

BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA

TUESDAY

9:00 A.M.

FEBRUARY 22, 2011

PRESENT:

James Covert, Chairperson
John Krolick, Vice Chairperson*
Benjamin Green, Member
Linda Woodland, Member
James Brown, Member

Nancy Parent, Chief Deputy Clerk
Herb Kaplan, Deputy District Attorney

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

11-0649E WITHDRAWN PETITIONS

The following petitions scheduled on today's agenda had been withdrawn by the Petitioners prior to the hearing: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.
023-131-46	KC PROPCO LLC	11-0571A
023-131-47	KINDER-CARE LEARNING CTRS INC	11-0571B
026-031-39	NORTHTOWNE PLAZA LLC	11-0572
033-221-25	KC PROPCO LLC	11-0573
037-350-08	HARRIS FAMILY TRUST	11-0574
041-244-03	HILLCREST PACIFIC BAKERY INC	11-0575
041-243-09	PK III CAUGHLIN RANCH LLC	11-0607A
041-243-10	PK III CAUGHLIN RANCH LLC	11-0607B
041-243-11	PK III CAUGHLIN RANCH LLC	11-0607C
402-441-04	D`ANDREA MARKETPLACE SC LP	11-0638D
402-441-05	D`ANDREA MARKETPLACE SC LP	11-0638E
402-441-06	D`ANDREA MARKETPLACE SC LP	11-0638F
402-441-07	D`ANDREA MARKETPLACE SC LP	11-0638G
402-441-09	D`ANDREA MARKETPLACE SC LP	11-0638H
027-520-02	SPARKS MERCANTILE LP	11-0640B
027-520-03	SPARKS MERCANTILE LP	11-0640C
027-520-07	SPARKS MERCANTILE LP	11-0640E
013-233-14	US BANK NA	11-0656
015-220-30	US BANK NA	11-0661
011-172-14	U S BANCORP	11-0658
039-750-10	SAFEWAY INC	11-0664

Assessor's Parcel No.	Petitioner	Hearing No.
027-520-08	SPARKS MERCANTILE LP	11-0640F

9:02 a.m. Member Krolick arrived.

11-0650E REQUESTS FOR CONTINUANCE

There were no requests for continuance.

11-0651E CONSOLIDATION OF HEARINGS

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

11-0652E PARCEL NO. 011-450-20 – NEVADA LAND LLC – HEARING NO. 11-0679R10

A Petition for Review of Assessed Valuation was received protesting the 2010-11 taxable valuation on land and improvements located at Evans Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and copy of appeal instructions, 4 pages.

Exhibit B: Property Tax Appeal PowerPoint, Stadium Lease and Stadium Usage Agreements, 84 pages.

Assessor

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

On behalf of the Petitioner, Garrett Gordon was sworn in by Chief Deputy Clerk Nancy Parent.

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

Appraiser DelGiudice said there was a recommendation on this property due to the 2009/10 Stipulated Settlement Agreement approved by the State Board of Equalization (SBOE). Chairperson Covert asked if the appellant was in agreement with the recommendation. Mr. Gordon said the appellant was in agreement with the Stipulated Settlement Agreement as approved by the SBOE for 2009/10, and with applying it to the 2010/11 tax year.

Appraiser DelGiudice explained the change was in how the property was costed, so it would not be a reduction in the form of obsolescence.

With regard to Parcel No. 011-450-20, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$21,295,002 due to applying an exemption, resulting in a total taxable value of \$25,406,602 for tax year 2010-11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0653E PARCEL NO. 011-450-22 – NEVADA LAND LLC –
HEARING NO. 11-0679

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at Evans Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and copy of appeal instructions, 4 pages.

Exhibit B: Property Tax Appeal PowerPoint, Stadium Lease and Stadium Usage Agreements, 84 pages.

Assessor

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

On behalf of the Petitioner, Garrett Gordon was previously sworn.

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

Mr. Gordon said the issues before the Board today were the application of the 2009/10 Stipulated Settlement Agreement to the 2011/12 tax year and a recalculation of the taxable value pursuant to Nevada Revised Statute (NRS) 361 to reflect the portion and percentage of time the Aces Ballpark was used by Nevada Land LLC. He noted last year, prior to going before the State Board of Equalization (SBOE), the appellant and the Assessor's Office sat down and agreed upon a method of calculation for the Aces Ballpark. He said it was decided, based on the numbers in *Marshall and Swift*, to use \$2,600 per stadium-level seat and \$4,025 per suite-level seat and to apply current costs and local multipliers. He stated an exemption would also be added due to the City of Reno's right to 12 stadium-level seats, its own suite with 12 seats, and use of the stadium 12 times a year. He advised the SBOE approved the agreement and the recalculation for tax year 2009/10, as shown in page 4 (handwritten) of Exhibit B, for a taxable value of

\$19,782,950 without the land. He explained the local multiplier brought the suite-level seats up to \$4,795.

Mr. Gordon said this same formula was just voted on and approved to be applied to tax year 2010/11 for a total taxable value of approximately \$19.4 million.

Mr. Gordon noted the subject's value had gone way up and this was the only property in the Baseball Stadium District that had its value go up. He noted an additional \$1,000 per stadium-level seat and an additional \$1,700 per suite-level seat was applied, but not the mandatory depreciation. He said that brought the value up to \$26.5 million, which was a deviation from the Stipulated Settlement Agreement. He felt the *Marshall and Swift* increase was not valid because there had been a decrease in the current and local multipliers. He said it was objectionable to the appellant that overnight the value per seat increased 33 percent, which increased the taxable value in one year by \$7 million. He stated Nevada Land LLC was asking for the Board to correctly apply the Stipulated Settlement Agreement to 2011/12.

Mr. Gordon said NRS 361 applied the taxable value based on the actual use of leased real property. He stated the Stipulated Settlement Agreement indicated the stadium, as a public improvement, was leased to Nevada Land LLC. He noted the stadium was an exempt property and the statutes were clear the taxable value should be based on the portion of use by the tenant. He reviewed the use of the ballpark as shown in page 9 (handwritten) of Exhibit B. He said the request was to reduce 97 percent of the taxable value by 50 percent. He explained there might be a deviation to that year-by-year based on whether Nevada Land LLC was allowed by the City of Reno to use the ballpark for a concert, but for the last two years the stadium was only used for baseball events.

Chairperson Covert asked who booked the usage of the stadium in the off season. Mr. Gordon said Section 6.1 of the lease stated "Tenant may use the Premises for the operation of a multipurpose stadium and entertainment venue and for no other purposes without the prior written consent of the Landlord..." He explained there had been talk of having a concert, but Nevada Land LLC would have to come up with plans for ingress and egress, fire, and occupancy to obtain approval to hold a concert from the City of Reno. Chairperson Covert noted the stadium sat empty for six months if no alternative uses were proposed. Mr. Gordon said the team offices were being used everyday, but only baseball games had been held in the stadium for the last two years.

Josh Wilson, Assessor, stated he participated in the 2009/10 settlement agreement. He understood a methodology was agreed to, not a valuation. He said pursuant to *Marshall and Swift*, the top of the Triple-A costs would be used for the minor-league stadium seats and the top end of the major-league stadium costs would be used for the box seats. He stated that was the agreement he remembered being put forward. He said everyone should have realized the values would change when *Marshall and Swift* changed, and he had no control over *Marshall and Swift*. He said the recosting of the improvements for 2010/11 indicated *Marshall and Swift* would have increased the improvement value. However, because the area was experiencing severe declines in the

real estate market and with the Nevada Tax Commission adopting a 1.0 factor, he did not want to be the sole Assessor to increase improvement values. He said the value did not change for the 2010/11 tax year due to the adoption of the 1.0 factor and the application of additional depreciation. He stated the same methodology was applied for the 2011/12 tax year, which resulted in an increase in the stadium's value. He said he did not feel the stadium was overvalued using the Assessor's Office methodology, which he understood was consistent with the Stipulated Settlement Agreement.

