idea to continue the practice of a 10-day notice because 10 days allowed more time for mailed notices to be received by Petitioners and gave Petitioners more time to adjust their schedules. He stated he liked Member Krolick's idea of including verbiage in the notice that continuances would not necessarily be provided 10-days notice, but would comply with statutory requirements.

Member Green suggested using a 7-day notice and a 3-day notice for continuances. He felt the Board had always tried to accommodate the Petitioners in every way possible, but he would like to have the option of starting the hearings in January if the workload was as large as this year's workload.

Mr. Wilson felt a 10-day written notice and a minimum of a 3-day personal notice might help both situations. He indicated grouping properties as soon as possible after the filing deadline would help appraisers know when the appeal packets needed to be done.

In response to Member Woodland, Mr. Wilson replied the current practice was a 10 calendar-day written notification. Practically, he noted a four or five day notice was the absolute minimum required for the Clerk's Office to post the agenda within the required timeframe.

In response to Member Krolick, Mr. Wilson replied Clark County scheduled hearings using the first-in-first-out approach. He said that had pluses for scheduling, but he felt the most efficient approach for the Board was to schedule like properties to be heard together. Member Krolick agreed.

Jaime Deller, Deputy County Clerk, stated agendas had to be posted three days prior to the hearing date; and, because the hearing date could not be counted as one of the three days, that meant the agenda had to be posted four days prior to the hearing date. For this year, she felt it would be better to coordinate scheduling with the Assessor's Office, but leave the noticing to the Clerk's Office. She indicated Petitioners rescheduled to February 28th would be sent new hearing notices and the Clerk's Office needed five days to coordinate that notification with the Assessor's Office. Chairperson McAlinden noted the motion had stated three days or more, which covered the agenda requirements.

Chairperson McAlinden said she would like to discuss noticing starting in 2009. Member Krolick felt the 10-day practice had worked well and it was premature to initiate policy changes based on what happened this year. Chairperson McAlinden felt this discussion needed to happen now because there was no way of telling what could happen in the future and because there was no option to extend the hearings beyond the end of February. She indicated she did not want the Board to be in this same position in the future.

Member Horan agreed the 10-day notice worked well. He felt information could be put on the Board's web site regarding how noticing worked rather than waiting until the organizational meeting. Chairperson McAlinden agreed the Board's web site should be used and Petitioners should be directed to the web site.

Chairperson McAlinden moved that for 2009 and beyond the 10-day notice would be retained for the initial notification of Petitioners. It was further moved that requests for continuance would receive three days or more notice and the Assessor's Office would contact the Petitioners by e-mail or telephone. Chairperson McAlinden also moved that this information would be posted on the Board of Equalization's web site. Member Woodland seconded the motion for discussion.

Member Krolick asked if the motion could note that this information should be put in the letter sent to the Petitioner. Chairperson McAlinden indicated she would rather the Board work with the Assessor's Office and Clerk's Office to develop language for the letters that would direct the Petitioners to the web site for additional information. Member Krolick said he was just addressing the fact that not everyone has Internet access. Member Horan felt the letter should clearly state what the processes were in addition to the information being posted on the web site.

Member Krolick asked the motion be repeated for clarification.

On motion by Chairperson McAlinden, seconded by Member Woodland, which motion duly carried, it was ordered that, for 2009 and beyond, the 10-day notice would be retained for the initial notification of Petitioners. It was further ordered that requests for continuances would receive three or more day's notice of the new hearing date and that the Assessor's Office would also contact the Petitioners by e-mail or telephone to advise them of their new date.

**08-688E      PARCEL NO. 031-054-02 - BURNEY, KENNETH R JR & LINDA R TR - HEARING NO. 08-0842**

A Petition for Review of Assessed Valuation received from Kenneth R. & Linda R. Burney Jr. Tr., protesting the taxable valuation on land and improvements located at 1285 Commerce Street, Sparks, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, property information, pages 1-9

Exhibit B, reasons continued from petition, pages 1-3

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-17

Petitioner, Kenneth Burney, was sworn.

Stacy Ettinger, Appraiser III, duly sworn, oriented the Board as to the location of the subject property.

Mr. Burney discussed the information contained in his Exhibit A. He noted the most drastic impact to the value of his property was the rezoning of the property immediately across the street that led to the construction of a three-story apartment building. He said the apartment building eliminated the only visibility his building had from Rock Blvd. He felt if the commercial zoning had been maintained, any

building would have been built towards the rear of the property and would have had its parking in front; and that would have maintained his building's visibility from the road. He said the lack of visibility led to his closing his business of 29 years in July 2007.

Mr. Burney discussed the declining quality of the neighborhood and the area's commercial vacancies, which were additional impacts on his building's value. He stated another impact was the lack of parking spaces that belonged to his property, which created problems in getting tenants. He explained the incentives he had to offer a potential tenant to entice him to sign a one-year lease and noted the tenant would probably not stay after the lease was up.

Mr. Burney discussed the comparable property he provided in Exhibit A. He felt it was reasonable to value his property at 25 percent of the \$1.2 million asking price for the comparable property. He said his comparable was currently on the market, while the Assessor's comparable sales occurred in 2005 and 2006 during a drastically different market.

In response to Chairperson McAlinden, Mr. Burney said his opinion of the land value was \$76,230 and the building value was \$234,596, for a total value of \$310,826.

In response to Member Krolick, Mr. Burney reiterated he had one lease that was up at the end of June 2008. He said his business took up the majority of the building prior to its closing. Mr. Burney indicated he did not know what kind of cap rate the current rent on the building would produce, but the majority of the 3,000 square feet was not rented.

Mr. Ettinger discussed the comparable sales. He explained the rent was estimated at 80 cents per square foot based on the rental comparables and the estimated operating expenses should have been shown as 15 percent. He stated using an 8 percent cap rate would indicate an overall value of \$484,500 as opposed to the \$541,500 shown when using the income approach. He indicated the figures were estimates based on market because the Assessor's Office was not provided with the actual income and expenses for this property.

