

**BOARD OF EQUALIZATION
WASHOE COUNTY, NEVADA**

WEDNESDAY

9:00 A.M.

FEBRUARY 25, 2015

PRESENT:

James Covert, Chairman
Philip Horan, Vice Chairman
James Brown, Member
James Ainsworth, Member
Eugenia Larmore, Alternate Member

Jaime Deller, Deputy County Clerk
Leslie Admirand, Deputy District Attorney
Jen Gustafson, Deputy District Attorney
Michael Large, Deputy District Attorney

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

15-194E PUBLIC COMMENT

Cathy Brandhorst discussed issues of concern to herself.

15-195E WITHDRAWN PETITIONS

The following petitions scheduled on today's agenda had been withdrawn by the Petitioners prior to the hearing:

Assessor's Parcel No.	Petitioner	Hearing No.
011-450-22	NEVADA LAND LLC	15-0097

15-196E CONSOLIDATION OF HEARINGS

The Board consolidated items as necessary when they each came up on the agenda.

15-197E PARCEL NOS. 538-171-08 AND 538-171-09 – MYSTIC MOUNTAIN LLC – HEARING NOS. 15-0001A AND 15-0001B

A Petition for Review of Assessed Valuation was received protesting the 2015-16 taxable valuation on land and improvements located on Pebble Creek Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Land development budget, 1 page.

Assessor

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

On behalf of the Petitioner, Jesse Haw was sworn in by Deputy Clerk Jaime Deller.

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

Mr. Haw stated he was the President of Hawco Properties and the Manager of the LLC that owned the subject parcels. He said the partners owned 1,200 to 1,300 acres in the Spanish Springs area since 1917 and had been developing the land since 1981. He said he was also the current president of the Nevada Homebuilders Association.

Mr. Haw said the two parcels were overvalued, but he could not come to an agreement with the Assessor's Office regarding their value. He stated the Appellant felt the value was too high because the property immediately to the north was being developed and was purchased at \$7,142 per acre. He said he did not know why that property was not used as a comparable, when it was adjacent to the subject parcels and had the same zoning. He said two of the comparables were located in the City of Sparks and potentially had a much higher zoning. He stated the third parcel was located in Golden Valley, and the fourth was located in Lemmon Valley. He felt the property located adjacent to the subject parcels should have a stronger indication of value.

Mr. Haw said the Appellant tried to sell the subject to a developer last year but, after a proforma was done, it was determined it would be premature to develop the property due to the cost of improving the lots being more than what a house could be built and sold for. He stated both properties were zoned residential, but the southernmost property did not have a tentative map.

Chairman Covert asked if Mr. Haw was asking for a \$5,000 per acre value as indicated on the Petition. Mr. Haw felt the value should be closer to the \$7,142 purchase price of the adjacent land to the north.

Appraiser Bozman said the subject parcels were fairly flat. He reviewed the comparable land sales (LS) on page 1 of Exhibit I. He noted LS-1 was a recent sale, was located about a mile south of the subject, was much larger in acreage, and sold for \$15,443 per acre. He stated regarding LS-2, 80.324 acres were required to remain as open space and the remaining 36.43 acres would be developed as 41 lots. He said the sale price

was \$33,213 per acre for the developable portion of the property. He stated if the open space portion was included, the total purchase price would be \$10,364 per acre.

Appraiser Bozman said LS-1 and LS-2 were the most comparable properties in the subject's neighborhood, while LS-3 and LS-4 were located in inferior neighborhoods. He stated LS-3 was in Golden Valley and included 152 acres that was required to remain as open space, had substantial topography, and had 105 final mapped lots and 251 paper lots. He said it was purchased by the same owner who purchased LS-1. He stated LS-4 was located in Lemmon Valley and had a negotiated sales price of \$642,000 or \$16,514 per acre for the 38.876 acres that remained to be developed. He said that acreage had moderate topography and was oddly shaped.

Appraiser Bozman stated the comparable sales ranged from \$15,443 to \$33,214 per acre and all of the comparable sales supported the subject's taxable value. He said the recommendation was to uphold the Assessor's valuation. He stated the comparable to the north included three parcels, which he believed sold at \$2,133 per acre and was a bankruptcy sale. He said he did not feel the sale was an arms-length transaction due to its being a distressed sale.

Chairman Covert noted the upper piece of the property was a weird shape, and he asked if the shape would be a detriment to its development. Appraiser Bozman replied it should not be a detriment because there was still the size and the length to develop the property, which was zoned for one acre parcels and would yield 78 lots.

