

**PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2017-077-10258R

Parcel No. 312/02766-505-000

Jacquelyne R. Seibert Revocable Trust,

Appellant,

vs.

Polk County Board of Review,

Appellee.

Introduction

The appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on March 26, 2018. Trustee Richard Seibert represented the Jacquelyne R. Seibert Revocable Trust (Trust). Polk County Assistant Attorney Christina Gonzalez represented the Board of Review.

The Trust owns a residential property located 14224 Ridgemont Drive, Urbandale. The property's January 1, 2017 assessment was set at \$907,100, allocated as \$223,000 in land value and \$684,100 to improvement value. (Ex. A).

The Trust petitioned the Board of Review claiming the assessment was not equitable as compared to the assessments of other like property and the property was assessed for more than the value authorized by law under Iowa Code sections 441.37(1)(a)(1)(a, b). The Board of Review denied the petition. The Trust reasserted its claims to PAAB.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2017). PAAB is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case.

§ 441.37A(1)(b). PAAB considers only those grounds presented to or considered by the Board of Review, but determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount.

§§ 441.37A(1)(a-b). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it.

§ 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct.

§ 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* Conversely, sale prices of abnormal transactions not reflecting market value shall not be taken into account, or shall be adjusted to eliminate the factors that distort market value, including but not limited to foreclosure or other forced sales. *Id.* If sales are not available to determine market value then "other factors," such as income and/or cost, may be considered. § 441.21(2).

Findings of Fact

The subject property is a one-and-a-half story home built in 2004. It has 4066 square feet of gross living area, a walk-out basement with 1799 square feet of living-quarter-quality finish, multiple porches and patios, and a four-car attached garage. The site is 1.024 acres. The Trust purchased the property in May 2012 for \$825,000. (Ex. A).

Seibert believes his property is uniquely situated. He explained there are fifteen properties located on a single cul-de-sac street that comprise the subject property's development and homeowners' association. The development is surrounded by vacant, undeveloped land to the north and south; Walnut Creek Regional Park to the west; and

townhomes/apartments to the east. There is also some lower quality housing to the north of the townhomes and apartments. In Seibert's opinion, other than the properties in his homeowners association, there are no comparables located within a mile in any direction. He explained the subject development's homeowners association has covenants requiring specific architectural standards resulting in the nearby properties being similar to his. He has had the opportunity to view the interior of several of the properties in the development and considers them to all be similar in quality.

Seibert identified five properties on his street that he reports have sold in the last two to three years. (Ex. 2, para. 1(b)). He identified them by an abbreviated parcel number and listed their assessed value. He did not submit the sale price, sale date, or any other information about these properties. He did not adjust the sale prices to arrive at an opinion of market value for the subject property as of January 1, 2017.

Seibert also submitted six properties of one-and-a-half and one-story homes located in his development that he believes support his claims. (Ex. 2, para. 2). The following table summarizes the comparable properties.

Parcel #	Assessed Value	Total Finished Area (SF)	Assessed Value/SF
Subject	\$907,100	5865	\$155
515	\$797,300	5666	\$141
510	\$706,900	6046	\$117
502	\$873,700	5150	\$170
509	\$1,026,500	5777	\$178
512	\$993,300	7849	\$127
513	\$1,078,000	7127	\$151

Seibert stated that Parcel 510 is the only property that has sold within the last two years; he did not submit the sale price or the sale date. Seibert testified he was aware this property's site and improvements are located in both Polk and Dallas County, but he does not know how Dallas County handles the assessment for the portion of the improvements/site located in its jurisdiction. Without additional evidence such as the property record cards, we are unable to confirm whether the assessed

value that Seibert reported does include the portion of the property located in Dallas County.

Seibert analyzed the properties based on their total finished area, which includes the above and below grade finish. The average assessed value of these homes was \$147 per square foot. Based on this average assessment calculation, Seibert asserts the correct assessed value for his property is \$860,200. (Ex. 2, para. 3).

The Board of Review submitted the subject's property record card and cost sheet. (Ex. A-B). It did not offer any testimony at hearing.

Analysis & Conclusions of Law

The Trust asserts its property is inequitably assessed and over assessed.

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993).

The Trust offered no evidence of the Assessor applying an assessment method in a non-uniform manner.

Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709 (Iowa 1965). The *Maxwell* test provides that inequity exists when, after considering the actual and assessed values of comparable properties, the subject property is assessed at a higher proportion of its actual value. *Id.*

The Trust did not provide any recent sales (2016) to compare to the current assessments (2017) in order to establish ratios for analysis under *Maxwell*. Moreover, The Trust did not provide any evidence of the subject's fair market value, which is also required in order to complete the *Maxwell* ratio analysis. For these reasons, we find the Trust failed to show the subject property's assessment is inequitable.

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(1)(b), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). The Trust did not

submit any evidence of the market value of its property as of January 1, 2017. To succeed in a claim of over assessment, the property's market value is typically demonstrated with a competent appraisal or a comparable market analysis, considering at minimum the sales comparison approach to value. Simply comparing assessments on a per-square-foot basis is insufficient.

Viewing the record as a whole, we find the Trust failed to show its property is inequitably assessed or over assessed.

Order

PAAB HEREBY AFFIRMS the Polk County Board of Review's action.

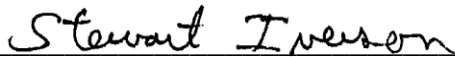
This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2017).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 20 days of the date of this Order and comply with the requirements of Iowa Code sections 441.38; 441.38B, 441.39; and Chapter 17A.



Karen Oberman, Presiding Officer



Stewart Iverson, Board Chair



Camille Valley, Board Member

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