

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

PAAB Docket No. 2018-077-10053R

Parcel No. 241/00543-083-116

Gary and Sue Longnecker,

Appellant,

vs.

Polk County Board of Review,

Appellee.

Introduction

This appeal came on for written consideration before the Property Assessment Appeal Board (PAAB) on January 4, 2018. Rick Wanamaker, of Iowa Realty, represented Gary and Sue Longnecker. Assistant County Attorney Christina Gonzalez represented the Polk County Board of Review.

The Longneckers own a residential property located at 6817 NW 93rd Street, Johnston, Iowa. (Ex. A). The subject property's January 1, 2018 assessment was set at \$551,500, allocated as \$89,600 in land value and \$461,900 in dwelling value. (Ex. B).

The Longneckers petitioned the Board of Review claiming the property's assessment was not equitable as compared to the assessments of other like property and that it was assessed for more than authorized by law. Iowa Code § 441.37(1)(a)(1 & 2) (2018). (Ex. C). The Board of Review reduced the assessment to \$493,500, by lowering the dwelling value to \$403,900. (Ex. B). The Longneckers then reasserted their claims to PAAB.

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 may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code Rule 701-71.126.2(2-4). 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(1)(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. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005).

Findings of Fact

The subject property is a 0.355-acre site with a one-story home built in 2006. The home has 2286 square feet of gross living area, a walkout basement with 1498 square feet of living-quarters-quality finish, an open porch, a deck, a patio, and a three-car attached garage. It is listed as superior-quality construction (1-05 grade) and in normal condition. (Ex. A).

The Longnecker's provided the addresses of four properties on their Board of Review petition in support of their equity claim. The listed assessments of these properties ranged from \$459,900 to \$479,300, which are all lower than the subject property's \$493,500 assessed value. They provided no other information on these properties. (Ex. C).

In their appeal to PAAB they stated that the subject property is listed for \$499,900 and has been on the market for 130 days and counting, with no offers so far. They also now contend the subject property's correct value is \$465,000. They submitted no other information in support of their over assessment claim.

The Board of Review provided exhibits A through C and a written argument contending the Longnecker's had not met the burden of proof required for demonstrating the subject property is inequitably assessed and/or over assessed.

Analysis & Conclusions of Law

The Longnecker contends the subject property is inequitably assessed and over assessed as provided under Iowa Code section 441.37(1)(a)(1 & 2).

Although there is no presumption the assessed value is correct, the Longnecker bear the burden of proving their claims by a preponderance of the evidence. §§ 441.21(3), 441.37A(3)(a); *Compiano v. Bd. of Review of Polk County*, 771 N.W.2d 392, 396-97 (Iowa 2009) (citations omitted).

To prove inequity, a taxpayer may also 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). Here, we find the Longnecker failed to demonstrate the Assessor applied an assessing method in a non-uniform manner.

Alternatively, a taxpayer may show the property is assessed higher proportionately than other like properties using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709, 711 (Iowa 1965). The *Maxwell* test provides inequity exists when, after considering the actual (2017) and assessed (2018) values of similar properties, the subject property is assessed at a higher proportion of its actual value. *Id.*

Because the *Maxwell* test requires a showing of the subject property's actual market value and the Longnecker's over assessment claim requires the same showing, we forgo further equity analysis and turn to his over assessment claim.

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), 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). Sale prices of property or comparable properties in normal transactions are to be considered in arriving at market value. § 441.21(1)(b). Sale prices of property in abnormal transactions not reflecting market value shall not be taken into account or shall be adjusted to account for market distortion.

We find the Longnecker did not offer any reliable evidence of the subject property's actual fair market value as of the assessment date. Typically, this is demonstrated with a competent appraisal or comparative market analysis that considers

at minimum the sales comparison approach to value. Although the subject property is currently listed for sale, the asking price is still slightly higher than the current assessment. Without further evidence to suggest the Longnecker's could not reasonably receive this price for the property, or any showing of the property's actual value, we conclude they have failed to demonstrate their property is inequitably assessed or over assessed.

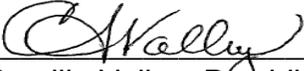
Order

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

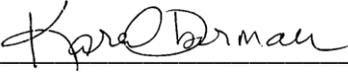
This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A.

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 sections 441.37B and Chapter 17A.19 (2018).



Camille Valley, Presiding Officer



Karen Oberman, Board Member

Copies to:

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