Board of Assessment Appeals

May 27, 2014

The Board of Assessment Appeals was brought to order by Chairman Garfinkel. Board Members present were: Chairman William Garfinkel, James Welsh, and Tom Burns. Staff present was City Assessor Cheryl Russell and Administrative Assistant Annette Hart.

Appeals

1.A.1 Frederick A. & Dawn F. Neil

Location: 521 Weaver Dr.

BACKGROUND AND ANALYSIS

An appeal form was submitted to the Assessor's Office with no requested amount.

Staff has looked back at some of the sales in Wild Meadows, from May 2007 through May 2009. All properties, with the exception of one, were a resale. The sales ranged from 96,000 to 187,000. Our values for these sales currently range from 90,200 to 126,400. Also, there have been comments from the property owners of a sale that occurred later in 2009, for around $70,000. Our office receives notification from Wild Meadows of the sale, and they provide the new owner. (Ownership changes are done by title and not deed) We have to contact local real estate agencies for the sale prices, since they are no longer provided to us and the State will not provide this information to us. There was also a period of time, when we did not receive any notification of ownership change, but we were able to get Wild Meadows to change this policy so that the new property owners could receive their tax documentation in a timely fashion. For this particular sale, we have the ownership change, but it was noted that this change was made per Kent County PRIDE system information, but no information on the sale price has been provided.

Appealed	Requested
$119,600	Not Available

RECOMMENDED ACTION: Recommend that the number generated by the 2010 Revaluation remain the same.

Mr. Neil was present for the hearing.

Mr. Neil started by telling the board that he is also president of the Home Owners Association and stated that he has been living in the Wild Meadows Development since 2003. He pointed out that due to the recent developments such as the Firefly Musical which came about after the 2010 Revaluation, home prices have dropped. Mr. Neil pointed at newspaper articles he submitted about the music festival and the impact it has on the community. He explained that during the festival the home owners in Wild Meadows have to get a four (4) day pass and enter and exit the development through a back entrance forcing them to drive an extra distance.

Mr. Neil went on to point out the recent development about the Calpine Power Plant, which has drawn a great deal of protest in Newark as well as a lot of coverage in the local newspapers, according to Mr. Neil.

Mr. Neil also pointed out that the owner of the development has not been keeping up with the flowerbeds which make the development look less appealing to potential buyers, which bring the value of the homes down.

Mr. Neil stated that the prices of homes in the neighborhood are falling not because of the recession but because the land the homes are built on is leased and because the owner does not keep up with the maintenance of the land the values of the homes have dropped.

Chairman Garfinkel pointed out that Mr. Neil's concerns have come about within the last couple years and that the board can only look at the Revaluation years. He explained that the City is scheduled to have the next Revaluation in 2015 at which these items and concerns will be taken into consideration.

Mr. Neil stated that he would hope that his meeting with the board would help during the 2015 Revaluation, since the board is not able to do anything about this at this time.

Chairman Garfinkel stated that while the board is not able to do anything at this time, he also hopes that Mr. Neil's concerns will be taken into consideration during the 2015 Revaluation.

Mr. Neil stated that if this will be the case, his visit was worth the time.

The City Assessor Ms. Russell assured Mr. Neil that during the 2015 Revaluation home sales from the years 2012, 2013 and 2014 will be taken into consideration and that the office has noticed the decline of home prices in the development. Ms. Russell explained that during the 2010 Revaluation home sales from the years 2007, 2008 and 2009 were used to calculate the assessed value and to keep the consistency of values within the City of Dover the board cannot look at recent events which may contribute to a drop of value.

Mr. Burns made the motion to accept the Assessor's recommendation based on the 2010 Revaluation which was seconded by Mr. Welsh.

Motion carried 3-0.

1.B.1 Robert H. & Margaret Schmidt

Location: 149 Maureen Pl

BACKGROUND AND ANALYSIS

An appeal form was submitted to the Assessor's Office with no requested amount.