Chairperson Covert believed last year the stadium was valued as a major-league stadium and the Board took that off. Mr. Wilson advised that was incorrect. Chairperson Covert said nevertheless, there was some major-league costing on the box seats. He asked if *Marshall and Swift* was silent on the box seats for minor-league stadiums. Mr. Wilson replied his office verified with *Marshall and Swift* their Triple-A costs did not include box seats. Chairperson Covert asked if Mr. Wilson had any knowledge of there being any other Triple-A stadiums in the country that had box seats. Mr. Wilson replied there were, especially the new stadiums being built. Chairperson Covert said *Marshall and Swift* was behind the times. Mr. Wilson said that might be one of the reasons significant increases were seen in the year-to-year change.

Mr. Wilson said he was not sure how applicable it was to try and allocate a percentage for office versus the total square feet of the stadium. He explained the whole 317,375 square foot stadium was not being valued on a per square foot basis, but was being valued on a per seat basis that encompassed all of the office space. He advised that analysis might be appropriate if the whole building was being costed as office space, but he was struggling to understand the true comparison with that analysis. He believed as he understood the agreement, Nevada Land LLC had the ability to use the stadium for the whole year as a minor-league stadium. He did not know of anything that precluded them from using the stadium for its intended use.

Mr. Wilson stated he understood this appeal was before the Board due to the dynamics of the downtown market and that of the local the economy. He felt it would be cleaner if the lease was changed to say Nevada Land LLC only had a possessory interest in the stadium for the baseball season. He said if that was done, he did not think an appeal would even be necessary because it would be clear the City of Reno owned the stadium for six months out of the year and Nevada Land LLC owned possessory interest for the other six months, and it would be valued as such.

Member Green felt it was stretching the concept a bit when talking about the six months the stadium was not being used. He said many businesses were not open all of the time, such as a car dealership not being open on Sunday or the new showroom built by the Silver Legacy only being used occasionally. He asked if they were being given a break for property not being used all of the time. He said because Nevada Land LLC had decided not to use the stadium for any other venues during the year, it did not mean they could not do so.

Mr. Wilson said the roll was reopened for the Freight House District, which allowed the appellant to appeal the 2010/11 tax year. He said portions of the District was still on this parcel because there had been issues with recording some of the maps. He said the restaurants in the District were valued for the whole year. He did not believe the appellant was appealing the value of those other buildings, but some of that value was still on this parcel. He understood where Member Green's question was coming from about the car lot, but the value was based on the right to use the property.

Member Brown asked if Clark County had a stadium that could be used for comparison. Mr. Wilson believed he testified last year there was a Triple-A stadium in Clark County, but he had no idea what the lease arrangements were or who owned the building. Member Brown asked if they used *Marshall and Swift*. Mr. Wilson responded he certainly hoped so because NRS 361.227 said the replacement cost new had to be calculated and then 1.5 percent depreciation applied for all improvements throughout the State.

Member Green stated after the changes were done per *Marshall and Swift*, the 240 box seats were classified as a major-league use using major-league numbers. Mr. Wilson replied that was correct, because it was the only stadium cost that included the box seats. He said depreciation was also applied along with the local and current multipliers as specified in *Marshall and Swift*. He stated the cost per seat went up significantly, so the reduction in the local and current multipliers did not offset the increase in the seat cost. Member Green stated \$7 million was a big jump, and he could understand why the appellant's hair stood up when the assessment was received.

In rebuttal, Mr. Gordon said the stadium was unique from other private businesses. He stated the stadium was exempt under State law because the City of Reno's Redevelopment Agency owned the building. He stated the appeal was based on use and timing of use, which was how the six months of use for the stadium was derived. He said the length of use would change from year to year if other events were held in the stadium with the City of Reno's approval.

Mr. Gordon said the stadium in Las Vegas paid zero in property taxes last year, which was used in the appellant's full exemption argument last year. He said the Assessor argued for using the top value in the major-league range for seats, but the appellant indicated that was what Yankee Stadium would use. He said the appellant got together with the Assessor's Office with a range in mind and they came up with a figure and how to apply it in year one. He noted the figure would be considerably reduced each year due to depreciation. He said that figure was applied for two years and then the value jumped by \$7 million. He understood values changed, but the recreation facilities range table agreed upon in 2009/10 stated the data became obsolete after 2007. He believed it would be difficult to make the argument that this number could be deviated from when arguably the table was obsolete when it was used in the first place. He said the two parties agreed to use the range and came up with a number to apply going forward, which was applied in 2009/10 and 2010/11. He stated the appellant never agreed to the new numbers being applied.

Mr. Gordon said Mr. Wilson and his staff were great, and it was a friendly relationship even though they did not always agree.

Member Krolick asked if the appellant applied to hold an event and was denied. Mr. Gordon said there were discussions about a concert, and the appellant sat down with the fire department about ingress and egress. He advised the stadium was in a tough position right now and there had been ongoing negotiations with the City of Reno about the \$1 million payments. He stated the appellant had been focusing on efforts to pay off the stadium's debt to keep baseball in Reno. He said the negotiations, which included clarifying the lease, had been put on hold given the most recent resignation of the City Manager. He noted the current economic situation did not allow for holding other events. He said the City indicated there would need to be extra police and services related to those types of events, which the City did not have the funding or the capacity to deal with currently. He said there had been discussions, but nothing material. He advised Stuart Katzoff, a principal of the baseball team, had a relationship with the Knitting Factory back east, and he was trying to work out a deal with them. He stated there was an appetite, but the market conditions and the City's financial situation had not allowed for anything at this time.

Member Brown asked if the percentage of usage issue was raised with the City of Reno during the frontend of the negotiations. Mr. Gordon said he believed it was not discussed, because there had been a small window open to obtain the necessary approvals. He said now that the dust settled, the appellant was taking a good look at statute and wanted to get the application of the dollar value cleaned up going forward.

Mr. Wilson advised it was important that any proration of use needed to be limited to the stadium, since the ownership of the land was held by Nevada Land LLC. Mr. Gordon agreed.

Member Green acknowledged the Assessor must use *Marshall and Swift* each year and then apply depreciation. He said often *Marshall and Swift* changed considerably from the previous year depending on the cost of construction. He stated he was having a hard time equating the 240 box seats as being costed as major league in a minor-league stadium. Chairperson Covert agreed he had a problem with that also. He felt maybe the Assessor's Office was ahead of *Marshall and Swift* on this, but he did not understand why *Marshall and Swift* did not recognize the difference.

Chairperson Covert understood the appellant was requesting a \$17,408,845 improvement value. Mr. Gordon replied that was correct.

Member Brown asked what everyone felt about the usage. Member Krolick stated he could readjust the box seats, but he could not support a reduction based on usage without evidence of denial or a study being done on the cost effectiveness of using the stadium in the offseason. Chairperson Covert asked if attendance at the baseball games was down last year from the year before. Mr. Gordon said the appellant believed

attendance had been down because last year's schedule included more mid-week games and the weather had been colder. He stated attendance started picking up again towards the end of the year, so the numbers might have gotten close.

Member Woodland believed a concert held with the right performer would surprise everyone regarding how many people would attend. Member Brown asked who would pay for the damage if there was a concert and the playing field was torn up. Mr. Gordon imagined it would be negotiated as part of the contract.

Chairperson Covert asked for clarification in the increase in the value of the stadium and suite-level seats on a per seat basis. Mr. Wilson said page 13 of Exhibit I showed the per seat cost ranges. He stated the top minor-league cost of \$3,900 was used and the range used to be \$920-\$2,600. He said it was simply a *Marshall and Swift* costing change. He stated page 14 showed the current cost. He noted the letters for each region were the construction type of the improvement with "S" being steel. He said the current year's multipliers were included in the agreement reached on the 2010/11 valuation.

Member Green stated it was well known what the stadium cost. He said he had a problem with the \$7 million increase for one year with everything being the way it was, but he was unsure where he would make a change other than for the box seats.

Member Krolick asked what would be the difference if the box seats were rolled back to \$4,025. Chairperson Covert calculated the difference would be \$588,480. Chairperson Covert said he had a difficulty with the \$17 million value of the improvements. Member Woodland agreed \$17 million was too low and \$26 million was too high.

Chairperson Covert asked if \$4,175 had been used for the stadium-level seats and \$6,477 had been used for the suite-level seats. Appraiser DelGiudice replied that was correct and the total value included an exemption shown on page 12 of Exhibit I.

