

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

PAAB Docket No. 2018-008-00076R

Parcel No. 08-8426-22-23-82-055

Joshua Jacobsen,

Appellant,

vs.

Boone County Board of Review,

Appellee.

Introduction

The appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on November 29, 2018. Joshua Jacobsen was self-represented. Assistant Boone County Attorney Matt Speers represented the Board of Review.

Jacobsen owns a residential property located at 1723 Clinton Street, Boone. The property's January 1, 2017 assessment was \$324,351, allocated as \$19,845 in land value and \$304,506 in dwelling value. (Ex. A, p. 5).

Jacobsen petitioned the Board of Review in 2018 contending there was an error in the January 1, 2017 assessment. Iowa Code § 441.37(2)(a)(2018) (Ex. C). The Board of Review denied the petition. (Ex. B).

Jacobsen then appealed to PAAB reasserting his claim. He attempted to raise additional claims, but those claims are not available in a challenge of a previous year's assessment.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A 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 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(3)(a). 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. *Id.*; see also *Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005).

In appeals before PAAB, 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).

Findings of Fact

The subject property is listed as a two-story home built in 2001 with 2290 square feet of gross living area, 1611 square feet of basement finish, a deck, a three-season porch, and a two-car attached garage. The site is 0.289 acres. Jacobsen purchased the property in November 2017 for \$293,000. (Ex. A).

Jacobsen submitted five properties that he believes are similar to the subject property and relied on them to support his claim. He included the property record card, photos, and a spreadsheet comparing the cost of each to the subject property. (Exs. 23-27). The following table summarizes the properties.

Address	Sale Date	Sale Price	Gross Living Area (SF)	Basement Finish (SF)	2018 Assessed Value
Subject	Nov-17	\$293,000	2290	1611	\$312,809
1 - 1920 SE Linn St	Feb-17	\$284,000	2472	1057	\$269,585
2 - 920 Southridge Dr	Jul-18	\$287,750	2384	828	\$277,156
3 - 1005 S Jackson St	Aug-18	\$285,000	1940	1237	\$277,304
4 - 1723 Timberline Dr	Jun-18	\$235,000	2494	No Basement	\$270,772
5 - 1816 Cedar St	Apr-18	\$315,000	1997	1645	\$310,841

Jacobsen asserts errors exist in the listing and valuing of his property, as well the comparables. He testified that he believes the errors exist in the determination of assessed value for the improvements only. He does not dispute the assessed land

value. In an effort to support his error claim, Jacobsen created a spreadsheet comparing different components of the subject property based on the values assigned on the property record card and his interpretation of how the IOWA REAL PROPERTY APPRAISAL MANUAL (MANUAL) should be applied. (Ex. 9). We note Jacobsen acknowledged he does not have any training using the MANUAL. Overall, we find his application of the MANUAL flawed and his calculations unreliable.

We do not find it necessary to recite each specific example Jacobsen provided; but we will examine a few of the errors he asserts exist in the listing of his property.

Jacobsen asserts his property has only a 574-square-foot base, which should result in a deduction of \$186.80 to his assessment. (Ex. 9). However, using the MANUAL, there is no difference in the base price for a 574 or 575 square feet 2-story base home. The MANUAL does not contemplate dividing the base costs to arrive at a per-square-foot value. Rather, the assessor rounds the square feet up or down as appropriate and applies the base cost associated with that area, which in this case, whether 574 or 575, is \$104,540. This is the exact number applied to Jacobsen's assessment. (Ex. A, p. 3).

As another example, Jacobsen removed roughly \$1700 of cost associated with 28 square feet identified as "porch frame qtrs over" testifying that this area does not exist. (Ex. 9). Boone County Assessor Paul Overton explained this area was a 2-by-14-foot overhang on the front of the second level of the home, which is identified in the sketch of the improvements and visible in the photos on the property record card. (Ex. A, pp. 5-7). Despite Jacobsen denying its existence, it is clear there is a bump-out on the second story of the property and that this area exists and should be valued.

