MINUTES
Regular Meeting
Carson City Board of Equalization
Tuesday, February 27, 2018 ● 9:00 AM
Community Center Sierra Room
851 East William Street, Carson City, Nevada

Board Members:

Chair – Jed Block **Member – Carson McFadden**
Member – Jill Rasner **Member – Roy Semmens**
Member – Mallory Wilson

Staff:

Dave Dawley, Assessor
Adriana Fralick, Chief Deputy District Attorney
Kimberly Adams, Chief Deputy Assessor
Denise Gillott, Chief Property Appraiser
Donald Massow, Property Appraiser
Jeremy Saposnek, Property Appraiser
Tamar Warren, Deputy Clerk

NOTE: A recording of these proceedings, the Board's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record. These materials are on file in the Clerk-Recorder's Office, and available for review during regular business hours.

A. CALL TO ORDER AND DETERMINATION OF QUORUM

(9:00:42) – Chairperson Block called the meeting to order at 9:01 a.m. Roll was called. A quorum was present.

Attendee Name	Status	Arrived/Left
Chairperson Jed Block	Present	
Member Carson McFadden	Present	
Member Jill Rasner	Present	
Member Roy Semmens	Present	
Member Mallory Wilson	Present	

B. PUBLIC COMMENT

(9:01:12) – Chairperson Block entertained public comments; however, none were forthcoming.

C. For Possible Action: APPROVAL OF MINUTES - February 20, 2018

(9:01:32) – Chairperson Block introduced the item. **Member Semmens moved to approve the minutes of the February 20, 2018 meeting as presented. The motion was seconded by Member Rasner. Motion carried 5-0-0.**

(9:02:00) – Ms. Fralick swore in all the parties that would testify that day.

D. For Possible Action: PETITION FOR REVIEW OF ASSESSED VALUATION OF TAHOE III LLC, 1213 FAIRVIEW AVENUE, APN 009-552-03.

(9:02:12) – Chairperson Block introduced the agenda item. Ms. Gillott introduced the parcel, incorporated into the record.

(9:04:07) – John Serpa introduced himself and noted that he was representing property owner Keith Serpa, his son. Mr. Serpa noted that the State Board of Equalization had previously "corrected them [the Assessor's Office] on the way they calculated the valuation by cap rate of the income". He also stated that the leftover land in the back was not usable…[therefore] it would be somewhere around $1 a foot for the extra land, which I believe is about 50,000 feet". Mr. Serpa indicated that he had received the packet on Thursday afternoon, adding that three of the comparables included in the packet were built by him, and that the Assessor's Office was using the "the tax values that they sent out...were valued at 30 percent less" and he believed that his property was being assessed at 100 percent. He also noted that office buildings and mini-storage units were being valued equally, but he was in disagreement with this valuation. Mr. Serpa distributed copies of the Appellant's Evidence which is incorporated into the record. Member Rasner inquired about additional documentation from the appellant to counter the Assessor's valuation and Mr. Serpa noted that page 14 of the Assessor's Evidence was clear that they were not billed fairly. Member Rasner also inquired about whether Mr. Serpa had obtained appraisals of his own and was informed that the appellant had received his documentation on the Thursday prior to the Tuesday meeting. Member Wilson referenced "the income approach to value on page 23 [of the Assessor's Evidence]"