Member Brown asked for an explanation of the designation "less time not available." Mr. Wilson said pursuant to the agreement, the City of Reno could use the stadium for 12 calendar days per year. He stated the City also had certain seats and a box.

Member Woodland asked why there were different total values shown on page 13 and on page 2. Appraiser DelGiudice the Assessor's Office had to cost the property out completely and then the Treasurer's Office would handle the exemption.

Chairperson Covert stated he understood both points of view, and he believed the answer was somewhere in between. He said he was willing to value the stadium-level seats at \$3,675 for a total of \$22,876,875, the suite-level seats at \$5,627 for a total of \$1,350,480 and to apply the \$1,034,017 exemption, resulting in a total improvement value of \$23,193,338. He stated the land value would remain the same at \$3,257,850 for a total taxable value of \$26,451,188. Member Woodland stated she would second the motion.

Appraiser DelGiudice stated the motion's improvement value would wipe out the value of the restaurants. She said the restaurants were on record cards 1-3 on pages 4-9 in Exhibit I. She stated the manual cost for the stadium shown on record card 4 on page 10 was all that was being addressed. She said the restaurants' value was \$1,105,540 and would make the total value \$27,556,728.

After further discussion regarding the improvement value, Mr. Wilson said depreciation should be in the mix when looking at the replacement costs new of the seats. He suggested calling a recess to work out the numbers.

10:21 a.m. The Board recessed.

10:30 a.m. The Board reconvened with all members present.

Appraiser DelGiudice explained the calculation for the total improvement value included the depreciation on the seats and the restaurants.

With regard to Parcel No. 011-0450-22, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Chairperson Covert, seconded by Member Brown, which motion duly carried, it was ordered that the \$3,257,850 taxable land value be upheld, the stadium seats be reduced to \$3,675 and the suite seats be reduced to \$5,627 for a reduction of the taxable improvement value to \$24,606,074 and an exemption of \$908,704 be applied, resulting in a total taxable value of \$26,955,220 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0654E PARCEL NO. 2625050 – PARASOL TAHOE COMMUNITY
FOUNDATION INC – HEARING NO. 11-0270E10**

A Petition for Review of Assessed Valuation was received requesting exemption for the 2010-11 taxable valuation on land and improvements located at 948 Incline Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter, 1 page.

Exhibit B: Letter and supporting documentation, 485 pages.

Exhibit C: Letter, 3 pages.

Exhibit D: LexisNexis Case, 2 pages.

Exhibit E: Determination Letters, 44 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 182 pages.

On behalf of the Petitioner, William McKean, George Ashley, and Claudia Andersen were sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Josh Wilson, Assessor, suggested dealing with the biggest issue first, which was the exemption. He oriented the Board as to the location of the subject office building, which was on land owned by the Incline Village General Improvement District (IVGID).

Mr. McKean advised a copy of the transcript being made would be provided to Clerk's Office for the record. He discussed the backgrounds of Ms. Andersen, Parasol Tahoe Community Foundation Inc. CEO (Parasol) and of Mr. Ashley, Certified Public Accountant (CPA) and Certified Valuation Analyst.

Mr. McKean said one issue was if Parasol was a not-for-profit entity and the second issue was if Parasol satisfied the public charity prong of the tax exemption statute, Nevada Revised Statute (NRS) 361.140.

Mr. McKean discussed several minor edits to the brief in Exhibit B and outlined how the appellant's testimony would be presented. He thanked the Assessor's staff for their help in providing the documents the appellant needed for this hearing.

Mr. McKean said Parasol was created in 1996 and operated to carry out its charitable non-profit purposes and, upon dissolution, any assets would go to other non-profits, government entities, or charities. He stated Parasol's purpose was to create a lasting community-wide effort to address the community's social service needs. He said its non-profit center was used to bring charities together and helped them reduce their expenses. He said the building and the land were used for non-profit purposes.

Mr. McKean explained the building was paid for by a \$6.6 million grant from the Reynolds Foundation, and the grant required Parasol to raise funds from individual donors to establish a maintenance fund to maintain the building in perpetuity. He advised Parasol raised \$1.3 million for that fund. He said the lease with IVGID stated if Parasol lost its non-profit status that would be grounds for terminating the lease, and a copy of the lease was provided in Exhibit B. He stated the lease allowed subleases, which would also be subject to the conditions of the sub-lessee being a non-profit organization. He said the buildings would revert to IVGID if the lease was surrendered.

Mr. McKean said the non-profit center served as a public space for the community and served as a central location for non-profits to share office space. Chairperson Covert asked if any charitable organization could be part of this or did the organization have to serve a specific group or purpose. Mr. McKean replied there was an application process, and Ms. Andersen would address that further. He said eight non-profits had offices at the center and among them were the American Red Cross, the Lake

Tahoe Shakespeare Festival, and Project MANNA. Mr. McKean said Exhibit B contained letters of support from various non-profits. Ms. Andersen explained Project MANNA was a food bank, which used space in the subject building to teach people how to cook. She stated they were a Parasol grantee.

Ms. Andersen advised the building was operated as a grant program, and there were grants for office space, storage space, and meeting rooms. She noted prior to having space in the center, Project MANNA was located in substandard facilities, which kept them from fulfilling their mission. She said they were not alone in having that problem, so the building was built with input by the grantees who now occupied it.

Ms. Andersen explained all three grant programs were renewable annually, and Parasol's staff and Board reviewed the applicants' financials and looked at the services they provided to the community. She said part of the agreement with IVGID was the service area for the organizations needed to be within IVGID's service area. She said the orientation was to service agencies because there was not a lot of support for those issues at Lake Tahoe, but the arts, culture, the environment, and education were supported.

Ms. Andersen reviewed some of the letters of support, described what the agencies did, and what benefits Parasol provided to them. She noted having space in the subject allowed them to use the money they would have needed for rent for their programs instead.

Member Woodland asked where the grant money came from. Ms. Andersen said as part of the agreement with the Reynolds Foundation, Parasol had to raise an endowment fund, which was currently \$7 million, and the endowment's spending policy allowed for the operation of the building. She explained if an organization would have to rent space outside the center that value was figured at the market rate. She said that was considered an in-kind grant and no cash would change hands. She stated the amount was discounted by 70 and sometimes 100 percent depending on the non-profits program. Mr. McKean explained the value of the office space granted to the charities was approximately \$500,000 per year. Ms Andersen said that amounted to around \$30 million since 2002 between the three grant programs.

Ms. Andersen stated none of the assets could be used for a for-profit purpose and all of the agencies in the building were non-profits. Chairperson Covert asked how that was monitored. Ms. Andersen replied monitoring was achieved by the application process and by Parasol having an office in the building. She said Parasol assumed the bulk of the operating costs for the building, which included furnished office space, utilities, a computer network, high-speed Internet access, and phones. She explained copying was reimbursed at cost.

Mr. Ashley said he was Parasol's Treasurer. He explained community foundations all followed the same model. He said the first foundation was established in 1914 in Cleveland, Ohio, and the largest foundation with assets of over \$4 billion was in

Tulsa, Oklahoma. He said community foundations were grant making foundations, had a globally defined mission, served geographically defined communities, were supported by a broad range of private and public donations, were governed by a volunteer board of directors, and had the underlying goal of building a capital endowment to ensure the foundation's future and growth.

Mr. Ashley said individuals, families, businesses, and other non-profits could establish funds at a community foundation. He stated the funds were established by making unconditional gifts, which meant that money no longer belonged to the donor, but to Parasol with the donor having an advisory role on the use of the funds. He stated some funds were endowed and others would be dispersed in their entirety, but the final decision on spending the funds rested with Parasol's Board. He said it was the Board's responsibility to ensure the funds were spent in charitable endeavors consistent with Parasol's mission.

Member Green asked how many employees were on Parasol's payroll and what the annual payroll was. Mr. Ashley replied seven and the annual payroll was \$688,000. Ms. Andersen explained only three individuals worked under the community foundation piece and the other salaries were applied to grants.