Member Brown asked how Appraiser Bozman would describe the adjacent Pebble Beach development. Appraiser Bozman said the development had one acre lots with homes designated quality class 4, which were selling well at the moment. He stated he ran a sales comparison for the last six months of last year and there were approximately 12 sales. He said if he did the land value based on those sales, the land value would increase to \$83,000 plus. He stated currently the base-lot value was about \$64,000.

In rebuttal, Mr. Haw said the improvement costs would be \$87,000 per lot, while Appraiser Bozman just said the land value would be \$83,000 per lot. He stated the market was improving, but was still not at the point where land could be purchased, improved, a house built on it, and sold. He said the cases where that was happening were where the land was purchased through a discount, short sale, or foreclosure. He stated the market was not there yet, but it would be as the area ran out of supply.

Mr. Haw said the amoeba-shaped lot had a detention basin, to the south was an industrial area, to the west was an aggregate pit, and to the east was Pyramid Highway, which would not be helpful for sales. He felt some of the interior lots would hold their value, but he foresaw the exterior lots having to be offered at a discount.

Chairman Covert brought the discussion back to the Board.

Chairman Covert said the property to the north was a distressed sale, which he felt was not comparable. Member Horan felt the Appraiser presented a valid discussion of the property, and he would uphold his recommendation.

With regard to Parcel Nos. 538-171-08 and 538-171-09, which petitions were brought pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Ainsworth, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2015-16 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.

15-198E PARCEL NOS. 538-171-08 AND 538-171-09 – MYSTIC MOUNTAIN, LLC – HEARING NOS. 15-0001R14A AND 15-0001R14B

A Petition for Review of Assessed Valuation was received protesting the 2014-15 taxable valuation on land and improvements located on Pebble Creek Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Land Development Budget, 1 page.

Assessor

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

On behalf of the Petitioner, Jesse Haw was previously sworn.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser, noted the reopen involved the same parcels as those in Hearing Nos. 15-0001A and 15-0001B. He said a boundary line adjustment was done in April or May, so the Appellant was also appealing the reopen for the prior year. He stated one of the improved land sales (LS), dropped off, because LS-1 was past the lien date and he could only use the sales up to the end of last year, but he used two of the same land sales.

Chairman Covert noted it would be the same motion, but for a different tax year. He asked if the motion should specify the year. Leslie Admirand, Legal Counsel, replied it would be helpful for the record if the tax year was addressed. Appraiser Bozman said the tax year was 2014-15 for Hearing Nos. 15-0001R14A and 15-0001R14B.

Mr. Haw said he had no comment.

With regard to Parcel Nos. 538-171-08 and 538-171-09, which petitions were brought pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2014-15 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.

**15-199E PARCEL NOS. 004-351-03, 004-353-10, 004-353-11, AND 004-354-14
- MENTOR DEVELOPMENT LLC -
HEARING NOS. 15-0044E14A-D AND 15-0044E15A-D**

A Petition for Review of Assessed Valuation was received protesting the 2014-15 and 2015-16 taxable valuations on land and improvements located at 2190 Centennial Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Washoe County Home Consortium Agreement, 17 pages.

Exhibit B: Application for Property Tax Exemption, 3 pages.

Assessor

Exhibit I: For Hearing Nos. 15-0044E14A-D, Assessor's Hearing Evidence Packet including subject's appraisal records, 28 pages.

Exhibit I: For Hearing Nos. 15-0044E15A-D, Assessor's Hearing Evidence Packet including subject's appraisal records, 38 pages.

On behalf of the Petitioner, no one was sworn in.

On behalf of the Assessor and having been previously sworn, Ivy Diezel, Department Systems Support Analyst, oriented the Board as to the location of the subject properties. She noted the four parcels were used together as a low income housing project. She stated the parcels were currently receiving an exemption. She said the Appellant was in negotiations to sell and was concerned the purchaser would not get the exemption. Chairman Covert asked what the Board was being asked to do since the properties already had an exemption. He said he would not make a motion for the future. Ms. Diezel said the Petitioner filed for the exemption, but was not here to speak on his own behalf. She said since the properties currently had an exemption, she was not sure there was anything this Board could do.

Leslie Admirand, Legal Counsel, said the Board had no jurisdiction due to an exemption already being granted.

Ms. Diezel said regarding the Hearings Nos. 15-0044E15A-D, the Appellant would have to apply for an exemption by June 15, 2015.

On advice of counsel, Chairman Covert ordered the appeals for tax years 2014-15 and 2015-16 for Parcel No's 004-351-03, 004-353-10, 004-353-11, and 004-354-14 be rejected due to the County Board of Equalization's lack of jurisdiction.