(9:15:49) – Ms. Gillott presented the Assessor's Evidence which is incorporated into the record, and highlighted the three approaches to value that were used and noted that they had followed guidelines by the State Board of Equalization. Ms. Gillott agreed with Mr. Serpa that one of the comparables used was slightly superior in terms of office space, land and square footage; however, she indicated that she had not given much weight to that particular property. She also clarified that a tax bill comparison would not be possible because the Assessor's Office dealt with valuation and not tax bills, and that in the State of Nevada, it was based on the cost approach. Ms. Gillott noted that after Mr. Serpa's interpretation of the recommendation by the State Board last year, she had spoken to them and received additional clarification, resulting in discussions with Mr. Serpa regarding the price per square foot for the land. She also read the State Board's Notice of Decision on page 29 of the Assessor's Evidence, "to reduce the taxable value to a total of $992,800 using an income approach with a nine percent capitalization rate rounded down for the improved portion, totaling $775,000 and the value of the undeveloped land totaling $217,800." Ms. Gillott clarified that the taxable value listed above would remain the same for this tax year as well; however, the $775,000 included the improvements and the improved land, while the undeveloped land was considered the setback land in the back of the property, with a total square footage of 54,450, and with an agreed value of $4 per square foot – at a value of $217,800. She also indicated that "we were never given a land value…we can't just extract a random number from the $775,000 for the land value". Ms. Gillott noted that, assuming the $4 per square foot amount as given to the developed land, a value of $652,632 would be given to the developed portion, and the improvements of 20,720 square feet of storage units, 2,178 square feet of retail/office/residential space, and 264 square feet of garage space would have a taxable value of $122,368. Ms. Gillott noted that they were waiting on word from the State Board on the above numbers, adding that if Mr. Serpa wished "to discuss the land value for the parcel for the back half, then we should probably discuss the front half and make it a total land value, and we truly can't do that at this point because we do not have the extracted land value from the $775,000".

(9:29:17) – Mr. Serpa referenced a meeting he had had with Mr. Dawley the previous day and confirmed the size of the back property and did not believe it should be valued as the front property; therefore, he had proposed $1 per foot and Ms. Gillott had believed that it might be "a reasonable value". Mr. Serpa also objected to the numbers listed in the income/profit approach explaining that they were not the numbers he had provided based on tax return, and Ms. Gillott clarified that they were market-derived numbers.

(9:33:33) – Member Semmens did not "see how we can override State without any proof in front of us". Mr. Dawley clarified that per the Nevada Legislature, the State's property tax cap was for properties built prior to 2005 and reminded Mr. Serpa that his property was built in 2008 which was outside the property tax cap, until they were first put on a roll in 2009. Mr. Dawley inquired "if the County Board rules today and Mr. Serpa appeals to the State could we stipulate before the State Board?" and Ms. Fralick noted "you can come to an agreement, and I believe that you would have to take it to the State Board because it's under their jurisdiction". Ms. Gillott provided "the sales that support the value of the land as is" into evidence (Exhibit F). Mr. Serpa expressed his displeasure about the timing of the packet he had received and Mr. Dawley clarified that the timing was "within a statutory time limit for the packets" adding that they were "convoluted because of the State requirements". He also believed that this Board could determine the value of the improved land and for the 1.25 acres in the back of the property, adding that they must have a value for the land and one for improvements. Mr. Dawley indicated that the parcel next door was being valued at $2 per square foot. Discussion ensued regarding coming up with a land value for the entire parcel. No public was present for public comment; therefore, Chairperson Block entertained a motion. Member Rasner received confirmation that the back property was not landlocked as, according to Ms. Gillott, the storage units could be expanded or the setback could be used as RV or U-Haul storage, but could not be developed. Mr. Serpa stated that the back 20 feet must be fenced off to separate it from residential properties. Chairperson Block suggested a motion.

(9:48:09) – MOTION: Member Semmens moved, regarding APN 009-552-03, to "leave the land value at $217,800 and leave the improvements at $775,000, leaving a total for the year of $992,800". The motion died for lack of a second.

(9:49:02) – Member Wilson believed that $1 per foot land value was low: however she found it difficult to "back into that $992,800 figure". Member Semmens explained that he had made his motion because "the fact that we didn't have enough time or appellant evidence to come up with a figure over and above the State and our time has run out and this needs to go to the State Board".

(9:52:30) – Member Wilson moved that "in order to uphold the State Board of Equalization's total taxable value of $992,800 for the parcel located at 1213 Fairview Drive, Parcel Number 009-552-03, we place the total taxable land value at $406,415 ($1 per foot) for the rear undeveloped 118,919 square feet and $3 per foot for the front 95,832 square feet which places the improvement value at $586,385 for a grand total taxable value of $992,800". The motion was seconded by Member Rasner. Motion carried 5-0-0.