Member Woodland understood non-profits were supposed to work as close to zero as possible, and she was having trouble with Parasol's \$7 million. Mr. Ashley explained the \$7 million was the endowment fund, and its investment income provided for the continued support of the building. Member Green asked if tenants were being charged rent for the furniture. Ms. Andersen said there was a grant match for office use because the Boards of both the Reynolds Foundation and Parasol felt strongly regarding the philanthropic best practice of the non-profit having some incentive to show they had other qualified support.

Member Green asked where the grant money was held. Mr. Ashley said the funds were invested by an investment committee in a variety of funds. Chairperson Covert noted Parasol's investments lost \$4.4 million. Mr. Ashley replied that was correct. Mr. McKean stated Parasol had a four-star rating from Charity Navigator, which was a national ranking of charitable organizations and reflected very low operating expenses. He said if Parasol dissolved, any remaining assets would go to a government entity or another non-profit. He stated any income was used for charitable purposes.

Mr. McKean stated the Assessor believed Parasol had a possessory interest in the land, but Parasol owned the building. He stated it seemed strange the Assessor could make that statement when both the land and the building were leased by Parasol from IVGID. He stated the District Attorney's letter denying the exemption received by the appellant was cryptic and concluded "... It looks to me like they were an investment broker." He stated an investment broker would be investing someone else's money for profit, but Parasol invested its own money to provide charitable services. He said statute indicated the possessory interest would only be taxable if the entity was for profit.

Chairperson Covert asked what the Internal Revenue Service's (IRS's) view was. Mr. McKean stated the IRS 501(c)3 letter provided to the Assessor's Office indicated Parasol was a public charity and it met the public support test under its rules. Chairperson Covert stated Mr. McKean was stating the County was taking a different position from the IRS. Mr. McKean acknowledged the standards were slightly different, but the appellant also provided the Assessor's Office with an exemption from sales tax from the Department of Taxation.

Mr. McKean said the District Attorney's Office indicated allowing a charity to share the operating costs with other non-profits for the space they used would not deny the charity a property tax exemption. He stated the District Attorney also previously ruled providing a forum for performances at reduced costs still fell within the charitable statute.

Josh Wilson, Assessor, stated Parasol was providing a great service to the Incline Village community. He stated the question was whether or not the purpose of the organization met NRS requirements for a non-profit. He said if an entity was not listed in Chapter 361, then 361.140 would be used as the basis to determine if an exemption would be applied. He stated page 30 of Exhibit I was initially all the Assessor's Office had to render a decision on whether or not the subject qualified for an exemption. He said the Assessor's Office reviewed the information and forwarded it to the District Attorney's Office for review as would be done for any questionable corporate exemption. He stated the Assessor's Office had never gone against an opinion from the District Attorney's Office for these tough exemption decisions. He said if the Board felt an exemption was warranted based on the additional information, he stated the Board should do what it felt was right.

Mr. Wilson stated the issue was whether or not Parasol was a public charity. He said Parasol was recognized as a non-profit corporation under Section 501(c)3 of the Internal Revenue Code; however, a corporation's non-profit status could not be equated with its charitable status. He said even though Parasol was exempt from federal income taxes, it did not automatically qualify for a property tax exemption. He advised a lot of 501(c)3 entities paid property taxes. He stated Parasol's Articles of Incorporation stated Parasol's purpose was to create a lasting community-wide cooperative effort to address the social service needs of the residents of Incline Village and its adjacent areas as determined by the Board of Directors. He said the Assessor had to determine whether the funds were derived in whole or in substantial part from grants or other donations. He explained based on Parasol's application, Parasol did not appear to receive a substantial part of their funding from grants or other donations, but rather received funds from non-profit corporations, who invested those funds on behalf of the corporations, and returned or disbursed the funds at the direction of the corporation. He said Parasol listed \$1,271,388 in investment income and \$224,473 in program service revenue in 2008 and \$151,390 and \$50,453 respectively in 2009. He said Parasol also claimed \$59,000 in fees for rental/use of furniture.

Mr. Wilson said after reviewing the additional information provided by the appellant, it seemed Parasol provided grants for other non-profit agencies to occupy portions of the center based on sharing the operating costs; and he reviewed the terms of one of the grant agreements. He said a copy of the District Attorney's determination could be found on page 5 of Exhibit I. He stated he understood where Parasol was coming from in terms of the leasehold interest on a not-for-profit corporation and Parasol might have a case. He felt more importantly, page 74, line 10 of Exhibit I listed the land, buildings and equipment, which he believed was the cost to construct the center. He said the accrued depreciation was removed from the initial cost of construction, which he believed implied Parasol owned the building and not IVGID because Parasol was writing it off on their Form 990.

Mr. Wilson said he explained to Mr. McKean that he would not go against the advice of his legal counsel, especially when it was about the application of the law. He understood the argument put forward by the appellant based on all of the federal requirements and everything indicated Parasol was a non-profit. He said the building and the personal property, which had not been assessed yet, were owned by Parasol, and only the land was subject to possessory interest. He stated the biggest issue was whether Parasol qualified under the provision in NRS 361.140.

Mr. Wilson said a handful of District Attorney Opinions were submitted, but the Assessor's Office supplied the appellant with well over 100 District Attorney opinions. One indicated when a non-profit leased office space that did not exempt from property taxes the portion of the space occupied by the non-profit from property taxes. He stated ownership had always been the key to what would be exempt. He said just leasing space by a non-profit did not exempt the entity.

Chairperson Covert said the language in the District Attorney's letter sounded as if more information was required to render an opinion. He stated he did not like weasel words in an opinion.

Member Krolick advised his wife's name was on the original lease because she was an IVGID Trustee at that time, but he did not see that affecting his decision. He said the building had not been taxed in the past, so he did not understand why it would be taxed now. Mr. Wilson said the Assessor's Office assumed it was owned by IVGID, which was why it received an exemption. Member Krolick said at the end of the 30-year lease or if the lease was broken, the building would revert back to IVGID, which alleviated any risk factor for IVGID giving up its land. Mr. Wilson said he would not speculate on IVGID's intent.

In rebuttal, Mr. McKean said the District Attorney's legal determination letter was cryptic in the appellant's view. He stated other District Attorney's letters supplied by the appellant provided an analysis weighing some factors. He stated because the appellant was not clear what the District Attorney's determination was, two alternative arguments were created. He said because Parasol's use of the land and the building was based on the lease, the only way it could be taxed was as a possessory

interest for an entity being operated for-profit; but if it was not-for-profit, the possessory interest was not taxable. He stated alternatively if the Board found Parasol owned the building used solely for the purposes of a charitable organization and if Parasol was a public charity, then Parasol was exempt. He said a non-profit public charity would be exempt under either scenario. He stated the appellant was asking the Board to find both scenarios applied.

Mr. McKean said the IRS looked at whether a charity shared some of the operating costs and if the charity was sustaining. He stated the matching grant allowed Parasol to assume the bulk of the expenses, but gave the charity some skin in the game as Ms. Andersen pointed out. He said the charities were receiving a substantial benefit from the arrangement, which was pointed out in the letters of support.

Member Woodland asked who held the Deed of Trust on the subject building. Mr. McKean said the real property was owned by IVGID, and the lease was the only thing Parasol had on the building.

Mr. Ashley said Parasol had recorded assets on its balance sheet, consisting of a building and the related accumulated depreciation. He stated there were operating leases and capital leases. He said for a capital lease, the lessee would treat the lease as a purchase, which meant the lease was recorded as an asset and depreciated. He stated the lease Parasol had with IVGID was a capital lease. He said Parasol made a huge initial payment upfront to get into the lease. Member Green asked why a capital lease was used if Parasol did not intend to ever own the building. Mr. Ashley said it was basically an accounting concept. He stated the goal of classifying something as a capital lease was to have the lessee record it on its balance sheet, so the obligation would be fairly presented.