Mr. Ettinger agreed there was a potential detriment to visibility due to the apartments, but the affect of the diminished visibility was very hard to quantify. Chairperson McAlinden asked if an allowance had been made for the diminished visibility. Mr. Ettinger replied it would be difficult to make an allowance for diminished visibility and none had been made.

In response to Member Woodland, Mr. Ettinger explained the increase in value from the 2007 and 2008 roll years was due to the improvements being recosted and the 1.1 percent land factor. Josh Wilson, Assessor, further explained the Petitioner had referenced a 50 percent increase in the 2006 roll year, which was a reappraisal year and was where he saw his land value jump from \$67,923 to \$92,400.

Member Green discussed the deterioration of the neighborhood. He felt the Paradise Drive property would be the best comparable and the subject property was due some consideration. Mr. Ettinger agreed the neighborhood was not performing as well as it had in the past, which was why he attempted to get his improved sales as close to the subject as possible. He agreed Paradise Drive was the most comparable to the subject.

In response to Chairperson McAlinden, Mr. Ettinger said the Assessor's Office had requested the property's income and expenses so they could work with the actual rents. He stated that might have provided the Petitioner with some relief if the market value was exceeded due to economic conditions based on the property's high vacancy rates.

In response to Member Horan, Mr. Ettinger replied the 80-cent rent was derived from the actual rents of the four comparable rentals in similar neighborhoods.

Member Green felt the 80 cents was okay, but he asked if a 9 percent cap rate would be better under the circumstances. For this property, Mr. Ettinger explained the median came out to 7.59; so he used 8 as a best estimate. Mr. Wilson indicated the total would be \$430,000 if the income was capped at 9, which was still above the current taxable value.

Member Krolick noted the restaurant for sale had a 10.3 cap and had been on the market for five months. He asked how that location would be compared. Mr. Ettinger replied the corner of Oddie Blvd. and Sullivan was a superior location. Member Krolick stated the 10.3 cap reflected the single-tenant location.

In rebuttal, Mr. Burney felt the Paradise Drive comparable presented more opportunity for a business to exist and flourish because of the traffic flow by the building and felt the same was true for the traffic on El Rancho and Greenbrae. He said the traffic flow going by his property consisted mostly of low-income apartment dwellers.

Mr. Burney discussed the rents for the property for sale at \$1.2 million, which he felt was not a good gauge to use at this point in time.

In response to Member Krolick, Mr. Burney explained the annual rent was on average what was estimated on a per square foot basis, and that he had little past experience with rents because he had occupied 3,000 square feet of the building since it was built. He reiterated the one lease he had was up at the end of June, and he felt the estimated 5 percent vacancy rate was on the low side.

In response to Chairperson McAlinden, Mr. Burney said he had not tried to sell the property. He said the lack of parking was a significant problem in renting out the larger portion of the building because it limited what type of business could go into the space.

Member Woodland asked if any adjustment had been made for the lack of parking. Mr. Ettinger replied there was no adjustment for only having 11 parking spaces; however, the subject had a land to building ratio of 2.46 to 1. He said he did not feel this was unusual for a small retail property.

Chairperson McAlinden closed the public hearing.

Member Horan observed retail activity in the area was declining, but it was hard to make an adjustment when comparing the subject to the comparable sales. Member Green agreed that by looking at the comparables and not having access to the actual rents, he did not feel anything could be done. Member Woodland also agreed. Chairperson McAlinden noted the Petitioner stated he was in agreement with the square footage price for the rent.

Based on the evidence presented by the Petitioner and the Assessor's Office, and the finding that the land and improvements were valued correctly and the total taxable value did not exceed full cash value, on motion by Member Woodland, seconded by Chairperson McAlinden, which motion duly carried, it was ordered that the taxable value of the land and improvements for HEARING NO. 08-0842 - BURNEY, KENNETH R JR & LINDA R TR - PARCEL NO. 031-054-02 be upheld.

**08-689E      ROLL CHANGE REQUEST - INCREASE - PARCEL NO.  
234-091-22 – KOPEC, KENNETH & MARGARET – HEARING NO.  
282F05**

Josh Wilson, Assessor, indicated he was concerned about going forward with this Roll Change Request (RCR) because Kenneth and Margaret Kopec were not the owners of the parcel on the July 1st lien date. He said Mr. Kopec indicated he did not occupy the property until October 2005. He was also concerned about the timeliness in dealing with the 2005 tax year and noted the statutory language said "may" go back three years, not "shall" go back three years.

After further discussion, Mr. Wilson withdrew the RCR.

**DISCUSSION - CONSOLIDATION OF HEARINGS - AGENDA  
ITEM 6 – APARTMENT (ITEM NOS. 08-690E AND 08-691E)**

Petitioner representative, Jim Susa, City Center Ltd. PTSP, was sworn. He requested the two hearings be consolidated because they both had the same issues and that Petitioner's Exhibit A be included with both hearings.

On motion by Chairperson McAlinden, seconded by Member Horan, which motion duly carried, it was ordered that the hearings for Parcel Numbers 011-126-10 and 007-274-31 be consolidated.



Ron Shane, Appraiser III, duly sworn, oriented the Board as to the location of the subject properties and noted the properties were rent controlled.

Mr. Susa indicated the Assessor appropriately used the income approach for this type of property to determine if the taxable value exceeded full cash value, but he felt there was a problem with the methodology used. He stated it was not an income issue, but an issue of using a market-value approach to determine whether the income on a rent controlled property exceeded market. He explained under Nevada law, all property must be valued with all legal restrictions placed upon the property being considered, and there were significant legal restrictions on what amount could be charged for rents. He explained the owners were not free to change the rents without permission from various governmental entities, and that permission was not easily obtained. He advised the Assessor's valuation had not taken those legal restrictions into account.