(9:53:52) – Mr. Dawley stated that the State Board of Equalization had set a value of the improved parcel at $775,000 "and that's what that's got to be", adding that they needed to know how much of the $775,000 is land value, even though it is one parcel. Discussion ensued and Ms. Fralick advised rescinding the previous motion.

(9:56:20) – Member Wilson moved to retract her previous motion. Member Rasner seconded the retraction. The motion carried 5-0-0.

(9:56:42) – Member Semmens moved to value the land value at $217,800 and the improvements at $775,000 for a total of $992,800 on APN 009-552-03, located at 1213 Fairview Drive. The motion died for lack of a second.

(9:57:32) – Mr. Dawley reminded the Chair that the Board did not have to uphold the $992,000 value, and may determine a new value should they decide to do so. He also confirmed that the appellant "does have appeal rights". Mr. Serpa believed that the Assessor was requesting a land value and an improvement value "for their books", and that the part of the property in question was the 54,000 foot area in the back. Ms. Gillott noted that they "were given no land value by the State Board of Equalization to extract from the $775,000". Mr. Dawley reiterated that they were asking for a value for said portion of the land from this Board. Ms. Gillott confirmed for Member McFadden that "the back portion was valued at $4 a square foot for the 54,000 plus square feet by the State Board". Mr. Dawley clarified that the value determined by this Board is for this year and unlike the value set by the State which was for last year.

(10:02:29) – Chairperson Block recessed the meeting.

(10:07:20) – Chairperson Block reconvened the meeting. A quorum was still present.

(10:02:21) – Chairperson Block entertained questions to the Assessor's Office and the appellant. Member Wilson was informed that the back portion of the land was exactly 54,450 square feet. Mr. Dawley reiterated that the only item in question at the moment was the back portion of the property and cited the Board's options of either lower the taxable value (under $4 per foot) or keep the $4 value. He also confirmed that land may not be given obsolescence. Member Wilson believed that the $992,800 was "a good market value". There were no additional Board or member comments and Chairperson Block entertained a motion.

(10:10:59) – Member Wilson moved to "maintain the State's recommended total taxable value at $992,800 for APN 009-552-03, placing the value of the undeveloped land in the back at $1 per square foot for a value of $54,450, placing a value on the 160,301 square feet of developed land at $3 per square foot for a value of $480,903, and placing a value on the improvements of $511,897, for a total taxable value of $992,800." The motion was seconded by Member Rasner. Motion carried 5-0-0. Chairperson Block indicated that Mr. Serpa had until March 10, 2018 to appeal the decision to the State Board of Equalization.

E. For Possible Action: PETITION FOR REVIEW OF ASSESSED VALUATION OF TAHOE IV LLC, JS DEVELOPMENT CO, JS DEVCO LIMITED PARTNERSHIP (VARIOUS LOCATIONS), APNs 005-051-03, 005-051-04, 005-051-05, 005-051-09, 005-051-16, 005-051-22, 005-051-23, 005-054-03, 005-054-04, 005-054-08, 005-054-11.

(10:12:25) – Chairperson Block introduced the item. Mr. Dawley clarified that the deadline for appeals to the State Board of Equalization was March 12, 2018 because March 10th fell on a Saturday this year.

Members McFadden and Wilson both read disclosure statements indicating family ties, and noted that neither were beneficiaries of any association with the appellants; therefore, they would vote on the item. Upon request by Ms. Fralick for further information, Member McFadden clarified that she was a beneficiary of a trust that owned adjacent parcels; therefore, she would be voting on this item since she would not benefit any more or less than any other adjacent property owner.