Mr. Ashley said the District Attorney's letter noted most of Parasol's donations came from other organizations, but 85 percent of Parasol's funds were actually donor advised funds and 15 percent were agency funds. He explained if an individual made a gift to Parasol it was an unconditional transfer, and the funds belonged to Parasol. He stated the donor had the right to advise Parasol on how to spend the funds in a non-profitable fashion, but Parasol's Board would make the final decision after doing due diligence if the request was not to an already qualified not-for-profit organization. He said agency funds were funds given to Parasol, often to gain the efficiency of size. He stated the agency could designate themselves as the eventual beneficiary of the funds. He advised just because the funds came from an agency, that did not make it any different from those funds coming from an individual.

Member Green stated the District Attorney's letter on page 5 of Exhibit I said Parasol listed investment income. Mr. Ashley said because Parasol held assets, it would have investment income. Member Green said the letter also mentioned the contributions made to the organization could be accessed at will by member non-profits. Ms. Andersen clarified no other non-profit agency could use Donor Central on the web site. They would submit a request and Parasol's Board would determine if the request

met the conditions of the agreement in place between the agency and Parasol, but money could not be accessed at will. Member Green stated the Opinion also stated it appeared the grants were simply withdrawals from accounts established by member non-profits. Ms. Andersen replied there was no requirement of membership for any entity to make a contribution to Parasol, so there were no members.

Chairperson Covert asked where the \$35.3 million in assets would go if Parasol ended tomorrow. Mr. Ashley said it would go to other tax-exempt organizations or a state or the federal government for a public purpose, and not any one person or company would benefit.

In conclusion, Mr. McKean said the appellant was requesting the Board rule that Parasol's possessory interest was not taxable under NRS 361.157 and Parasol was a public charity and met the requirements of NRS 361.140(1)(a). He said that would exempt any personal property in the future if it came into question. Chairperson Covert asked if the bottom line was Parasol wanted to be exempt from paying any property taxes or personal property taxes as it related to the non-profit. Mr. McKean replied that was correct.

Chairperson Covert believed these types of issues should be decided in a court of law. He stated it did not appear any one person or company was benefiting from this endeavor. He said any debate on the legal issues regarding the statues was way out of this Board's league.

Member Brown said the Assessor's argument was simple. Parasol was getting income from the lease of office space and furniture and from investments. He said he did not buy the investment argument. Chairperson Covert stated it did not appear Parasol was receiving lease income for a profit. Mr. McKeon said one example of a space grant was provided. He stated the annual financial statement indicated the market rent for the space would be \$500,000 and Parasol was collecting under \$60,000.

Member Woodland suggested letting the courts work out what Parasol did and did not do. Member Green said the issue was before the Board today. Chairperson Covert said the Board needed to make a decision. Member Krolick wondered if the Board should side with the District Attorney's opinion or should it keep the status quo and push the decision to the State level and have Parasol eventually go through the courts. Member Green said the Opinion by Terrance Shea, Deputy District Attorney, was rather unclear, but the Opinion by Dick Gammick, District Attorney, was very positive regarding his decision. Chairperson Covert said he did not want to get in the middle of the legal argument and he would vote for leaving the status quo as tax exempt and letting it go down the pike for a legal determination. He said he found it a little thin that the Assessor's Office had determined in the past the building belonged to IVGID with all the records the Assessor's Office had. He believed the issues needed to be resolved before the Board would be in the position to make a decision. Member Woodland agreed.

Member Brown asked what would be the authority for the exemption. Herb Kaplan, Deputy District Attorney, said the exemption the appellant was requesting was under NRS 361.140 and the motion should be under that statute if the Board found it met the criteria. He stated if the Board wanted to grant it based on the general authority and jurisdiction that this Board had to review a denial of an exemption, it would be under NRS 361.155. Chairperson Covert understood Parasol was currently operating under NRS 361.140 Mr. Kaplan stated that was not the understanding he had from today's testimony. He said it sounded like, whether through error or not, Parasol had not been taxed because the assumption was both the building and the land were owned by IVGID. He said no one stated the organization qualified for an exemption under NRS 361.140. Chairperson Covert said if the Board made a motion exempting Parasol under NRS 361.140, would the Board be making a legal decision. Mr. Kaplan replied potentially, but the Board member's comments indicated there was not enough information to make that determination. He stated if the Board wanted to leave Parasol as an exempt organization, the motion should be made under NRS 361.155. He said that NRS gave the Board the general authority to hear petitions based on the denial of an exemption by the Assessor's Office.

Mr. Wilson clarified the Assessor's Office assessed Parasol because it was determined Parasol was not tax exempt. He stated Parasol paid its property tax bill, but under protest. He stated Parasol wanted an exemption granted by this Board under NRS 361.140, so any property owned by Parasol became tax exempt. He said if the Board left the status quo, then the tax bill the appellant paid would remain. He advised he would appreciate a decision by the Board one way or the other, so the Assessor's Office would know whether or not to bill for the personal property.

Mr. McKean stated historically the subject was treated as if the building was owned by IVGID under the lease. He said this was the first year it was taxed and three tax bills had been paid under protest. Chairperson Covert said he still felt the Board was not in a position to rule whether it was a NRS 361.140 exemption or not. He stated an option would be to uphold the Assessor and let it go to the State Board of Equalization (SBOE).

Mr. Kaplan explained the Board had basically two options. He advised it was the appellant's burden to convince the Board what they were asking for was warranted, and, if the Board felt that burden was met, it could grant the exemption under NRS 361.140. If the Board felt the burden was not met, it would uphold the Assessor's value. Chairperson Covert reiterated he was not in a position to determine if the burden was met. Member Green said the appellant presented an impressive case, but the District Attorney had a problem with the exemption. Member Brown interjected he did not see any individual profit. Member Green believed the Board should uphold the Assessor's value. Member Krolick said the burden was on the charity and not the government entity.

After further discussion, Member Green suggested someone make a motion. Chairperson Covert asked what Mr. Wilson would do if he disagreed with the motion. Mr. Wilson said he could appeal to the State. He believed this Board had the

right to make legal determinations and did so daily. Chairperson Covert said this issue and its legal ramifications were very complex.

With regard to Parcel No. 2625050, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Krolick, which motion duly carried, it was ordered that the Petitioner be granted exemption for property taxes for tax year 2010-11, pursuant to NRS 361.140.

**11-0655E PARCEL NO. 2625050 – PARASOL TAHOE COMMUNITY
FOUNDATION, INC – HEARING NO. 11-0270PP**

A Petition for Review of Assessed Valuation was received protesting the 2010-11 taxable valuation on personal property located in Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter, 1 page.

Exhibit B: Letter and supporting documentation, 485 pages.

Exhibit C: Letter, 3 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 182 pages.

On behalf of the Petitioner, William McKean, George Ashley, and Claudia Andersen were previously sworn.

On behalf of the Assessor and having been previously sworn, Josh Wilson, Assessor, oriented the Board as to the location of the subject property. He said this hearing was unnecessary because an exemption was granted under Nevada Revised Statute (NRS) 361.140 for the property owned by Parasol based on the decision made for Hearing No. 11-0270E10, which was regarding the valuation of the actual assessment. Herb Kaplan, Deputy District Attorney, said the Board should make a similar motion.

With regard to Parcel No. 2625050, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the Petitioner be granted exemption for property taxes for tax year 2010-11, pursuant to NRS 361.140.

12:37 p.m. The Board recessed.

1:20 p.m. The Board reconvened with all members present.

**11-0656E PARCEL NO. 049-402-02 – BERNARD FAMILY TRUST, DONALD
A & CAROLYN K – HEARING NO. 11-0154**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land located at 3800 Mount Rose Highway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 35 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 34 pages.

On behalf of the Petitioner, Arlo Stockham and Don Bernard were sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Craig Anacker, Appraiser, oriented the Board as to the location of the subject property. He said the subject property was rezoned Neighborhood Commercial due to the September 9, 2009 adoption of the Forest Area Plan by the Washoe County Commission.

Mr. Stockham said the appellant's issue was the dramatic increase in the subject's taxes due to its rezoning from Residential to Neighborhood Commercial, even though only residential development was feasible. He thanked the Assessor's staff for their courtesy.

Mr. Stockham said the subject was valued at just under \$300,000 last year, and the reassessment increased the value by approximately 800 percent to \$2.3 million. He advised that amount was reduced to \$1.43 million after a meeting with the Assessor's staff, and it was further reduced in Exhibit I to just under \$860,000. He stated the appellant felt the valuation increase was still way out of line. He said the problem was there were no comparables in the area due to there not being a market for vacant commercial land.