Staff has looked back at some of the sales in Wild Meadows, from May 2007 through May 2009. All properties, with the exception of one, were a resale. The sales ranged from 96,000 to 187,000. Our values for these sales currently range from 90,200 to 126,400. Also, there have been comments from the property owners of a sale that occurred later in 2009, for around $70,000. Our office receives notification from Wild Meadows of the sale, and they provide the new owner. (Ownership changes are done by title and not deed) We have to contact local real estate agencies for the sale prices, since they are no longer provided to us and the State will not provide this information to us. There was also a period of time, when we did not receive any notification of ownership change, but we were able to get Wild Meadows to change this policy so that the new property owners could receive their tax documentation in a timely fashion. For this particular sale, we have the ownership change, but it was noted that this change was made per Kent County PRIDE system information, but no information on the sale price has been provided.

Appealed	Requested
$126,400	Not Available

RECOMMENDED ACTION: Recommend that the number generated by the 2010 Revaluation remain the same.

Mr. Schmidt was present for the hearing and stated that he came before the board due to current factors.

Chairman Garfinkel explained, based on the statement Mr. Schmidt made regarding current factors, that to keep all values in the city consistent with the 2010 Revaluation, the board can only look at data from 2007, 2008 and 2009. These are the years used to calculate the values for 2010 Revaluation.

Mr. Schmidt stated that the reasons for his appeal fall into the years 2010 to 2014; he referred to homes that have been sold since the last revaluation. Residences are not happy with the current conditions of the development as well as the Calpine Power Plant and the upcoming Firefly Music Festival. Mr. Schmidt stated that home values have plummeted and homes are not selling.

Chairman Garfinkel told Mr. Schmidt that the board will listen to what he has to say, but will not be able to act on the factors if they do not fall with the 2007-2009 time line.

Mr. Schmidt explained that his issue is with the amount of properties that are on the market within the development. He feels that the owners are trying to move out of the development due to the recent events such as the Calpine Power Plant. He stated that the homes that are currently up for sale are listed well below the market value.

Chairman Garfinkel stated that the testimony Mr. Schmidt has brought before the board would be appropriate to the 2015 Revaluation.

The City Assessor Ms. Russell assured Mr. Schmidt that during the 2015 Revaluation home sales from the years 2012, 2013 and 2014 as well as the Calpine Power
Plant will be taken into consideration and that the office has noticed the decline of home prices in the development. Ms. Russell explained that during the 2010 Revaluation home sales from the years 2007, 2008 and 2009 were used to calculate the assessed value and to keep the consistency of values within the City of Dover the board cannot look at recent events which may contribute to a drop of value.

Mr. Burns assured Mr. Schmidt, that even though the board cannot help him because their hands are tied, his appeal was time well spend.

Mr. Burns made the motion to accept the Assessor's recommendation based on the 2010 Revaluation which was seconded by Mr. Welsh.

Motion carried 3-0.

1.C.1 Thomas A. & Barbara N. Braksator

Location: 309 Persimmon Circle West

BACKGROUND AND ANALYSIS

An appeal form was submitted to the Assessor's Office.

Staff has looked back at some of the sales in Wild Meadows, from May 2007 through May 2009. All properties, with the exception of one, were a resale. The sales ranged from 96,000 to 187,000. Our values for these sales currently range from 90,200 to 126,400. Also, there have been comments from the property owners of a sale that occurred later in 2009, for around $70,000. Our office receives notification from Wild Meadows of the sale, and they provide the new owner. (Ownership changes are done by title and not deed) We have to contact local real estate agencies for the sale prices, since they are no longer provided to us and the State will not provide this information to us. There was also a period of time, when we did not receive any notification of ownership change, but we were able to get Wild Meadows to change this policy so that the new property owners could receive their tax documentation in a timely fashion. For this particular sale, we have the ownership change, but it was noted that this change was made per Kent County PRIDE system information, but no information on the sale price has been provided.

Appealed Requested

$107,400 $80,000

RECOMMENDED ACTION: Recommend that the number generated by the 2010 Revaluation remain the same.