(10:16:04) – Mr. Serpa, appellant of this item as well, noted that the neighboring properties' tax bills per square foot were "less than half the properties we owned". He believed that other surrounding property values were raised and so were his. Mr. Serpa, cited for example, a property that had sold for $3.50 [per square foot] and the seller was required to spend $200,000 to build a road; therefore, the buyer had actually paid $3.30 per square foot with the road improvements. He stated that instead of the 30 percent subdivision discount, he was requesting a 50 percent discount because "the property was just sitting out there", adding that the two sales had been for a mini storage and a lumber yard. Mr. Serpa noted that adjacent properties noting "the tax bills of the people with low values previous, it's gonna carry on even though the values have been changes". He cited the example of a property previously valued at 80 cents per square foot would have a maximum cap of eight percent, even though the property was now valued at $3 per square foot. Member Wilson reminded Mr. Serpa that this Board could only equalize taxable value not tax bills.

(10:26:00) – Ms. Gillott presented the Assessor's Evidence which is incorporated into the record. She also stated that the appeal had two sections, the land value and the subdivision discount. Ms. Gillott reviewed the enclosed sales data sheet and an absorption study that indicated that industrial properties were selling, adding that they can't assign subdivision discounts without backup such an absorption study which had led her to offer the taxpayer a 30 percent versus a 20 percent discount. She noted that the 50 percent discounts were given in the past in a different market and "unfortunately it's not just based on his parcels alone. It's based on the market as a whole. It's based on Northern Nevada as well with a huge emphasis in the Carson City area." Ms. Gillott stated that they also gather information from other county assessors' offices, adding that the information supported a [taxable value] increase to industrial vacant land parcels. She also noted that "we were told by the State to completely equalize this market area and that is exactly what we did", and referenced pages 15 and 16 of Exhibit A, clarifying that Mr. Serpa's properties had been highlighted in blue and included the discounts to which he was entitled. There were no additional questions from the Board members and there were no members of the public present. Chairperson Block entertained a motion.

(10:33:06) – Mr. Serpa wished to clarify that the Assessor's Office was not giving any discounts, but valuing the property as they discussed, because one of the properties was landlocked, three did not have a road leading to them, and the other had "a pile of rocks". He believed that a 50 percent discount was "reasonable". He also did not believe there was "activity" on vacant land. Ms. Gillott stated that she had support for sales through publications, through emails from commercial realtors, and through LoopNet.com, adding "there is nothing in my study that would have supported the 50 percent [discount]". Member Semmens referenced the discount listed on page 11 of the Assessor's Evidence which he thought explained them. Member Wilson believed that "there is substantial evidence to support an absorption period of one to three years" and that the 30 percent discount was for four-to-six-year period, which she thought was sufficient. Chairperson Block entertained a motioin.

(10:37:44) – Member Rasner moved, "regarding the multiple parcels stated by the Chair and as described on the record, to keep the 30 percent discount for the subdivision and leave the land values the same." Member Semmens seconded the motion. Motion carried 5-0-0.

(10:38:45) – Chairperson Block recessed the meeting.

(10:46:01) – Chairperson Block reconvened the meeting. A quorum was still present.

F. For Possible Action: PETITION FOR REVIEW OF ASSESSED VALUATION OF JVRS ENTERPRISES LLC, 1393 MEDICAL PARKWAY, APN 007-531-44.

(10:46:08) – Chairperson Block introduced the item. Ms. Fralick clarified for the record, prior to the appellant's statement, that the septic system has already been removed. Member Semmens explained that he had called the State Board regarding last year's decision on this item; however, he not received an answer to his "general question", noting that this would not interfere with his decision in the matter.