Mr. Stockham said the first problem with the methodology used by the Assessor's Office related to the land's use and zoning. He understood the Assessor used a one-size-fits-all land use designation for commercial property, but the subject had strict zoning restrictions regarding the percentage of land area to building area. He said the maximum percentage was 0.1, which would allow a single-story development with most of the parcel remaining undeveloped. He said by contrast, the commercial property at the corner of S. Virginia Street and Mt. Rose Highway had approval for a 17-story hotel and casino and millions of square feet of commercial space. He stated that property was not comparable to the subject, but the assessed valuation was basically the same.

Mr. Stockham said the second problem regarding the subject property related to access. He stated the property was landlocked even though it had frontage along Mt. Rose Highway. He advised access onto Mt. Rose Highway was not allowed except for right-in and right-out low traffic single-family use. He said Butch Cassidy Drive would have to be extended from Edmonton Drive to the subject for primary access to develop the subject commercially. He stated extending the primary and secondary access was estimated to cost up to \$2.5 million based on the most recent available Regional Transportation Commission (RTC) road cost tables. He said the projected cost by the County's engineering staff was a little over \$800,000, which did not include the costs for secondary access, sound walls or landscaping. He stated the reality was the subject was not a commercial site regardless of the County changing the map.

Mr. Stockham said the appellant provided some data on properties in the area that were comparable to the subject. He stated comparable ALS-1 was given the most weight by the Assessor's Office even though the buyer owned the adjoining property and paid a premium to consolidate their holdings. He stated that property was superior to the subject because it was visible from the freeway, had direct road access, had an improved business park to the east, had no residential adjacency issues, nor offsite improvement costs. He said he was not sure how valid the Assessor's other comparables were. He said the valuation of \$291,000 represented a 50 percent increase over the 1998 purchase price, which was inline with what market conditions had been doing and reflected today's feasible development. He stated the appellant was requesting last year's taxable value be reinstated.

Member Green asked if Butch Cassidy Drive was paved. Mr. Stockham said it was paved up to Edmonton Drive, but not up to the subject. He noted the deeded right-of-way was not wide enough to build a full road. He stated the subject could become a viable commercial site if the property to the east was developed, because its development would likely require extending the roadway and the easement. He stated extending that roadway would easily cost \$1 million or more.

Josh Wilson, Assessor, said it was important to consider Nevada Revised Statute (NRS) 361.227, which stated the determination of the taxable value should consider the uses to which vacant land could lawfully be put, any legal or physical restrictions to those uses, the character of the terrain, and the uses of other land in the vicinity. He stated the update of the Forest Area Plan affected the subject property by changing its zoning. He said the Assessor's Office did not value the subject as residential property because it was believed the zoning did not allow for residential use.

Member Green said if the property was valued as residential, would the Assessor's Office go back to the \$291,000 value. Mr. Wilson said generally speaking the market trends for residential vacant land had been declining, which might indicate it would be something less than what the residential value was last year. Chairperson Covert indicated the Board did not have the authority to change the zoning.

Appraiser Anacker reviewed his response to Mr. Stockham's analysis, which started on page 10 of Exhibit I. He said the appellant's cost estimate for the secondary road access was based on a March 2007 estimate. He stated he contacted the firm that did the estimate, and they noted costs had dropped 30-40 percent since then. He said the roadway extension would probably cost \$600,000 to \$800,000 to reach the subject parcel based on a 35 percent reduction.

Member Green said extending Butch Cassidy Drive from Edmonton Drive to Mt. Rose Highway would cost \$2.5 million and needed to be done to utilize the commercial zoning. Mr. Stockham said that figure was based on the 2007 estimate, and Community Development said the extension to Mt. Rose Highway was not required for the Neighborhood Commercial low-traffic type of development. Chairperson Covert believed a two-lane road, which Butch Cassidy Drive was currently, would not be appropriate for commercial use. Appraiser Anacker agreed the road would have to be widened.

Appraiser Anacker said starting on page 15 of Exhibit I was a table indicating the uses for each type of commercial zoning. He advised having a parcel on the Mt. Rose Scenic Corridor did place some additional restrictions on its development. He noted 100 percent of the subject was zoned as commercial, even though the required 500 foot offset only applied to the front two-thirds of the parcel. He said that was a restriction placed on the subject due to the parcel falling under the Scenic Corridor.

Appraiser Anacker said the other restrictions for commercial development were also important, such as the floor-area ratio, which would drop the subject's allowed floor area to 150,000 square feet for 10.95 acres. A discussion continued regarding the Master Plan, its goals, the Forest Area Plan and how the subject fit into the plans. He stated the value of the casino property the appellant mentioned dropped substantially over the years as the development plans got pushed further out. He stated in recognizing all the various factors and based on the comparable sales on page 1 of Exhibit I, there was a recommendation for a total taxable land value of \$858,568.

In rebuttal, Mr. Stockham said the most important issue was the requirement for the primary and secondary access, which was why his plan showed the entire road extension. He acknowledged the secondary access could be accomplished by some limited traffic movement onto Mt. Rose Highway, but that would still involve costs. He said this was not a commercial development site despite the new plan the County adopted. He stated zoning requirements were complex and there were 65 pages of regulations. He discussed some of the differences between Tourist Commercial and Neighborhood commercial zoning. He said the maximum building area for the subject, was 47,000 square feet based on the site area times 0.1. He stated he truly believed this was a residential site.

Member Woodland asked what the appellant's plans were when the subject was purchased. Mr. Stockham said it was purchased as a long-term investment.

Member Green said the subject was semi-landlocked, and he was having a hard time with a value of \$80,000 an acre. Chairperson Covert said the Assessor's Office did a good job delineating the property's restrictions and now the question was how much the restrictions were worth. He stated he was not inclined to go with the appellant's requested value. Member Green agreed and suggested \$50,000 to \$55,000 an acre. Member Woodland said \$800,000. Chairperson Covert felt that was not enough, and said he could go with \$550,000.

With regard to Parcel No. 049-402-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be reduced to \$550,000, resulting in a total taxable value of \$550,000 for tax year 2011-12. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0657E PARCEL NO. 049-402-02 – BERNARD FAMILY TRUST, DONALD A & CAROLYN K – HEARING NO. 11-0154R10

A Petition for Review of Assessed Valuation was received protesting the 2010-11 taxable valuation on land located at 3800 Mount Rose Highway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 35 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 34 pages.

On behalf of the Petitioner, Arlo Stockham and Don Bernard were previously sworn.

On behalf of the Assessor and having been previously sworn, Craig Anacker, Appraiser, oriented the Board as to the location of the subject property. He said the recommendation was to apply the same value as was applied in Hearing No. 11-0154.

Mr. Stockham stated the same considerations applied for this hearing as for Hearing No. 11-0154.

With regard to Parcel No. 049-402-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be reduced to \$550,000, resulting in a total taxable value of

\$550,000 for tax year 2010-11. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0658E PARCEL NO. 049-402-01 – WINTERBERG, JULIA –
HEARING NO. 11-0075

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land located at 3900 Mount Rose Highway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and Photo, 2 pages.

Exhibit B: Photos, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 37 pages.

On behalf of the Petitioner, Julia and Friedwardt Winterberg were sworn in by Chief Deputy Clerk Nancy Parent.

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

Ms. Winterberg advised her husband gave her the property because she was handicapped, he was 21 years older than she, and he wanted her to have something after he was gone. She said the increase in the subject's value due to the zoning change, which they were not informed of, was too much. She noted she might not be able to hold onto it, so they met with the Assessor and the Community Development Director to see if the property's rezoning could be changed back to residential. Chairperson Covert explained the Board did not have the authority to rezone the subject, but it did have the authority to decrease the valuation.

Ms. Winterberg said the photos in Exhibit B showed the subject had no access due to the rocks, which would be very expensive to remove.

Josh Wilson, Assessor, said based on the Board's decision for Hearing No. 11-0154, he recommended a value of \$125,000, plus the \$500 token value for the open space area, for a total taxable value of \$125,500 for the subject.