Mr. Susa indicated another reason he felt there was a problem with the methodology used by the Assessor was because Clark County used a different methodology to value low-income properties. In Exhibit B he extrapolated the terms equivalent to what the Assessor had used in his income analysis, which ended up with a net-operating income that did not take property taxes as a deduction. He said that income was then capitalized at the rate determined by using the methodology appropriate for low income properties as explained in Exhibit A. Mr. Susa said by using that methodology and following the Assessor's format, his taxable value for the Courtyard Centre Apartments was \$5,029,230, while the Assessor's taxable value was almost \$9 million. For the City Centre Apartments, he indicated his taxable value was \$6,435,000, while the Assessor's taxable value was over \$9.5 million. He said his calculations used the three years for which he had information, averaged it, and applied the cap rate. He explained that number was actually higher than if only the 2007 number was used, but was fairer because there was considerable fluctuation in the financial results of the City Centre Apartments.

Mr. Susa reiterated the problem was that the Assessor used a market-income approach, which would be fine if the apartment complex being valued could charge market rates. He felt it was similar to using comparables from a single-family residence in a D.R. Horton neighborhood versus a condominium complex to determine what the D.R. Horton home should sell for. He said the Assessor's figures created a non-uniform and non-equal way of valuing similar properties between Clark County and Washoe County. He felt the Washoe County Assessor was doing it wrong and the Clark County Assessor was doing it right.

In response to Member Green, Mr. Susa confirmed he used a 10.65 cap rate. Member Green felt the approach Mr. Susa used to arrive at that cap rate was interesting and asked what Clark County was using as a cap rate. Mr. Susa said it depended on the project's attributes and what its debt sold for. Member Green said his problem with going to Clark County, except for strip and downtown properties, was most of the properties had less value than those in Washoe County. Mr. Susa indicated he was not talking about the taxable value based upon the land price plus the replacement cost

for improvements, but about apartment complexes generating income and having expenses. He said an apartment complex in Washoe County might be \$5.029 million, but would be \$4.2 million in Clark County because there would be variations in what people would pay in low-income housing.

Mr. Shane explained the Assessor's Office differed with the Petitioner on what the cap rate and expense percentage should be when using the income approach. He further explained a taxable value was placed on the property based on cost, depreciated, and then added to the land for a total taxable value. He said if that value was challenged, then they looked at alternatives to see if they indicated the Assessor's value was too high.

Mr. Shane stated the Assessor's approach was to treat the whole "bundle of rights" as a fee-simple bundle of rights. He said the Courtyard Centre Apartments were in one building with mostly studio apartments and some one-bedroom apartments, while the other complex had a higher mix of one-bedroom/one-bath apartments. He indicated he could not find properties comparable to the Courtyard Centre configuration of mostly studios in one building, so he ended up with comparables that had one-bedroom apartments and a higher ratio of land to buildings. He discussed the IS-1 through IS-5 values and noted the subject's taxable value was less than half that of the market. He said if the value was close, say 20 percent, then there would be serious questions about the value.

Mr. Shane indicated he came up with a potential gross income, if the property were fee simple with a full bundle of rights, which was lower than the potential gross income on the property. He said he took a conservative approach to the other sources of income, which would be thrown in with the rent if it was fee simple, and he further discussed the figures on page 7 of Exhibit II.

Mr. Shane said he differed with the Appellant on the operating expenses, with the Appellant listing them as \$646,866. He said this was the first diversion from Clark County where the property's actual income was used in evaluating a rent-controlled property. He explained the value of the property would be derived from the structure with operating expenses being lower than market for a well-managed property and higher than market for a poorly-managed property. He said he used a median operating expense ratio here. He stated rent-controlled properties differed from the rest of the market because they provided utilities, and he was concerned about how much that would add to the operating expenses. He said he talked with an appraiser in Las Vegas who felt, without any data to look at, that the utilities would add around 5 percent. Using the market approach fee simple with a full basket of rights, he came up with a value of \$929,039, which differed from the Appellant's \$541,479 value; while using the income approach, his value was \$16.5 million, which was almost double the taxable value.

Mr. Shane explained the cap rate was where Washoe County fundamentally differed from Las Vegas. He said Las Vegas believed the apartment market was not appropriate because the property was rent restricted and there were tax credits paid into it, so they left the apartment market to get a cap rate by going to a band

of investments. He explained the industry used a band of investments to come up with a cap rate when a property was in an isolated area and there was no market information available. He insisted using some type of market could never be avoided because, instead of using the apartment market, information was used from the financial market. He felt Las Vegas had done something without real justification, and he further discussed the Appellant's information provided in the LIHTC Capitalization Rate Worksheet. He said this calculation provided the wrong answer.

In response to Chairperson McAlinden, Mr. Shane confirmed the recommendation was to uphold the Studio 3 property and to reduce the City Centre property. Mr. Shane said the reason for the reduction was the equitable application of obsolescence, which had only been applied to the Studio 3 property. He felt the application of the obsolescence was in error, but the right thing to do was to apply it to the other property also.

Mark Stafford, Senior Appraiser, indicated there were a number of benefits to operating these properties, including cash payments. He said there were many considerations that would motivate an investor to engage in this type of project and to enter into an agreement with a sponsoring agency to develop the property. In his experience, he explained a developer would create a management company to operate the property and would pay himself to manage it. He felt the breakdown of expenses showed the management fee was elevated from normal, which made the expense ratio higher.

Mr. Stafford discussed why he felt the synthetic tax rate was riddled with errors. He stated all of the sales indicated a 5.6 cap rate, which were all market operated properties. He felt there was probably more risk involved with those properties than with the cash flows from these low-income units. He indicated there was no reason to use the synthetic rate here because there was plenty of market evidence that provided an actual indication of buyer's and seller's reactions in the marketplace.