(10:47:38) – Norm Azevedo introduced himself as "the attorney here on behalf of JVRS Enterprises". He also introduced his client, Richard Sheldrew and received confirmation that he would have an opportunity for rebuttal. Mr. Azevedo informed the Board that they had met with the Assessor on Friday, February 23, 2018, at approximately 3 p.m. for a face-to-face discussion to clarify "factual errors". He believed that all parties had agreed at that time that "the septic system that was currently being billed on 1393 Medical Parkway…was actually situated on the adjacent property at 1365 Medical Parkway". Mr. Azevedo also noted that "the weighted age of the home was inaccurate". Ms. Fralick confirmed that the septic system was on 1365 and that it was removed prior to the meeting. In response to a question by Member Wilson, Ms. Fralick explained that the appellants was in disagreement with the Assessor's Office to the use of the term "vacant", as they believed that the property has been developed/improved. Mr. Azevedo referenced the Assessor's map and noted that the two parcels combined totaled to 3.81 acres, with two homes and a well on one parcel, and a septic system "that until last week was serving the other home on the parcel" which had been sold on August or September 2017 "and we don't call it vacant…because it has improvements to it – it had fences and it had that residential septic system situated on that parcel". Ms. Adams clarified that "the septic system that we had included in the packet is the separate septic system. The septic system that needs to be removed is connected to the well." Mr. Azevedo stated "if I said the septic was attached to the well I misspoke", adding "there's a septic system on the first parcel, 1393 Medical parkway, that is near the well, within 150 feet, two septic systems, two houses, one well. On the big parcel, the one with the two houses, there's two homes, a septic system and a well, and then on the parcel that you referred to as vacant, had improvements on it, and that's been the subject of dispute for some years now. That subject system is situate on that parcel irrespective of boundary line adjustment or not".

(10:53:50) – Mr. Azevedo distributed a photograph and noted that the property buyer had performed a cleanup and gave details of how it was done. He also explained that the septic system was not located on 1393 but actually was on 1365. Ms. Fralick noted that the photograph was accepted as Appellate Exhibit 3. Chairperson Block received confirmation from Mr. Azevedo that the septic system was "abandoned" and that the appellant's would receive "some kind of obsolescence because of that". Mr. Azevedo also stated that the home was constructed in the 1950s; however, the Assessor's records reflected that it was built in the 1940s, "and there's a weighted age because of an addition to the home", and believed this issue had also been resolved. Mr. Azevedo

believed that both issues addressed in last year's appeal "appear now to have been resolved". He also stated that the land value increase for the 1365 Medical Parkway property was "because the Assessor considered it vacant"; however, he did not believe it was due to the presence of the septic system – "a fundamental portion of the home that is situate on the other parcel". Mr. Azevedo quoted (Nevada Revised Statute) NRS 361.768, which affords a relief to the taxpayer, going back three years, in case of a factual error. He also urged the Board to rule in the appellant's favor and believed that per NRS 361.34.1b "it is the duty of this Board to make corrections of any valuations found to be incorrect". Mr. Azevedo summarized the Appellant's Evidence and requested that the Board consider the term "use" and to determine the taxable value "correctly". He also cited his own living situation which he believed was similar.

(11:04:22) – Ms. Adams presented the Assessor's Evidence which is incorporated into the record. She explained that the chain link fence had been removed and the septic tank, the one built in 1963, would be assessed as a "well and pump system" instead of a "well and septic system". Ms. Adams also clarified that previous to Mr. Dawley becoming the Assessor, "any improvements involved with the actual structure, if a weighted age was given, would receive the same weighted age as the structure itself", adding that the Assessor's Office had been remedying those weighted ages now; thus the remaining septic tank and the concrete flatwork "should be corrected to 1950". She also stated that the Assessor's records show that the house on the northwest side of the parcel was constructed in 1945; however, it may have been estimated. Therefore, due to the addition, the property was given a weighted age of 1972. Because of the recent removal of the septic tank, the Assessor's Office recommended applying "an eight percent curable functional obsolescence" to the residence, to be reviewed each year. Ms. Adams stated that because the septic system was to be removed, the Assessor's Office would have reflected it, even prior to the Appellant's receiving a tax bill. She also reminded the Board that the disputed parcel of improved versus vacant land was not part of today's appeal. The discussion at hand, according to Ms. Adams, was the issue of factual errors and not the already-sold adjacent parcel. She therefore recommended adjusting the weighted age from 1972 to 1970; however, she felt that because the septic tank was "just removed" an adjustment was not warranted. As for the chain link fence, she wished to receive information on when it was removed, but did not see an issue with "going back three years" to adjust the weighted age but not the curable obsolescence, which also had just occurred. There were no questions from the Board and Chairperson Block invited the Appellants back for rebuttal.