Mr. and Mrs. Braksator were present for the hearing; they stated that they have lived in the development for 12 years and expressed their concern about the falling home values in their neighborhood due to the Calpine Power Plant and the Firefly Music Festival.

Chairman Garfinkel explained that the values in the Wild Meadows development are based on 2007, 2008 and 2009 sales. He also stated that the board, in order to keep the values within the City of Dover consistent, can only look at those revaluation years and not what has happened since then.

Chairman Garfinkel also explained that the city is getting ready to do another revaluation in the upcoming year 2015, at which time all of the factors that have brought the sales prices in Wild Meadows down will be looked at and adjustments will be made accordingly.

Mr. Braksator accepted the explanation Chairman Garfinkel gave and wanted to make sure his appeal would go on record.

Mr. Burns made the motion to accept the Assessor's recommendation based on the 2010 Revaluation which was seconded by Mr. Welsh.

Motion carried 3-0.

1.E.1 Jean A. Alexitch

Location: 412 E Loockerman St.

BACKGROUND AND ANALYSIS

An appeal form was submitted to the Assessor's Office.

Ms. Alexitch offered comparable properties with her petition. I have analyzed the appellants comparable properties and have concluded that she is at the bottom of the range of building value per square foot. One of the properties highlighted by the appellant (59 Park Drive $104,700) is a vacant parcel of land.

Included in our exhibits is information on the Comparable Sales within the neighborhood. The comparable sales are located on N. State Street or just off of this main street. They are located within the neighborhood used for taxing purposes for "like" properties. As you can see by the

enclosed data analysis, the subject property is near the high end of the range for price per square foot, based on the improvement value (as well as overall value per square foot). Adjustments to the comparable properties are made based on the style and characteristics of the property.

Appealed	Requested
$323,100	$250,000

RECOMMENDED ACTION: Recommend that the number generated by the 2010 Revaluation remain the same.

Ms. Alexitch was present for the hearing and started by stating that she believes, compared to the homes within her neighborhood, her home value was out of range based on their values. She believes the other homes on her street are in better condition than her home and are still assessed at a lower value.

When going over the property record card, which was mailed to her by the Assessor's Office, the appellant noticed that the card listed two (2) kitchens Ms. Alexitch was not sure why.

The Assessor asked if the property also had an apartment, which is why the card listed two (2) kitchens, she explained that the card does include everything on the parcel.

Chairman Garfinkel asked if the assessed values Mr. Alextich is looking at are from 2010 and are homes which are comparable to her home.

When Ms. Alextich answered yes, Chairman Garfinkel asked the Assessor to answer the questions Ms. Alexitch had.

The Assessor went over the comparable properties Ms. Alexitch supplied with her appeal and stated that the square footage of Ms. Alexitch property is valued on the low end of those properties.

Mr. Burns asked if the apartment had been rented.

Ms. Alextich stated that the apartment is currently rented and that she had to do a lot of remodeling to be able to rent the apartment.

The Appellant also had a question and concerns regarding the flood zone the property is in, she was concerned that she might not be able to sell the property as she just found out that the property is located within the flood zone and questioned if this should affect her taxes.

Mr. Burns suggested she get in touch with her insurance company, because they deal with those issues. He also assured her that there are different levels of flood zones and that many properties are located in some kind of flood zone.

Chairman Garfinkel asked if the difference in this neighborhood is in the square footage.

The Assessor explained that these different kinds of homes they are not cookie cutter homes therefore the revaluation software pulled homes within the same square footage and style.

Ms. Alexitch stated that she recently had the home assessed and was told that she probably would get less than $200,000 for this home at which time she decided to appeal the assessed value of the home.

Mr. Burns explained that while the board is aware of the current market and realizes that home values have dropped, the board has to go by what the market did in 2007, 2008 and 2009. He told Mr. Alexitch that these are the years the 2010 Revaluation is based on. He also explained that the city is getting ready to go through another Revaluation in 2015 at which time the recent sales will be taken into consideration.