Julie Culver, Appraiser I, said tax credit and bond projects were very sophisticated and complicated. She provided some background on why the Internal Revenue Service's Federal Low-Income Housing Tax Credit Program was created. She said the only thing taken from the US Department of Housing and Urban Development was the rent and income restrictions for renting the property. She explained the program was a public and private partnership with a 15-year investor commitment during which the properties have to remain rent and income restricted. She stated the tax credit was a dollar-for-dollar reduction in tax liability for 10 years, rather than being a deduction against income. She said the value of the tax credit was lucrative, and she discussed what Nevada received each year. Ms. Culver noted the income, losses, cash flow, deductions, and credits were also shared between the general and the limited partners. She stated the program allowed the general partner, usually a developer, an up-front fee ranging from 12-15 percent of the total construction cost as payment for developing this type of housing; and the benefits were much more than the project's projected cash flow.

In rebuttal, Mr. Susa said there was a lot of information presented by the Assessor's Office, but most of it was irrelevant. He indicated the right way to do this was to take into account the legal restrictions on the property, which the Assessor's Office did not do. He said the valuation violated Nevada law, NRS 361.227. He felt having valued property all over the County was great, but it did not mean it was done right. He stated his computation was the right way to value the property and that was how it was done in Clark County. He asked the Board to use the values that reflected the legal requirements on the property.

Member Green said he could not accept the Appellant's 10.65 capitalization rate. He felt the Board needed to look at the actual value of the property.

In response to Member Horan, Mr. Susa said this was the first time the valuation was appealed. Member Horan asked if the Assessor had applied the same methodology in previous years. Mr. Susa replied the Assessor had applied an obsolescence factor to the one apartment complex and nothing to the other, while using replacement costs and land value. He said this was the first time the apartments were argued on the basis of income-valuation approach.

Member Horan stated his question was whether the Assessor's Office had been consistent in its approach to valuation since 2000. Mr. Susa replied the answer was obsolescence had been applied to one property and not the other, but this year it was decided to apply it to both. Chairperson McAlinden noted that obsolescence was being corrected on the City Centre property. Mr. Susa said that was correct.

Member Horan rephrased his question by asking if the property that had the obsolescence factor had been consistently valued through all of the appraisers and appraisals in previous years which the Appellant had not appealed. Mr. Susa said he was not sure the Appellant had been a client before now, but it was true the property owner had not appealed the properties until now. Mr. Stafford clarified there was a previous appeal on the City Centre property where it was analyzed on a market basis and upheld by the Board. He said in 2005 an analysis was done in-house and obsolescence was applied to the Studio 3 property. He stated it was discovered that obsolescence was applied to only one property when both of these appeals were filed, which led to the recommendation to equalize them. He said they would be reviewed again for the 2009 tax year.

Member Krolick asked about the Nevada Tax Commission's (NTC's) guidelines regarding the methodology used by Clark County. Josh Wilson, Assessor, said that was hearsay. Mr. Susa said Mr. Shane had called Clark County and verified this was what they did. Mr. Wilson stated he understood the 10.65 cap rate and the excessive expense ratio was the focus of the dispute. He asked where Member Krolick was going with his question. Member Krolick asked where the NTC guidelines fell in evaluating these properties. Mr. Wilson replied he was not aware of any regulatory language that specifically covered rent-restricted properties. He said NRS 227 stated the Assessor was to determine the land's full cash value, determine an appropriate depreciated replacement

cost, add those two together, and then test that taxable value against the income approach if there was a question as to whether the initial taxable value determination had produced an excessive valuation on a specific property. He reiterated he felt the difference came down to the cap rate and the expense ratio. He said he had not discussed this issue with anyone in Clark County, so he was just now learning how Clark County possibly dealt with rent-restricted properties.

In response to Member Green, Mr. Wilson confirmed the income approach looked not only at the subject's income but at what would be reasonable to expect from that property type. Member Green asked if any leeway would be given. Mr. Wilson replied all of the information would be reviewed to determine what was reasonable. Mr. Stafford indicated the question to ask would be why was the expense ratio outside the norm. He said sometimes it could be an office building with an antiquated HVAC system, which would indicate a higher expense ratio should be used. He said if it was a function of management, then the market would be used.

Chairperson McAlinden closed the public hearing.

On motion by Member Horan, seconded by Member Woodland, which motion duly carried, it was ordered that two separate motions would be made for Parcel Numbers 011-126-10 and 007-274-31.

**08-690E      PARCEL NO. 011-126-10 - CITY CENTER LTD PTSP - HEARING NO. 08-1606**

A Petition for Review of Assessed Valuation received from City Center Ltd. PTSP, protesting the taxable valuation on land and improvements located at 695 3rd Street, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, appeal information document, pages 1-30

Exhibit B, income information

Exhibit C, representative authorization

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-28

Please see the item above, "DISCUSSION - CONSOLIDATION OF HEARINGS - AGENDA ITEM 6 - APARTMENT (ITEM NOS. 08-690E AND 08-691E)" for the discussion on Parcel Nos. 011-126-10 - City Centre Ltd. PTSP and 007-274-31 - Studio 3 Limited Partnership.

Based on the evidence presented by the Petitioner and the Assessor's Office, on motion by Chairperson McAlinden, seconded by Member Green, which motion duly carried, it was ordered that the recommendation by the Assessor's Office to adjust the taxable value of the land to \$1,586,700 and the improvements to \$7,990,560 for a total taxable value of \$9,577,260 for HEARING NO. 08-1606 - CITY CENTER LTD PTSP - PARCEL NO. 011-126-10 be approved. With the adjustment, it was found that the land and improvements were valued correctly and the total taxable value did not exceed full cash value.

**08-691E      PARCEL NO. 007-274-31 - STUDIO 3 LIMITED PARTNERSHIP - HEARING NO. 08-1605**

A Petition for Review of Assessed Valuation received from Studio 3 Limited Partnership, protesting the taxable valuation on land and improvements located at 201 Pine Street, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, appeal information, pages 1-30

Exhibit B, income information

Exhibit C, representative authorization

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-27

Please see the item above, "DISCUSSION - CONSOLIDATION OF HEARINGS - AGENDA ITEM 6 - APARTMENT (ITEM NOS. 08-690E AND 08-691E)" for the discussion on Parcel Nos. 011-126-10 - City Centre Ltd. PTSP and 007-274-31 - Studio 3 Limited Partnership.