(11:11:42) – Mr. Azevedo referenced a map provided for the record by his client that showed the location of the septic tank and believed "it showed it was always on 1365 Medical Parkway" calling it "clearly an error". Ms. Fralick noted that the map was on page 26 of the packet. Mr. Azevedo explained that they could not petition the other property because it now belonged to the new owner. However, he reiterated that the NRS allowed them "to go back in time" and request the review. He believed that because the Assessor's Office had billed his clients and their predecessors for the septic tank, it was considered "improved land", and that the zoning change had no bearing on the valuation of the property. He restated his belief that factual errors were made and that the eight percent obsolescence should be offered because "it [the septic system] no longer is there".

(11:19:45) – Member Wilson requested clarification about changing the land use code for 1365 Medical Parkway for the previous years, noting that the property was no longer listed on the appeal and that the appellant was not the current owner. Ms. Adams explained that said property had always been a vacant residential parcel until the 2011 zoning change to commercial. She also indicated that "what they're [appellants] hoping is the recognition of where the septic tank is located, thereby allows you as the County Board of Equalization to correct the record

for 1365 [Medical Parkway], when they owned it, to place the septic then on that parcel and keep it as residential; however, that item went before you last year and you upheld the Assessor's recommendation, it was then appealed to the State Board – they upheld the Assessor's recommendation. So from here I don't know how, and [Ms. Fralick] can correct me, that you can undo what was already determined last year. I think that would have to either go before the Board of Supervisors and they can look at that…" Member Wilson received confirmation from Ms. Fralick that the land survey showed that "there was a septic system on 1365 [Medical Parkway], and he's asking for the factual error to be corrected going back three years…and what [Ms. Adams] is saying is that you can't go back and hear that case that you heard a year ago", adding that they were intertwined and that the current item was regarding assessment on 1393 Medical Parkway and how the septic system relates to that. In response to a question by Member Wilson regarding the Board's authority to make factual corrections because the property [1365] had not been appealed, Mr. Azevedo noted that they were not asking the Board "to make a finding for anytime we don't own the property", adding that he believed the Board had jurisdiction because the appellants owned the property earlier.

(11:25:23) – Chairperson Block received confirmation that the zoning was changed in 2011 after which "the property was valued as a commercial one but was still being used as a residence, but was sold for commercial prices". Mr. Azevedo gave background on zoning changes and noted that as long as the use of the property has not changed, the resident is protected from large increases, since the Master Plan had been changed by the City, adding that the zoning "should have never changed until [the property] was sold". Discussion ensued regarding disclosure of the location of the septic tank to the buyers. Member Semmens indicated that the 3.3-acre property was listed as two separate parcels and the second parcel being discussed now was "vacant land because we weren't aware of the septic tank being there because you couldn't see it", calling the septic tank "an encroachment on that piece of property". Member Rasner noted that in case of a zoning change to "highest and best use", a higher amount is paid. Mr. Azevedo stated that "under our taxable value system…if you look at 361.227.1…doesn't have the words highest and best use. It says, if it's improved, you value it consistently to which the improvements are being put" and cited examples of homes in casino zoning. Mr. Dawley read related excerpts from the NRS and Mr. Azevedo noted "highest and best use" was not included. He also noted that the septic tank was on the other side; therefore, they considered the land improved, calling it the most fundamental part of a house. Discussion ensued regarding NRS 361.227(a), the location of improvements causing two or more parcels to function as a single parcel. Mr. Dawley clarified the definition of encroachment was when two owners and two separate properties were involved; however, in this case two properties belonged to one owner, and that the septic system had been "taxed to the parcel for which it has been taxed for the last 50 plus years" which to him meant that the property on the east side would have been under-assessed.