Mr. Welsh made a motion to accept the City Assessors assessed value based on the price per square footage, which was seconded by Mr. Burns.

Motion carried 3-0.

Exemptions

2.A.1 Village of Cannon Mill HOA Inc.

Location: Open Spaces – Village of Cannon Mill

BACKGROUND AND ANALYSIS

These parcels fall under State Statute 9 Del. C. §8110 Civic organizations owning parkland.

EXEMPTION REQUEST

ED05-076.03-01-92.00	$132,900
ED05-076.03-01-93.00	42,400
ED05-076.03-01-94.00	57,300
ED05-076.03-01-95.00	34,600
ED05-076.03-01-96.00	72,300
ED05-076.03-01-99.00	135,500
ED05-076.03-03-38.00	293,300
ED05-076.03-03-39.00	223,000
	$991,300

RECOMMENDED ACTION: Recommend that the request for exemption be approved.

Mr. Ashburn was present for the hearing.

He explained to the board that the HOA had been recently activated and is asking for the tax exempt status for the open spaces in the development.

Chairman Garfinkel asked Mr. Ashburn to clarify what he means by open space, he wanted to make sure that these were non buildable lots.
Mr. Ashburn assured the board that these lots would never be built on.

Mr. Burns asked if Mr. Ashburn had just recently bought 18 lots in the development.
Mr. Ashburn concurred and went on to explain that he was not able to build on these lots until he took responsibility of the storm ponds which is why the HOA was activated.

Chairman Garfinkel closed the hearing and opened for discussion.

Mr. Welsh made the motion to accept the request for exemption, which was seconded by Mr. Burns.

Motion carried 3-0.

Chairman Garfinkel explained to the applicant, that the City Council was the final decision and that a letter with the date of the Council Hearing would be mailed to them.

2. A.1. Rector Wardens & Vestryman of Christ Episcopal Church

Location: 509 S. State Street

BACKGROUND AND ANALYSIS

An appeal form was submitted to the Assessor's Office.

This property was purchased by the church in April 2012.

The property is surrounded by other property owned by the church that is exempt from City of Dover taxes.

This property is exempt from Kent County Taxes.

Exemption Request

$48,700

RECOMMENDED ACTION: Recommend that the request for exemption be approved.

Mr. Emerson, who is a member of the Vestryman of Christ Episcopal Church, was present for the hearing.

Mr. Emerson explained to the board that the church purchased this property to make it part of the church yard. He stated that the church would like to use the property simply as an extension of the church yard and use the property for events like picnics after church. Mr. Emerson told the board that the May Pole dance used to be held on that property and is hoping that one day it will be held there once more.

Chairman Garfinkel asked the City Assessor if she would like to add something, at which time Ms. Russell told the board that the City recommends the exemption be granted.

Mr. Burns suggested that the church look into combining this parcel with the parcel the church is constructed on.

Mr. Welsh made the motion to approve the exemption, which was seconded by Mr. Burns.

Motion carried 3-0.

Chairman Garfinkel explained to the applicant, that the City Council was the final decision and that a letter with the date of the Council Hearing would be mailed to them.

2. C. 2. Central Habitat for Humanity

Location: 41 S Queen Street
70 Mifflin Road
511 Schooner Way

BACKGROUND AND ANALYSIS

An exemption request was submitted to the Assessor's Office.

This property is being renovated for a low-income family to provide an affordable mortgage. Once this property is complete and the ownership is transferred, the property will be added back to the tax rolls. (As a supplemental billing)

EXEMPTION REQUEST

$ 23,200
$ 67,400
$135,200

RECOMMENDED ACTION: Recommend that the request for exemption be approved.

Mrs. Tice, Executive Director, was present for the hearing.

Mrs. Tice told the board that the organization has been serving Kent County for the past 24 years and has helped 36 families find a home. The organization helps low income, hardworking people. She explained that the owners do pay a mortgage which is offered by Habitat for Humanity at a 0% interest. The organization has built 17 homes within the City of Dover.