Based on the evidence presented by the Petitioner and the Assessor's Office, and the finding that the land and improvements were valued correctly and the total taxable value did not exceed full cash value, on motion by Member Woodland, seconded by Member Green, which motion duly carried, it was ordered that the taxable value of the land and improvements for HEARING NO. 08-1605 - STUDIO 3 LIMITED PARTNERSHIP - PARCEL NO. 007-274-31 be upheld.

**11:20 a.m.**      The Board took a temporary recess.

**11:30 a.m.**      The Board reconvened with all members present.

08-692E

**PARCEL NO. 012-231-26 - BARTA INVESTMENTS INC -**  
**HEARING NO. 08-0627 AND PARCEL NO. 012-318-12 - BARTA**  
**FAMILY TRUST - HEARING NO. 08-0626**

Petitions for Review of Assessed Valuation received from Les Barta, protesting the taxable valuation on land located at 280 Greg Street and 4840 Mill Street, Reno, Washoe County, Nevada, were set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, Document (1) EXHIBIT, pages 1-52

Exhibit B, Document (1) Bakst Decision, pages 1-31

**Assessor**

Exhibit I, Book 12 and 13 Building Sales-Resales

Exhibit II, Book 12 and 13 Land Sales Trends

Exhibit III, appraisal record card, pages 1-2

Exhibit IV, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-16

Petitioner, Les Barta, was sworn. He requested the hearings be combined for his two properties because their issues were identical.

On motion by Chairperson McAlinden, seconded by Member Horan, which motion duly carried, it was ordered that the hearings for Parcel Numbers 012-231-26 and 012-318-12 be consolidated.

Gary Warren, Senior Appraiser, duly sworn, oriented the Board as to the location of the subject properties.

Mr. Barta said his handout, Exhibit B, was intended to supplement the record in case he had to go forward to the State. He read aloud the first three pages of Exhibit A regarding factor methodology, and he asserted the sales comparison approach was authorized by law and must be used to determine full cash value.

In response to Member Green, Mr. Barta said the last paragraph was in his own words, but he essentially paraphrased the remedy set forth in the Bakst Decision.

Josh Wilson, Assessor, said the Petitioner presented no market evidence to refute the Assessor's valuation, but instead used the factor argument as a way to negate any value that was established. He read from the Bakst Decision regarding factoring. He felt the Board needed to consider why the Nevada Tax Commission (NTC) would approve a factor if the Commission felt it did not comply with regulations. He explained that during the land-factor analysis, the Assessor developed land factors based on comparable sales and the Department of Taxation was given the Assessor's

recommendation along with the sales information, which was reviewed and forwarded to the NTC for approval.

Mr. Wilson said he understood Mr. Barta's concern with only having six samples, because it concerned him as well. He would like to have a hundred samples because more data gives a better estimate, but the Assessor's Office had to deal with the available data within the regulatory parameters of 36 months. He stated the 13.5 coefficient of dispersion represented how far the dispersion was spread among the sample and that was a very acceptable number even though it was a small sample. He indicated the Assessor's Office felt the sample was representative and appropriate and, obviously, the NTC agreed or it would not have been approved.

Mr. Wilson read the Legislative Counsel Bureau (LCB) opinion that was part of Exhibit A, but questioned whether it carried any more weight than an Attorney General opinion. He felt Mr. Barta was questioning how factoring could be developed if there were no regulations governing factoring. He said the Assessor's Office relied on the statutory language in NRS 361.260 subsection 5B, which he read into the record and reiterated that the NTC had approved their recommendations.

Mr. Wilson next discussed the remand for 2003 in which the Judge indicated this Board did not have the jurisdiction to establish or remove a factor. However, he said this Board did have jurisdiction to determine if the application of the factor had pushed any individual property above its full cash value. He asked the Board to look at whether applying this factor to Mr. Barta's properties had excessively valued the land, and he read NRS 361.345 which outlined the duties of the County Board of Equalization.

In response to Member Green, Herb Kaplan, Deputy District Attorney, confirmed the LCB did not establish any laws or policies, but revised the language in bills before they were sent to the Legislature.

Member Green said Mr. Barta cited an inequity. Mr. Wilson explained when a base value was developed for a specific market area, that base value was applied to all of the surrounding properties and then adjusted up or down for specific property attributes, as was done here for the land. He indicated all improvement values in Washoe County were recosted every year using the *Marshall and Swift* costing manuals from October 1 of the year preceding the lien date. He stated in this case the October 2006 cost manuals were used to develop the July 1, 2008 improvement values, which was pursuant to regulations. He said all properties were recosted and then had the statutory 1.5 percent depreciation per year applied based on the age of the property.

Mr. Warren stated the Petitioner's case addressed a legal argument and discussed his understanding of the "pecking order" in the legal system. He said the LCB opinion was in conflict with the processes used to establish the factors, which were established by statute and statute trumps an opinion. He explained the statutory process was followed for submitting factors and disagreed that the factors were illegal.



Mr. Warren said whether or not factors were the best way to value properties could be debated. He stated for the six sales, if the co-efficient of dispersion was high, it meant the sales did not fit together because they were being compared to a median. He indicated a co-efficient of dispersion of less than 20 indicated there was an acceptable sample for land sales under the standards developed by the International Association of Assessing Officers. He said if the co-efficient was above 20, it indicated there was too much of a divergence between the median and the individual samples to represent a true indication of the sample population. Mr. Warren stated the Assessor's Office would have liked to have more sales but the appraisers only measured the market, they did not create it.

Mr. Warren discussed the sales information provided in Exhibits I and II. He said the purpose of the exhibits was to allay fears that the Assessor's Office was only using sales from the peak of the market. He felt there was enough activity to show the trend for the commercial market was going upward.