15-200E PARCEL NO. 009-132-37 – MATHEWSON, ROBERT A –
HEARING NO. 15-0137

A Petition for Review of Assessed Valuation was received protesting the 2015-16 taxable valuation on land and improvements located at 425 Juniper Hill Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 12 pages.

Exhibit II: New page 1 for the Assessor's Hearing Evidence Packet, 1 page.

On behalf of the Petitioner, no one was sworn in.

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

Chairman Covert said the property was valued at \$1,938,866 and the Petitioner was asking for a total property value of \$1,888,016. Appraiser Sutherland replied that was correct. Member Horan said the Petitioner provided no evidence to support their suggested value. Chairman Covert agreed. He stated the Petitioner felt an increase of 23 percent seemed excessive, but no one complained about the 20 percent reduction when that was occurring.

Chairman Covert brought the discussion back to the Board.

With regard to Parcel No. 009-132-37, which petition was brought pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Larmore, seconded by Member Horan, 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.

15-201E **PARCEL NO. 009-132-36 – MATHEWSON, ROBERT A –**
HEARING NO. 15-0136

A Petition for Review of Assessed Valuation was received protesting the 2015-16 taxable valuation on land and improvements located at 455 Junipher Hill Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 12 pages.

Exhibit II: New page 1 for the Assessor's Hearing Evidence Packet, 1 page.

Exhibit III: New page 1 and 2 for the Assessor's Hearing Evidence Packet, 2 pages

On behalf of the Petitioner, no one was sworn in.

On behalf of the Assessor and having been previously sworn, Ginny Sutherland, Appraiser, oriented the Board as to the location of the subject property. She said the Appellant was in agreement with the Assessor's recommendation to reduce the land value to \$120,000. Chairman Covert asked what the basis was for the reduction. Appraiser Sutherland said the subject was a vacant two-acre parcel that was part of a 2010 purchase. After an onsite inspection and in accordance with NRS 361.227, it was the Assessor's recommendation that the two parcels be valued as an estate property due to their functioning as one property, were fenced as one property, and were cross-landscaped and irrigated as one property. She said to equalize with similarly sized properties in the neighborhood, the recommendation was the property receive a downward adjustment of 40 percent for a total taxable land value of \$120,000.

Jaime Dellera, Deputy County Clerk, said one parcel was being heard, but Appraiser Sutherland described two parcels. Appraiser Sutherland advised the other parcel was Parcel No. 009-132-37, Hearing No. 15-0137, which was the parcel where the home was located and heard previously.

Appraiser Sutherland said the land was being reduced due to the use of the property. Leslie Admirand, Legal Counsel, replied that explanation of use was sufficient.

With regard to Parcel No. 009-132-36, 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 Member Brown, seconded by Member Ainsworth, which motion duly carried, it was ordered that the taxable land value be reduced by 40 percent

to \$120,000, resulting in a total taxable value of \$120,000 for tax year 2015-16. The reduction was based on the use of the property. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

15-202E ROLL CHANGE REQUESTS – INVERSIONES GANADERAS - RCR NO. 8-1 THROUGH 8-105 –

DECREASE – consideration of and action to approve or deny RCR No. 8 – Inversiones Ganaderas (RCR 8-1 THROUGH 8-105)

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Roll Change Request 2015-2016, RCR 8-1 through 8-105, Correction to Valuation, 3 pages.

On behalf of the Petitioner, no one was sworn in.

On behalf of the Assessor and having been previously sworn, Ivy Diezel, Department System Support Supervisor, oriented the Board as to the location of the subject properties and explained the basis for the RCR.

Pursuant to NRS 361.233, on motion by Member Horan, seconded by Member Larmore, which motion duly carried, it was ordered the parcel shown below, which is part of the Inversiones Ganaderas (NAMA) neighborhood, be excluded from the common area distribution of \$1,562 per unit per parcel for the 2015-16 tax year, pursuant to a settlement agreement between Inversiones Ganaderas and the Alpine Vista II home owners and Homeowners Association dated 1/15/2010, recorded document #3839240, as recommended on Assessor’s Roll Change Request Nos. 8-1 through 8-105. With those adjustments, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