Chairperson Covert said the Assessor's Office reduced the land to \$50,000 per usable acre, which he felt was a fair reduction. Mr. Winterberg said he would petition the County Commission to rezone the property as residential, and he was satisfied with the Assessor's recommendation.

With regard to Parcel No. 049-402-01, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$125,500, resulting in a total taxable value of \$125,500 for tax year 2011-12. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0659E PARCEL NO. 049-402-01 – WINTERBERG, JULIA –
HEARING NO. 11-0075R10

A Petition for Review of Assessed Valuation was received protesting the 2010-11 taxable valuation on land located at 3900 Mount Rose Highway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and Photo, 2 pages.

Exhibit B: Photos, 2 pages.

Assessor

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

On behalf of the Petitioner, Julia and Friedwardt Winterberg were previously sworn.

On behalf of the Assessor and having been previously sworn, Craig Anacker, Appraiser, oriented the Board as to the location of the subject property. He explained the recommendation for the 2010-11 tax year was the same as for the 2011-12 tax year.

With regard to Parcel No. 049-402-01, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$125,500, resulting in a total taxable value of \$125,500 for tax year 2010-11. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0660E PARCEL NO. 033-392-02 – ZEE LLC –
HEARING NO. 11-0520

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 205 Nichols Boulevard, 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, 5 pages.

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

On behalf of the Assessor and having been previously sworn, Ginny Dillon, Appraiser, oriented the Board as to the location of the subject property. She stated the appellant agreed with the Assessor's recommendation on page 1 of Exhibit I, which was based on an interior inspection. She said that inspection determined the building was not a convenience market but housed the office, laundry, storage, showers and restrooms commensurate with a recreational vehicle (RV) park.

With regard to Parcel No. 033-392-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$528,062 to reflect a usage correction, resulting in a total taxable value of \$1,282,462 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

2:25 p.m. The Board recessed.

2:31 p.m. The Board reconvened with all members present.

11-0661E **PARCEL NO. 010-234-21 – RALEY'S FAMILY OF STORES – HEARING NO. 11-0157**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1445 Mayberry Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: FAX with supporting documents, 21 pages.

Assessor

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

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

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

Appraiser Lambert reviewed the Assessor's income approach on page 3 of Exhibit I. She noted the income and expense data was not provided by the appellant, so market statistics were used. She also reviewed the sales comparison approach on page 2 and the conclusions on page 1 of Exhibit I. She said based on the values indicated by the income and sales approaches, the recommendation was to uphold the Assessor's values.

Appraiser Lambert advised the appellant's income approach to value in Exhibit A did not use the appellant's own income and used rents from four different listings. She noted two of the listings were significantly larger and inferior in quality, while the other two that were similar in size were also in inferior neighborhoods. She said the listing the appellant chose to use for the actual rent was the former Long's Drugs on the corner of Kietzke Lane and Plumb Lane, which was a much lower quality building. Member Green believed the Long's Drug was a much older building. Appraiser Lambert also believed it was. She stated she was not sure why the appellant did not use the property's own income information. Chairperson Covert said the appellant either did not have the information or did not want to show it.

Member Green and Chairperson Covert felt the Assessor's value was appropriate.

With regard to Parcel No. 010-234-21, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0662E PARCEL NO. 006-111-34 – RALEY'S FAMILY OF STORES –
HEARING NO. 11-0159

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 701 Keystone Avenue, 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, 18 pages.

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

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

Appraiser Lambert indicated no income information was supplied by the appellant. She stated the sales comparison approach indicated a value of \$96 per square foot and the income approach indicated a value of \$128 per square foot. She noted the taxable value was \$64 per square foot and the recommendation was to uphold the Assessor's values.

Member Green said the appellant was asking for a taxable value of \$1,388,108 on the petition. He noted he did not have an evidence packet from the appellant for this hearing. Ms. Parent confirmed no additional evidence was received.

With regard to Parcel No. 006-111-34, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0663E PARCEL NO. 027-520-01 – RALEY'S FAMILY OF STORES – HEARING NO. 11-0160

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2895 N. McCarran Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: FAX with supporting documentation, 21 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 17 pages.

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

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

Appraiser Ettinger said the recommendation was to uphold the Assessor's values. He reviewed the sales comparables on page 2 of Exhibit I and the income approach on page 4. He noted he had access to the rent roll for this shopping center, which indicated the rent was \$1.08 per square foot. He also reviewed the conclusions on page 1, which recommended upholding the property's value.

Member Green said the appellant used a cap rate of 8.5 percent. Appraiser Ettinger said the property was very stable because it had a 25-year lease, so he believed the safety of the investment would constitute an 8 percent cap rate. Member Green and Chairperson Covert both stated they were comfortable with the Assessor's cap rate. Chairperson Covert said the appellant's potential income was about \$4 less than the actual income. He stated he did not understand what "potential" meant. Appraiser Ettinger believed it was because they relied on the former Mervyn's on Sierra Center Parkway, which had been vacant for awhile and was not indicative of what the subject property would generate.

With regard to Parcel No. 027-520-01, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0664E PARCEL NO. 049-731-10 – RALEY'S FAMILY OF STORES – HEARING NO. 11-0161

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 18144 Wedge Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: FAX and supporting documents, 21 pages.

Assessor

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

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

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

Appraiser Anacker noted this was one of the best Raley's in the area due to its good customer base and demographics. He explained the shopping center had a very minimal vacancy rate because it had been almost fully leased for years. He said the rental rate of \$1.39 per square foot was used because that was the lease rate of the Wingfield Springs Raley's, which it was felt the subject was superior to. He stated the income approach and the comparable sales both indicated values of over \$11 million, and the subject was valued at \$6,705,441. He stated the recommendation on page 1 of Exhibit I was to uphold.

With regard to Parcel No. 049-731-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

**11-0665E PARCEL NO. 528-321-04 – RALEY'S FAMILY OF STORES –
HEARING NO. 11-0163**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2433 Wingfield Hills Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: FAX with supporting documentation, 21 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

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

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

Appraiser Oliphint said the evidence just submitted by the appellant actually related to the grocery store right next to the convenience market with the wrap-

around car wash. Chairperson Covert asked if it was all owned by Raley's. Appraiser Oliphint replied it was. He reviewed the newer comparable sales, IS-3 and IS-4, on page 2 of Exhibit I. He stated the recommendation was to uphold the Assessor's values.

With regard to Parcel No. 528-321-04, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0666E PARCEL NO. 528-321-06 – RALEY'S FAMILY OF STORES –
HEARING NO. 11-0164

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2389 Wingfield Hills Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: FAX with supporting documentation, 21 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 17 pages.

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

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

Chairperson Covert noted the appellant's evidence packet was the same as the packet submitted for Hearing No. 11-0163. Appraiser Oliphint said this was the Raley's next to the convenience mart in Hearing No. 11-0163.

Appraiser Oliphint reviewed the income approach on page 4 of Exhibit I, which used the actual lease rate of \$1.39 per square foot and arrived at a value of \$1.84 per square foot. He also reviewed the sales comparison approach on page 2, which generally supported that value, especially IS-3. He stated the recommendation was to uphold.

Appraiser Oliphint said regarding the appellant's comparables, he had tried to explain to the appellant last year that the subject was valued with having a lease in place instead of being vacant. Member Woodland noted almost everything the

appellant submitted was for vacant properties. He stated the appellant also did not have any cap rate comparables.

With regard to Parcel No. 528-321-06, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Green, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0667E PARCEL NO. 402-441-01 – D'ANDREA MARKETPLACE SC LP – HEARING NO. 11-0638A

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2848 Vista Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 16 pages.

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

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

Chairperson Covert asked if the appellant's \$15,134,500 value on the petition combined all of the parcels owned by D'Andrea that were being appealed. Appraiser Warren replied it did, but subsequently a number of the parcels were withdrawn. Chairperson Covert said that meant the Board could not deal with the appellant's indicated value. Appraiser Warren said that was true, and today the Board was only dealing with the remaining parcels.