Mr. Warren discussed the comparable sales for the Gregg Street property. He stated the subject was close to or at its full cash value, but under NRS 361.227 it should be at full cash value. He stated the recommendation was to uphold the Assessor's valuation.

Mr. Warren discussed the comparables for the Mill Street property. He advised the recommendation was to uphold because the comparables indicated the taxable value did not exceed full cash value.

In response to Member Horan, Mr. Wilson said the Assessor's Office was on schedule to reappraise every property in the County within three years. He explained he felt the Assessor's Office went back to using factor districts rather than reappraisal areas because using the reappraisal areas was too broad.

In rebuttal, Mr. Barta said he agreed with Member Green that an LCB opinion held no authority of law the way statutes or Supreme Court decisions did; but he indicated they were a very reliable source to determine how the courts might rule on questions of law. He said his views were consistent with the position of the LCB and the Supreme Court. He admitted he had not spent a lot of time determining whether the taxable value exceeded the full cash value, but he was troubled that the Gregg Street property's value was four times higher than its purchase price. He stated his argument was focused totally on the methodology issue and the requirement of law.

Mr. Barta refuted the Assessor's contention that six sales were enough and said the law provided that alternate methods must be used if there were not enough sales. He stated if the Assessor's Office did not use the method required by law, they were in violation of the law and the Supreme Court's order.

Chairperson McAlinden noted the Mill Street property's taxable value was \$76.38 a square foot, which was lower than the \$76.46 purchase price in 1994.

Member Green said Mr. Wilson came up with a factor of 1.38 and asked if that was more than 35 percent. Mr. Wilson replied an assessment ratio at .35 indicated the property was at 100 percent of market value and the assessed value was 35 percent of the total taxable value. He said the bottom of that range, .3, was targeted, which would be 85 percent of the market value. He stated that meant out of the six sales, the ratio of the current assessed value to their sale price was .3.

Chairperson McAlinden closed the public hearing.

Member Green said he could understand Mr. Barta's frustration because Mr. Barta was reading what he believed were the rules that governed what the Assessor had to do, but he was reading it a different way. He indicated there may be some new laws next year because of the LCB, but the Board had to deal with what it had until that happened. He indicated because the Assessor submitted his factor number and the reasoning behind those numbers for approval before they were applied, he would have to stick with the Assessor in this case.

Chairperson McAlinden agreed with Member Green. She said Mr. Barta's argument was about methodology relating to equalization. She did not hear or read any evidence to suggest that the taxable value exceeded the cash value or there was an inequity pursuant to NRS 361.356.

Member Krolick agreed. He said he was part of the Board that removed the factor that was then overturned by the Court's decision. He felt the Board did not have the ability to alter the factor.

Based on the evidence presented by the Petitioner and the Assessor's Office, and the finding that the land and improvements were valued correctly and the total taxable value did not exceed full cash value, on motion by Member Horan, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable value of the land and improvements for HEARING NO. 08-0627 - BARTA INVESTMENTS INC - PARCEL NO. 012-231-26 AND HEARING NO. 08-0626 - BARTA FAMILY TRUST - PARCEL NO. 012-318-12 be upheld.

**08-693E      CONSOLIDATION OF HEARINGS**

Chairperson McAlinden said she would like to consolidate the hearings as the Board got to them. She asked if any further petitions involved a reduction. Josh Wilson, Assessor, replied there were additional petitions with Assessor recommendations, and he was concerned about consolidating appeals if the reason for the appeals were different. Chairperson McAlinden noted none of the remaining hearings would be consolidated.

**08-694E**      **ROLL CHANGE REQUEST - INCREASE - PARCEL NO. 003-813-19 - BEARDSLEY, STEPHEN & CAROLINA - HEARING NO. 331F07**

Nancy Parent, Chief Deputy County Clerk said the Roll Change Request for Parcel No. 003-813-19 - Stephen & Carolina Beardsley - Hearing No. 331F07 needed to have a hearing date set. Chairperson McAlinden requested scheduling the hearing for February 28, 2008.

**08-695E**      **PARCEL NO. 012-304-02 - BELL REAL ESTATE LLC - HEARING NO. 08-1438**

A Petition for Review of Assessed Valuation received from Bell Real Estate LLC, protesting the taxable valuation on land located at 105 Sunshine Lane, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, Factor study

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-14

The Petitioner was not present to offer testimony.

Gary Warren, Senior Appraiser, duly sworn, oriented the Board as to the location of the subject property. After comparing the subject property with other sales, he discussed why he concurred with the Petitioner's argument that the corner premium was not appropriate. Also, he stated the building was re-measured at the Petitioner's request and it was determined the Assessor's records had the wrong square footage. He stated the recommendation was to reduce the land to \$1,370,000 and the improvements to \$340,260 for a taxable value of \$1,710,260. He assumed the Petitioner was in agreement with the recommendation because the Petitioner said he would contact the Assessor's Office if he did not agree and he had heard nothing from the Petitioner.

Based on the evidence presented by the Petitioner and the Assessor's Office, on motion by Member Green, seconded by Member Woodland, which motion duly carried, it was ordered that the recommendation by the Assessor's Office to adjust the taxable value of the land to \$1,370,000 and the improvements to \$340,260 for a total taxable value of \$1,710,260 for HEARING NO. 08-1438 - BELL REAL ESTATE LLC - PARCEL NO. 012-304-02 be approved. With the adjustment, it was found that the land and improvements were valued correctly and the total taxable value did not exceed full cash value.

**08-696E      PARCEL NO. 012-420-06 - UNITED PARAMOUNT TAX GROUP - HEARING NO. 08-1388**

A Petition for Review of Assessed Valuation received from KOLO Studio/Gray Television, protesting the taxable valuation on land and improvements located at 4850 Amdere Drive, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, evidence packet

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-14

The Petitioner was not present to offer testimony.