Jacobsen took issue with the value applied to a 288-square-foot, one-story three-seasons room, which is listed on the property record card as "Porch: 1S Frame Enclosed" and priced with a cost new of \$12,480. (Ex. A, p. 3). In his opinion, this should be priced as a deck and valued at \$4870 because it does not have what he believes is a typical home foundation. (Ex. 9). He submitted a photo of the rear of the three-season porch, as well as a photo of the crawl space showing the wood frame foundation. (Ex. 15). An appraisal in the record includes a color photo of the interior of the subject's three-season porch, which shows it is finished and trimmed similar to the

main portion of the home. (Ex. 1, p. 11). Overton also testified that this room is finished similar to the rest of the main level. It is clear Jacobsen's three-season room has a roof, windows, walls, dry-wall, trim, and other finishes similar to the main floor living area. It bears no resemblance to a deck, which is an open, unenclosed structure.

Lastly, Jacobsen asserted an error in the categorization of his basement finish. The property record card indicates 1127 square feet of average-quality-living-quarters basement finish with a cost of \$21.50 per square foot and an additional 484 square feet of low-quality- living-quarters basement finish with a cost of \$17.50 per square foot. (Ex. A). Jacobsen believes, however, the majority of the basement finish should be low quality. (Ex. 9). Assessor Paul Overton testified the quality of the basement finish is typically based on appraiser judgment. We note the Manual lists \$21.50 as the price per square foot for living-quarters finish with multiple rooms and \$17.00 per square foot for recreation room finish for single rooms. (MANUAL p. 7-77). Additionally, based on the pictures in the appraisal, the property has a basement family room, basement bedroom, and full basement bathroom. All of these areas appear to be of average-quality based on the trim, finishing, and lighting fixtures. This is as compared to the rec room in the subject property that appears to have a solid surface or cement floor. Based on this information, we find no error in the listing.

Jacobsen also appears to assert the error in the assessment is due to the Assessor's Office and Board of Review not accepting the purchase price as the subject property's assessed value. (Appeal).

Analysis & Conclusions of Law

Jacobsen contends there is an error in the 2017 assessment of his property. § 441.37(1)(a)(4).

A property owner may challenge an assessment made in a previous year on the ground that a "clerical or mathematical error has been made in the assessment."

§ 441.37(2)(a). This claim may only be made for a year "in which the taxes have not been fully paid or otherwise legally discharged." *Id.*

A clerical or mathematical error, is one of writing or copying. Such an error results in the recording of an assessment figure that was not intended by the assessor. In contrast, an assessment entered in an amount intended by the assessor is not the result of clerical error even though an error of judgment or law affected the assessor's determination of the property assessment. That is because an error in judgment or a mistake of law is an error of substance; it is not a clerical error.

American Legion, Hanford Post 5 v. Cedar Rapids Board of Review, 646 N.W.2d 433, 439 (Iowa 2002) (emphasis in original).

Jacobsen asserts there are listing errors involving the subject's improvement value. However, Iowa Courts have concluded the "ultimate issue . . . [is] whether the total values affixed by the assessment roll were excessive or inequitable." *Deere Manufacturing Co. v. Zeiner*, 78 N.W.2d 527, 530 (Iowa 1956); *White v. Bd. of Review of Dallas County*, 244 N.W.2d 765 (Iowa 1976). Accordingly, while giving due consideration to Jacobsen's arguments, our end focus when evaluating his claim is on the subject property's total value.

Jacobsen contends the Assessor erred in applying the MANUAL to his improvements, resulting in over assessment. He also appears to assert it was an error not to value the property at its sales price. Ultimately, the errors Jacobsen asserts exist in the assessment are not clerical or mathematical errors. Rather, the figures recorded were "intended" and not errors in "writing or copying." *American Legion*, 646 N.W.2d at 439.

Given the foregoing, we find Jacobsen failed to support his assertion that there is an error in the subject property's 2017 assessment.

Order

PAAB HEREBY Affirms the Boone County Board of Review's action.

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

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 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A (2018).



Karen Oberman, Presiding Officer



Camille Valley, Board Member

Copies to:

Joshua Jacobsen by eFile

Boone County Board of Review by eFile