Chairman Garfinkel asked the Assessor what the city's recommendation is, at which time the Assessor stated that the City recommends the exemption be approved. Ms. Russell also pointed out that these properties will go back on the tax roll once they have been purchased by the new owners.

Chairman Garfinkel asked about the plans for 511 Schooner Way.

Mrs. Tice explained that the property will need some external as well as internal renovations and hopes to sell 511 Schooner Way and 70 Mifflin in 2015.

42 S Queen will be put in a Land Bank, according to Mrs. Tice, which means that the property will be held on until the surrounding are improved or more properties can be purchased by the organization which are located within the same neighborhood. She stated that it will be more than likely 2016 by the time they will be able to sell this property.

Mr. Burns made the motion to approve the exempt request for all of the three (3) properties, which was seconded by Mr. Welsh.

Motion carried 3-0.

Chairman Garfinkel explained to the applicant, that the City Council was the final decision and that a letter with the date of the Council Hearing would be mailed to them.

2. D.1. YMCA

Location: 825 Kenton Road

BACKGROUND AND ANALYSIS

An exemption request was submitted to the Assessor's Office.

This parcel falls under State Statute 9 Del. C. §8106 Specific organizations and purposes.

This property was purchased by the YMCA from the Kent Swimming Club. The property was exempt from property taxes at the time of purchase (July 1, 2013) and has not been placed back on the tax rolls.

Exemption Request:

$1,496,000

RECOMMENDED ACTION: Recommend that the request for exemption be approved.

Mr. Jaywork, attorney and representative of the YMCA as well as Mr. Kelley, Chief Operating Officer, were present for the hearing.

Mr. Jaywork went over the packet submitted to the city which included the 501C3, the deed, and papers of Incorporation. He stated that the YMCA is a Non-Profit Organization.

Mr. Kelley told the board that the pool opened this weekend and that they had a great turn out.

Chairman Garfinkel asked the Assessor if she had to add anything, at which time Ms. Russell told the board that the City recommends approval of the exemption.

Mr. Burns asked how the YMCA swimming pool membership is different from the Maple Dale membership.

Mr. Kelley explained that you may become a member of the YMCA just for the summer months and be able to use the YMCA as well as the pool on Kenton Road. The YMCA also offers financial help for those who cannot afford a membership at the YMCA.

Mr. Burns asked if most of the property was considered Wet Lands.

Mr. Kelley concurred that some of the property is considered Wet Lands which will benefit the usage of the property, as the YMCA is looking to have a Day Camp at the location and will add trails where the children may explore.

Mr. Burns asked if most of the property was considered Wet Lands and if therefore the property could not be developed.

Mr. Jaywork and Mr. Kelley assured Mr. Burns that the Wet Land could not be built on.

Mr. Burns made the motion to accept the exempt request, which was seconded by Mr. Welsh

Motion carried 3-0

Chairman Garfinkel explained to the applicant, that the City Council was the final decision and that a letter with the date of the Council Hearing would be mailed to them.

1. E.1 Bible Church of God Inc.

Location: 1202-1204 White Oak Road
Land – Spruance Road

BACKGROUND AND ANALYSIS

An appeal form was submitted to the Assessor's Office.

Kent County records indicate that this property is Exempt from Kent County Taxes.

Property is being used as a worshiping facility.

EXEMPTION REQUEST

$192,300
$ 4,200

Pastor Miller, as well as the Secretary of the Church, was present for the hearing.

The pastor told the board that the vacant land was used for church parking. He also mentioned that the church has been in place for approximately seven (7) years and that the County has already granted them the tax exemption.

Mr. Burns suggested that the church look into combining the two parcels into one.

Mr. Welsh made the motion to accept the request for exemption for both parcels which was seconded by Mr. Burns.

Motion carried 3-0.

Chairman Garfinkel explained to the applicant, that the City Council was the final decision and that a letter with the date of the Council Hearing would be mailed to them.

Meeting was adjourned at 2:38 P.M.