Gary Warren, Senior Appraiser, duly sworn, oriented the Board as to the location of the subject property and noted the recommendation was to uphold the Assessor's valuation on the property. He advised there was an issue based on the physical inspection of the property because, in prior years, the property was under the same ownership as the parcel behind it; but in 2001 there was a boundary line adjustment. He said there was a building that straddled the property line before, but was now part of this parcel. He indicated the building was not part of the Assessor's record and would have to be addressed during the 2008 roll reopen. Under the reopened roll, he said the taxpayer had the right to question any value change due to the addition of the building to the parcel.

Chairperson McAlinden closed the public hearing.

Based on the evidence presented by the Petitioner and the Assessor's Office, and the finding that the land and improvements were valued correctly and the total taxable value did not exceed full cash value, on motion by Member Woodland, seconded by Chairperson McAlinden, which motion duly carried, it was ordered that the taxable value of the land and improvements for HEARING NO. 08-1388 - UNITED PARAMOUNT TAX GROUP - PARCEL NO. 012-420-06 be upheld.

**08-697E      PARCEL NO. 013-391-09 - VASSAR CORDONE PARTNERS LLC - HEARING NO. 08-0204**

A Petition for Review of Assessed Valuation received from Vassar Cordone Partners LLC, protesting the taxable valuation on improvements located at 1301 Cordone Ave., Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, settlement statement

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-16

The Petitioner was not present to offer testimony.

Van Yates, Appraiser III, duly sworn, oriented the Board as to the location of the subject property. He advised there was a recommendation to reduce the property value based on its sale on November 30, 2007 for \$1,200,000 from its current taxable value of \$1,611,211. He noted the property was on the market for some time and was vacant for about two years. He said the recommendation was to reduce the improvement value to \$1,200,000 by applying obsolescence. He explained there was a letter from the Petitioner indicating the Petitioner agreed with the recommendation.

Chairperson McAlinden closed the public hearing.

Based on the evidence presented by the Petitioner and the Assessor's Office, on motion by Member Woodland, seconded by Chairperson McAlinden, which motion duly carried, it was ordered that the recommendation by the Assessor's Office to adjust the taxable value of the land to \$408,424 and the improvements to \$791,576 for a total taxable value of \$1,200,000 for HEARING NO. 08-0204 - VASSAR CORDONE PARTNERS LLC - PARCEL NO. 013-391-09 be approved. With the adjustment, it was found that the land and improvements were valued correctly and the total taxable value did not exceed full cash value.

**08-698E      PARCEL NO. 003-102-22 - BRIDGEWOOD NORTH ASSOC LP ETAL - HEARING NO. 08-0125**

A Petition for Review of Assessed Valuation received from Bridgewood North Assoc. LP etal, protesting the taxable valuation on improvements located at 345 Parr Circle, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-16

The Petitioner was not present to offer testimony.

Gary Warren, Senior Appraiser, duly sworn, oriented the Board as to the location of the subject property. He noted the recommendation was to uphold the Assessor's valuation.

Chairperson McAlinden closed the public hearing.

Based on the evidence presented by the Petitioner and the Assessor's Office, and the finding that the land and improvements were valued correctly and the total taxable value did not exceed full cash value, on motion by Chairperson McAlinden, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable value of the land and improvements for HEARING NO. 08-0125 - BRIDGEWOOD NORTH ASSOC LP ETAL - PARCEL NO. 003-102-22 be upheld.

**08-699E      PARCEL NO. 003-103-08 - BENDER WAREHOUSE CO, INC - HEARING NO. 08-1584**

A Petition for Review of Assessed Valuation received from Bender Warehouse Co., Inc., protesting the taxable valuation on land located at 350 Parr Circle, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, land appraisal proposal

**Assessor**

Exhibit I, appraisal record card, pages 1-2

Exhibit II, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-15

The Petitioner was not present to offer testimony.

Gary Warren, Senior Appraiser, duly sworn, oriented the Board as to the location of the subject property. He discussed the recommendation to reduce the base value of the subject parcel 10 percent due to its shape and utility. He stated after doing an inspection of the subject building, it was found there was a calculation error in the building's area. He indicated the recommendation for the taxable land value was \$579,317 and \$904,924 for the improvements for a total taxable value of \$1,484,241.

Chairperson McAlinden closed the public hearing.

Based on the evidence presented by the Petitioner and the Assessor's Office, on motion by Member Woodland, seconded by Chairperson McAlinden, which motion duly carried, it was ordered that the recommendation by the Assessor's Office to adjust the taxable value of the land to \$579,317 and the improvements to \$904,924 for a total taxable value of \$1,484,241 for HEARING NO. 08-1584 - BENDER WAREHOUSE CO, INC - PARCEL NO. 003-103-08 be approved. With the adjustment, it was found that the land and improvements were valued correctly and the total taxable value did not exceed full cash value.

**08-700E      PARCEL NO. 013-351-01 - RICHARDSON, DEBRA L TR -**  
**HEARING NO. 08-1412**

A Petition for Review of Assessed Valuation received from Debra L. Richardson Tr., protesting the taxable valuation on land and improvements located at 1280 Terminal Way, Reno, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Assessor**

Exhibit I, Petitioner's letter agreeing with Assessor's recommendation

Exhibit II, appraisal record card, pages 1-2

Exhibit III, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-20

The Petitioner was not present to offer testimony.

Van Yates, Appraiser III, duly sworn, oriented the Board as to the location of the subject property. He stated the owner appealed the property's value due to its unusual layout of three buildings linked by breezeways that formed a garden area in the center of the three buildings but left the property with limited parking. He explained the property was purchased in April 2006 for \$1,350,000, but since then it had high vacancy rates and fairly low rents due to the parking situation. He indicated the comparable sales were considerably higher than the subject's taxable value.