Appraiser Warren stated the sales comparison approach had a concluded value of \$1,275,000 and the income approach had a concluded value of \$1,242,500. He advised the values derived by both approaches were above the subject's total taxable value of \$1,159,935 and the recommendation was to uphold the Assessor's value.

With regard to Parcel No. 402-441-01, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member

Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0668 **PARCEL NO. 402-441-02 – D'ANDREA MARKETPLACE SC LP – HEARING NO. 11-0638B**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2898 Vista Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 16 pages.

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

On behalf of the Assessor and having been previously sworn, Pete Kinne, Appraiser, oriented the Board as to the location of the subject property. He reviewed the conclusions on page 1 of Exhibit I, and stated the recommendation was to reduce the total taxable value to \$1,100,000.

With regard to Parcel No. 402-441-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$107,206 in obsolescence to \$620,510, resulting in a total taxable value of \$1,100,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0669E **PARCEL NO. 402-441-03 – D'ANDREA MARKETPLACE SC LP – HEARING NO. 11-0638C**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2888 Vista Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 19 pages.

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

On behalf of the Assessor and having been previously sworn, Gary Warren, Sr. Appraiser, oriented the Board as to the location of the subject property. He reviewed the sales and income approaches in Exhibit I, noting the property was 50 percent vacant. He indicated the recommendation was to uphold the Assessor's value.

With regard to Parcel No. 402-441-03, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0670E PARCEL NO. 402-441-10 – D'ANDREA MARKETPLACE SC LP – HEARING NO. 11-0638I

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2838 Vista Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 22 pages.

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

On behalf of the Assessor and having been previously sworn, Gary Warren, Sr. Appraiser, oriented the Board as to the location of the subject property. He said the subject suffered from a high vacancy rate, parking issues, and issues with the building's placement within the shopping center. He stated those factors indicated a

lower taxable value than was currently on the subject, and the recommendation was to reduce the total taxable value to \$940,000 by applying \$14,543 in obsolescence.

With regard to Parcel No. 402-441-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$14,543 in obsolescence to \$609,964, resulting in a total taxable value of \$940,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0671E PARCEL NO. 202-052-08 – MCQUEEN CROSSING SC LP –
HEARING NO. 11-0639A

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1680 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

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

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property. Chairperson Covert said the appellant lumped all of the numbers together for the McQueen Crossing Shopping Center. Appraiser Lambert stated this hearing was for the bank building located within the shopping center.

Appraiser Lambert reviewed the sales comparison approach on page 2 of Exhibit I. She noted the income approach to value used the actual rents supplied by the appellant, which indicated a value of \$1,396,397. She stated the recommendation was to uphold the Assessor's value based on this analysis. She noted the most weight was given to the income approach with emphasis being given to the long-term lease of the subject.

With regard to Parcel No. 202-052-08, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

**11-0672E PARCEL NO. 202-052-09 – MCQUEEN CROSSING SC LP –
HEARING NO. 11-0639B**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1690 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 13 pages.

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

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property. She noted the sales comparison approach indicated a total taxable value of \$1,560,000, and she said sales of this type of property were generally to owners/users, so the income approach was not applicable. She stated the recommendation was to uphold.

With regard to Parcel No. 202-052-09, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

**11-0673E PARCEL NO. 202-052-10 – MCQUEEN CROSSING SC LP –
HEARING NO. 11-0639C**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1640 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 16 pages.

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

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property, which was a Bully's Sports Bar and Grill. She reviewed the conclusions on page 1 of Exhibit I and advised the recommendation was to uphold the Assessor's value.

Chairperson Covert asked if the Bully's was still open. Appraiser Lambert said it was, but she believed it was operating under Chapter 11.

With regard to Parcel No. 202-052-10, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0674E PARCEL NO. 202-052-12 – MCQUEEN CROSSING SC LP – HEARING NO. 11-0639D

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1610 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

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

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property. She reviewed the conclusions on page 1 of Exhibit I and advised the recommendation was to uphold the Assessor's value.

With regard to Parcel No. 202-052-12, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0675E PARCEL NO. 202-052-13 – MCQUEEN CROSSING SC LP –
HEARING NO. 11-0639E

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1620 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

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

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property. She reviewed the conclusions on page 1 of Exhibit I and advised the recommendation was to uphold the Assessor's value.

With regard to Parcel No. 202-052-13, 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 Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0676E PARCEL NO. 202-052-14 – MCQUEEN CROSSING SC LP –
HEARING NO. 11-0639F

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1650 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 17 pages.

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

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser, oriented the Board as to the location of the subject property. She said the appellant was in agreement with the Assessor's recommendation on page 1 of Exhibit I.

With regard to Parcel No. 202-052-14, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by obsolescence to \$1,160,641, resulting in a total taxable value of \$1,722,073 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0677E PARCEL NO. 202-052-15 – MCQUEEN CROSSING SC LP –
HEARING NO. 11-0639G

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1630 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 17 pages.

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

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

reviewed the conclusions on page 1 of Exhibit I, and noted the Assessor's recommendation was to uphold.

With regard to Parcel No. 202-052-15, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. 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.

11-0678E PARCEL NO. 027-520-06 – SPARKS MERCANTILE LP –
HEARING NO. 11-0640D

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 3005 N. McCarran Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Statement of Operations, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 17 pages.

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

On behalf of the Assessor and having been previously sworn, Stacy Ettinger, Appraiser, oriented the Board as to the location of the subject property. He said the subject property had been vacant for over a year, had poor visibility, and poor access within the shopping center. He stated the Assessor's Office had a recommendation on page 1 of Exhibit I with which the appellant was in agreement.

With regard to Parcel No. 027-520-06, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by obsolescence to \$311,192, resulting in a total taxable value of \$570,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0679E PARCEL NO. 402-441-08 – D'ANDREA MARKETPLACE SC LP –
HEARING NO. 11-0654**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2818 Vista Boulevard, 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, 16 pages.

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

On behalf of the Assessor and having been previously sworn, Gary Warren, Sr. Appraiser, oriented the Board as to the location of the subject property. He stated the income approach and the sales comparison approach did not support the Assessor's taxable value, and the recommendation was to reduce the total taxable value to \$851,900.

With regard to Parcel No. 402-441-08, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$240,253 in obsolescence to \$378,212, resulting in a total taxable value of \$851,900 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0680E PARCEL NO. 142-331-04 – US BANK NA –
HEARING NO. 11-0657**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 13949 S. Virginia Street, 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, 13 pages.

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

On behalf of the Assessor and having been previously sworn, Rigo Lopez, Sr. Appraiser, oriented the Board as to the location of the subject property. He said the appellant was in agreement with the recommendation on page 1 of Exhibit I.

With regard to Parcel No. 142-331-04, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$86,868 in total obsolescence to \$576,562, resulting in a total taxable value of \$1,311,225 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0681E PARCEL NO. 140-213-34 – LN DAMONTE RANCH TOWN CTR
LLC – HEARING NO. 11-0659**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1161 Steamboat Parkway, 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, 15 pages.

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

On behalf of the Assessor and having been previously sworn, Rigo Lopez, Sr. Appraiser, oriented the Board as to the location of the subject property. He said the appellant was in agreement with the recommendation on page 1 of Exhibit I.

With regard to Parcel No. 140-213-34, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by

\$130,580 in total obsolescence to \$430,217, resulting in a total taxable value of \$763,100 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0682E PARCEL NO. 510-492-10 – SPANISH SPRINGS SHOP CENT LLC
– HEARING NO. 11-0660**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 142 Los Altos Parkway, 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, 18 pages.

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

On behalf of the Assessor and having been previously sworn, Ken Johns, Appraiser, oriented the Board as to the location of the subject property. He said the appellant was in agreement with the recommendation on page 1 of Exhibit I.

With regard to Parcel No. 510-492-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$499,213 in obsolescence to \$357,202, resulting in a total taxable value of \$900,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

BOARD MEMBER COMMENTS

There were no Board Member comments.

PUBLIC COMMENT

There was no public comment.

* * * * *

3:30 p.m. There being no further hearings or business to come before the Board, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, the meeting was adjourned.

JAMES COVERT, Chairperson
Washoe County Board of Equalization

ATTEST:

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

*Minutes prepared by
Jan Frazzetta, Deputy Clerk*