ASSESSOR’S PARCEL NO.	PROPERTY OWNER	RCR NO.
020-371-01	INVERSIONES GANADERAS	8-1
020-371-02	INVERSIONES GANADERAS	8-2
020-371-03	INVERSIONES GANADERAS	8-3
020-371-04	INVERSIONES GANADERAS	8-4
020-371-05	INVERSIONES GANADERAS	8-5
020-371-06	INVERSIONES GANADERAS	8-6
020-371-07	INVERSIONES GANADERAS	8-7
020-371-08	INVERSIONES GANADERAS	8-8
020-371-09	INVERSIONES GANADERAS	8-9
020-371-10	INVERSIONES GANADERAS	8-10

ASSESSOR'S PARCEL NO.	PROPERTY OWNER	RCR NO.
020-371-11	INVERSIONES GANADERAS	8-11
020-371-12	INVERSIONES GANADERAS	8-12
020-371-13	INVERSIONES GANADERAS	8-13
020-371-14	INVERSIONES GANADERAS	8-14
020-371-15	INVERSIONES GANADERAS	8-15
020-371-16	INVERSIONES GANADERAS	8-16
020-371-17	INVERSIONES GANADERAS	8-17
020-371-18	INVERSIONES GANADERAS	8-18
020-371-19	INVERSIONES GANADERAS	8-19
020-371-20	INVERSIONES GANADERAS	8-20
020-371-21	INVERSIONES GANADERAS	8-21
020-371-22	INVERSIONES GANADERAS	8-22
020-371-23	INVERSIONES GANADERAS	8-23
020-371-24	INVERSIONES GANADERAS	8-24
020-371-25	INVERSIONES GANADERAS	8-25
020-371-26	INVERSIONES GANADERAS	8-26
020-371-27	INVERSIONES GANADERAS	8-27
020-371-28	INVERSIONES GANADERAS	8-28
020-371-29	INVERSIONES GANADERAS	8-29
020-371-30	INVERSIONES GANADERAS	8-30
020-371-31	INVERSIONES GANADERAS	8-31
020-371-32	INVERSIONES GANADERAS	8-32
020-371-33	INVERSIONES GANADERAS	8-33
020-371-34	INVERSIONES GANADERAS	8-34
020-371-35	INVERSIONES GANADERAS	8-35
020-371-36	INVERSIONES GANADERAS	8-36
020-371-37	INVERSIONES GANADERAS	8-37
020-372-01	INVERSIONES GANADERAS	8-38
020-372-02	INVERSIONES GANADERAS	8-39
020-372-03	INVERSIONES GANADERAS	8-40
020-372-04	INVERSIONES GANADERAS	8-41
020-372-05	INVERSIONES GANADERAS	8-42
020-372-06	INVERSIONES GANADERAS	8-43
020-372-07	INVERSIONES GANADERAS	8-44
020-372-08	INVERSIONES GANADERAS	8-45
020-372-09	INVERSIONES GANADERAS	8-46
020-372-10	INVERSIONES GANADERAS	8-47
020-372-11	INVERSIONES GANADERAS	8-48
020-372-12	INVERSIONES GANADERAS	8-49
020-372-13	INVERSIONES GANADERAS	8-50
020-372-14	INVERSIONES GANADERAS	8-51
020-372-15	INVERSIONES GANADERAS	8-52
020-372-16	INVERSIONES GANADERAS	8-53
020-372-17	INVERSIONES GANADERAS	8-54
020-372-18	INVERSIONES GANADERAS	8-55
020-372-19	INVERSIONES GANADERAS	8-56
020-372-20	INVERSIONES GANADERAS	8-57