(11:47:49) – Member Semmens referenced page 56 of the agenda documents, a transcript from the State Board records that had identified "the septic tank as an encroachment on the subject property and not an improvement such that the subject property should be taxed as residential property." Mr. Azevedo indicated that there were additional facts that were not present last year and that the septic tank was never an encroachment, and read from NRS 361.768 and NAC (Nevada Administrative Code) defining improvements, in this case a residential septic tank. Member Semmens expressed concern that the property was being sold as commercial property but was expected to be taxed as a residential one. Mr. Azevedo stated that the current use is residential therefore it will be taxed as residential and would change to commercial after the sale which would change the use. Ms. Adams recommended under NRS 361.768, regarding 1365 Medical Parkway, to escalate to the Board of Supervisors whether the land was considered improved or vacant, whether there was a factual error of the septic tank and the

placement thereof, "and they can rule whether that factual error was correct or if we should have maintained that parcel as vacant residential until such time that it was sold, or if they will instead uphold your ruling from last year and the State Board's ruling from last year" in order for the Assessor's Office to proceed with the necessary corrections. She also recommended that the Board proceed with the corrections to be made for 1393 Medical Parkway and determine which improvements would require "going back for three years, as far as they were built, and then we can leave the rest to the Board of Supervisors".

(11:45:25) – Member Wilson believed that "in light of the land survey that was performed between last year's meeting and today…it's undeniable that the now-abandoned septic tank has always been on that parcel, 1365, and I think we should recommend that the Assessor take this to the Board of Supervisors because I think that because the septic tank was there, the two parcels were operating as one and that [the usage of 1364] should be changed for the past three fiscal years to reflect that it was being used as a residential parcel." Ms. Adams clarified that the assessed value would be the same for the two parcels, and that the issue is the land value, which would go back to 2016/2017 and 2017/2018 (until the property has sold). Mr. Dawley confirmed that the property was sold in August 2017 and requested a recommendation for the septic system as an improvement. Discussion ensued and Ms. Adams explained that the determination should be left up to the Board of Supervisors. Mr. Sheldrew suggested not addressing the chain link fence; however, Ms. Adams stated that it should be reflected in the records and received confirmation that it should be removed for one year. She also recapped the improvements as: removing the chain link fence for the 2018/2019 fiscal year; the removal of the well, built in 1963 and attached to the septic tank for the 2018/2019 year; correcting the year built on the remaining concrete flatwork from 1972 to 1950; correcting the year of the remaining septic tank from 1972 to 1950; correcting the original year built to the northwest house (1224 square feet) from 1972 to 1970. She believed that the curable obsolescence and the removal of septic tank had just happened; therefore, the two items should only be applicable 2018/2019 fiscal year. Mr. Dawley added the application of the eight percent functional obsolescence to the house for 2018/2019 fiscal year as well. No members of the public were present for comments. Chairperson Block entertained a motion.

(11:53:25) – Member Wilson moved to "approve the miscellaneous changes as previously stated by Ms. Adams for APN 007-531-44 for the 2018/2019 year for the ones stated and then going back three years for the other ones that were stated to go back for three years." Member Semmens seconded the motion.

(11:54:10) – Mr. Dawley clarified that the removal of the septic system, the eight percent functional obsolescence, and for the removal of the chain link fence are approved for the 2018/2019 fiscal year. He also noted that the concrete flatwork change of age from 1972-1950, the remaining septic system from 1972-1950, and the effective age of the northwest home from 1972-1970 will go back three years. **Motion carried 5-0-0.**

(11:55:22) – Chairperson Block recessed the meeting.

(12:07:52) – Chairperson Block reconvened the meeting. A quorum was still present.

G. For Possible Action: PETITION FOR REVIEW OF ASSESSED VALUATION OF MYERS FAMILY EXEMPT TRUST, JOSHUA MYERS TRUSTEE, SOUTH SALIMAN ROAD/FIFTH STREET, APN 010-041-16.

(12:08:00) – Scott Baugardner, Vice President of Blackstone Development Group, Inc. introduced himself and Joshua Myers, Trustee of Myers Family Exempt Trust. Ms. Fralick swore in the appellants over the phone.