Mr. Yates stated the income analysis showed the rent was \$1.21 a square foot and the reported vacancy rate was around 20 percent. He said there was an indication the vacancies were higher than average and the rents were lower than average based on the *Colliers International Fourth Quarter 2007 Office Summary*. He noted the cap rate indicators showed a 6.66 or a 6.67 cap rate, but one was slightly over 8 percent. He explained recent sales indicated a majority of office properties, whether they had old or new buildings, often sold for cap rates in the 6 percent range; while properties with defects that reduced income sold for higher cap rates. He said based on this information

and the overall rate of return, a 7.5 cap rate was considered appropriate for the subject property.

In response to Member Woodland, Mr. Yates explained the Assessor's Office felt the taxable value on the land was correct based on the comparable sales. He said the recommendation was the land remain at \$597,485 and the building value be reduced to \$752,515 for a taxable value of \$1,350,000, which was the amount of the 2006 sale. Chairperson McAlinden noted Exhibit I indicated the Petitioner was in agreement.

Chairperson McAlinden closed the public hearing.

Based on the evidence presented by the Petitioner and the Assessor's Office, on motion by Member Woodland, seconded by Chairperson McAlinden, which motion duly carried, it was ordered that the recommendation by the Assessor's Office to adjust the taxable value of the improvements to \$752,515 for a total taxable value of \$1,350,000 for HEARING NO. 08-1412 - RICHARDSON, DEBRA L TR - PARCEL NO. 013-351-01 be approved. With the adjustment, it was found that the land and improvements were valued correctly and the total taxable value did not exceed full cash value.

**08-701E      PARCEL NO. 089-160-51 - ROCKY ACRES INC - HEARING NO. 08-1427**

A Petition for Review of Assessed Valuation received from Rocky Acres Inc., protesting the taxable valuation on land and improvements located at 1500 Sha Neva Road, Washoe County, Nevada, was set for consideration at this time.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, assessment notice, pages 1-2

**Assessor**

Exhibit I, Assessor's Hearing Evidence Packet, including comparable sales, maps and subject's appraisal record, pages 1-14

Exhibit II, appraisal record card, pages 1-4

The Petitioner was not present to offer testimony.

Keith Stege, Appraiser III, duly sworn, oriented the Board as to the location of the subject property. He discussed the comparable sales and concluded the recommendation was to uphold the Assessor's valuation based on the comparable sales and on the lease and tonnage information supplied by the Bureau of Land Management that owned the adjacent parcel.



In response to Member Horan, Mr. Stege advised the improper land use code was a typo that was corrected.

Chairperson McAlinden closed the public hearing.

Based on the evidence presented by the Petitioner and the Assessor's Office, and the finding that the land and improvements were valued correctly and the total taxable value did not exceed full cash value, on motion by Member Woodland, seconded by Chairperson McAlinden, which motion duly carried, it was ordered that the taxable value of the land and improvements for HEARING NO. 08-1427 - ROCKY ACRES INC - PARCEL NO. 089-160-51 be upheld.

**08-702E      PARCEL NO. 122-193-27 - PAPPAS, HARRY J & STELLA A - HEARING NO. 08-1675**

A Petition for Review of Assessed Valuation received from Harry J. and Stella A. Pappas protesting the taxable valuation on land and improvements located at 678 Lakeshore Blvd., Incline Village, Washoe County, Nevada, was hand delivered on January 31, 2008.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, Petitioner's evidence packet, pages 1-9

Exhibit II, appraisal record card, pages 1-2

Exhibit III, Assessor's objection to hearing, page 1

Josh Wilson, Assessor, stated NRS required every appeal to the County Board of Equalization be filed no later than January 15th. He asked the Board to reject the appeal because it was untimely and to reject any information that would be placed on the record due to the lack of a hearing. He looked forward to the discussion on February 28th to find a more expeditious manner to address untimely filings or inaccurately filed petitions.

Based on NRS 361.340.11 untimely filing of an appeal, on motion by Chairperson McAlinden, seconded by Member Krolick, which motion duly carried, this Board does not have jurisdiction to hear the appeal for HEARING NO. 08-1675 - PAPPAS, HARRY J & STELLA A - PARCEL NO. 122-193-27.

Chairperson McAlinden noted if the letter was entered into the record, she did not see any evidence to suggest that the taxable value exceeded the cash value or that inequity existed.

**08-703E      PARCEL NO. 127-131-13 - REED, RUSSELL L - HEARING NO. 08-1674**

A Petition for Review of Assessed Valuation received from Russell L. Reed protesting the taxable valuation on land and improvements located at 845 Southwood Blvd., Incline Village, Washoe County, Nevada, was received January 28, 2008.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A, Petitioner's evidence packet, page 1

Exhibit II, appraisal record card, pages 1-2

Exhibit III, Assessor's objection to hearing, page 1

Josh Wilson, Assessor, said the petition was postmarked January 28th. He said the note concerned him, but the Assessor's Office had no record of ever receiving the initial petition mentioned. He indicated the Village League to Save Incline Assets had purchased a list of all property owners who had filed petitions from the Assessor's Office. He speculated this filing may have been prompted by the Petitioner not seeing his name on the League's web site. He said this petition was untimely filed, and he asked the Board to reject jurisdiction.

Based on NRS 361.340.11 untimely filing of an appeal, on motion by Chairperson McAlinden, seconded by Member Horan, which motion duly carried, this Board does not have jurisdiction to hear the appeal for HEARING NO. 08-1674 - REED, RUSSELL L - PARCEL NO. 127-131-13.

**08-704E      BOARD MEMBER COMMENTS**

There were no Board Member comments.

**08-705E      PUBLIC COMMENT**

There were no public comments.

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**1:18 p.m.** On motion by Member Horan, seconded by Chairperson McAlinden, which motion duly carried, the Board adjourned.

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**BENJAMIN GREEN**, Vice Chairman  
Washoe County Board of Equalization

ATTEST:

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**AMY HARVEY**, County Clerk  
and Clerk of the Washoe County  
Board of Equalization

*Minutes prepared by  
Jan Frazzetta, Deputy Clerk*