ASSESSOR'S PARCEL NO.	PROPERTY OWNER	RCR NO.
020-372-21	INVERSIONES GANADERAS	8-58
020-372-22	INVERSIONES GANADERAS	8-59
020-372-23	INVERSIONES GANADERAS	8-60
020-372-24	INVERSIONES GANADERAS	8-61
020-372-25	INVERSIONES GANADERAS	8-62
020-372-26	INVERSIONES GANADERAS	8-63
020-372-27	INVERSIONES GANADERAS	8-64
020-372-28	INVERSIONES GANADERAS	8-65
020-372-29	INVERSIONES GANADERAS	8-66
020-372-30	INVERSIONES GANADERAS	8-67
020-372-31	INVERSIONES GANADERAS	8-68
020-372-32	INVERSIONES GANADERAS	8-69
020-372-33	INVERSIONES GANADERAS	8-70
020-372-34	INVERSIONES GANADERAS	8-71
020-372-35	INVERSIONES GANADERAS	8-72
020-372-36	INVERSIONES GANADERAS	8-73
020-372-37	INVERSIONES GANADERAS	8-74
020-372-38	INVERSIONES GANADERAS	8-75
020-372-39	INVERSIONES GANADERAS	8-76
020-372-40	INVERSIONES GANADERAS	8-77
020-372-41	INVERSIONES GANADERAS	8-78
020-372-42	INVERSIONES GANADERAS	8-79
020-372-43	INVERSIONES GANADERAS	8-80
020-372-44	INVERSIONES GANADERAS	8-81
020-372-45	INVERSIONES GANADERAS	8-82
020-372-46	INVERSIONES GANADERAS	8-83
020-372-47	INVERSIONES GANADERAS	8-84
020-372-48	INVERSIONES GANADERAS	8-85
020-372-49	INVERSIONES GANADERAS	8-86
020-372-50	INVERSIONES GANADERAS	8-87
020-372-51	INVERSIONES GANADERAS	8-88
020-372-52	INVERSIONES GANADERAS	8-89
020-372-53	INVERSIONES GANADERAS	8-90
020-372-54	INVERSIONES GANADERAS	8-91
020-372-55	INVERSIONES GANADERAS	8-92
020-372-56	INVERSIONES GANADERAS	8-93
020-372-57	INVERSIONES GANADERAS	8-94
020-372-58	INVERSIONES GANADERAS	8-95
020-372-59	INVERSIONES GANADERAS	8-96
020-372-60	INVERSIONES GANADERAS	8-97
020-372-61	INVERSIONES GANADERAS	8-98
020-372-88	INVERSIONES GANADERAS	8-99
020-372-89	INVERSIONES GANADERAS	8-100
020-372-90	INVERSIONES GANADERAS	8-101
020-372-91	INVERSIONES GANADERAS	8-102
020-372-92	INVERSIONES GANADERAS	8-103
020-372-93	INVERSIONES GANADERAS	8-104

ASSESSOR'S PARCEL NO.	PROPERTY OWNER	RCR NO.
020-372-94	INVERSIONES GANADERAS	8-105

15-203E BOARD MEMBER COMMENTS

Chairman Covert said this was his last meeting after nine years. He said it was a pleasure working with everyone, and he had great people backing him up. He stated serving on the County Board of Equalization was an interesting experience. He said he found the people in Assessor's Office were extremely professional and made the Board's job easier because they knew their business. He stated the Assessor's staff's ability to work with the public was outstanding. He said he could not say enough about the Clerk's Office. He stated the Clerk's staff put up with a lot of disgruntled people, but they did an excellent job. He said he could not imagine working with a finer group of people, and he thanked everyone.

Jaime Deller, Deputy County Clerk, said Nancy Parent, County Clerk, wanted her to convey her thanks to the Board members, and she apologized for not being present on Chairman Covert's last day.

Member Horan reiterated Chairman Covert's comments about the professionalism of the staff of the Clerk's and Assessor's Offices. He felt the Assessor's Office did a great job in being reasonable, polite, and professional. He said the Clerk's Office was always supportive in providing the Board with the materials they needed to make decisions. He expressed his appreciation for Chairman Covert's leadership over the last nine years. He presented Chairman Covert with a Certificate of Appreciation on behalf of the Board, the Assessor's Office, and the Clerk's Office.

Chairman Covert expressed his appreciation to the Board's Legal Counsel. Member Horan said he was remiss in not recognizing the Board's Legal Counsel for their help to the Board for making reasonable decisions.

Member Brown commended Chairman Covert for his exceptional leadership and number crunching.

15-204E PUBLIC COMMENT

Cathy Brandhorst discussed issues of concern to herself.

Josh Wilson felt this was one of the smoothest years he had experienced in his 16 or so years with the Board of Equalization hearings, and he commended the Chair on his leadership and wisdom in deliberating all of the cases held before the Board. He said we saw our way through historic litigation, appeal case load, and the Incline Village issue, along with experiencing a recession. He stated because the values the Assessor's Office were trying to support were continually dropping, it meant the values were somewhat of a moving target. He felt everyone did the best they could in overcoming

those challenges, and ultimately we worked our way out of the recession. He wished Chairman Covert the best in any future endeavors, and said he looked forward to working with the returning Board members and the new staff from the District Attorney's Office next year. He thanked Leslie Admirand, Legal Counsel, for her guidance.

* * * * *

9:47 a.m. There being no further hearings or business to come before the Board, on motion by Member Horan, seconded by Member Ainsworth, which motion duly carried, the meeting was adjourned.

JAMES COVERT, Chairman
Washoe County Board of Equalization

ATTEST:

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

*Minutes prepared by
Jan Frazzetta, Deputy Clerk*