(12:08:17) Chairperson Block invited Mr. Baumgardner to present via telephone. Mr. Dawley clarified the process explaining that the appellant would present first followed by the Assessor's Office, after which the appellant would have the opportunity for a rebuttal. Mr. Baumgardner introduced himself and gave background on the reasons to the appeal. He explained that that the project was conditional to building drainage channels prior to issuing any permits and presented the Appellant's Evidence referenced on page six of the agenda materials. Appellant Joshua Myers also introduced himself and gave additional background, noting that Carson City was not using comparables that were in floodplains, similar to the subject property. There were no additional comments; therefore, Chairperson Block invited the Assessor's Office to present.

(12:15:21) – At Mr. Dawley's request, Chairperson Block introduced the parcel. Jeremy Saposnek presented the Assessor's Evidence which is incorporated into the record. Mr. Baumgardner explained that they had no issues with "normal development costs associated with the development of a project". However, he noted that the cost of $250,000 would be associated with having a bridge to access Fifth Street, adding that the comparatives shown were of properties with freeway access and frontage and were of properties for sale, not actual properties that had been sold. Member Wilson clarified that the agenda materials included two sets of comparables, one which listed the properties that had sold and another that showed unsold listings. Mr. Saposnek reviewed the weighted comparables and noted that three were in superior locations and one was in an inferior location, noting that they had "given the most weight to the property in the inferior location". He also referenced the engineering report that concluded that the flood zone impact was "not that significant". Mr. Baumgardner stated that permits could not be obtained until all the conditions were removed, per the City Engineering (Rob Fellows). Mr. Myers disagreed with the Assessor's Office interpretation of the City Engineer's comments, and noted that "an easement recorded on that property for the flood channel to be constructed that cannot be taken away…if that is taken away, that entire channel could not be built." Mr. Baumgardner believed that due to a prior development agreement with the adjacent landowner, they were prohibited from removing the property from the Specific Plan Area (SPA), adding that the channel was a requirement.

(12:28:38) – Ms. Gillott recognized that the property was in a flood zone and that there are deed restrictions placed on the property due to the agreement with the adjacent landowner, and for that reason, the Assessor's Office had removed the square footage required to build the channels and had reduced the [taxable] value. Mr. Saposnek referenced the subject parcel information on page 137, APN 10-041-16 as its own parcel; however Mr. Myers disagreed, noting that it was considered part of Lompa Ranch Development. There were no public comments and Chairperson Block entertained a motion.

(12:33:31) – Member Semmens moved "to reduce the size of the four-acre lot to 3.09 acres or 134,838 square feet and give the parcel a reduction of $189,129 and have a new taxable land value of $647,222 for the 2017/2018 and 2018/2019 taxes on APN 010-041-16 at Saliman [Road] and Fifth [street]". The motion was seconded by member Rasner. Motion Carried 4-1-0, with Member Wilson as the nay vote.

(12:36:32) – Chairperson Block informed the Appellants that the deadline to file an appeal was on March 12, 2018, at 5 p.m. with the Nevada State Board of Equalization.

H. PUBLIC COMMENT.

(12:37:01) – Chairperson Block entertained public comments; however, none were forthcoming.

(12:37:22) – Mr. Dawley thanked the members for serving on the Board and acknowledged that some of the members may not return due to the upcoming elections.

(12:38:17) – Chairperson Block thanked the DA's Office and the Assessor's Office, adding that due to their hard work the number of appellants is fewer than it could have been.

I. FOR POSSIBLE ACTION: ADJOURNMENT

(12:39:07) – Member Semmens moved to adjourn. The motion was seconded by Member Rasner. The meeting was adjourned at 12:40 pm.

The Minutes of the February 27, 2018 Carson City Board of Equalization meeting are respectfully submitted on this 13th day of March, 2018.

SUSAN MERRIWETHER, Clerk – Recorder

By: _____
Tamar Warren, Deputy Clerk