CITY COUNCIL'S
BOARD OF ASSESSMENT APPEALS

On June 03, 2011 a hearing was held on the appeal. Three members of the Board were present making a quorum of the Board, those being: William Garfinkel, Chairman of the Board, James Welsh, and Tom Burns. Also present were Cheryl Russell, The city Assessor and Annette Hart, Administrative Assistant to the City of Dover Assessor's Office.

1. Appeals

A. NOLL SUZANNE J

Location: 171 N Edgehill Ave. - ED05-068.18-01-43.00

Appealed Assessment: $303,000
Recommended Value: $214,200
Requested Assessment: $55,400

Present was the Applicant Ms. Noll.

Ms. Noll testified that the taxable value of the appealed property was at $55,000 before the 2010 revaluation and has been increased to $303,000. She wanted to know what the difference between an appraised and assessed value was, because they were both at $303,000.

Ms. Russell explained that two values are the same, because the City uses 100% of the market value. She also informed the appellant as well as the board that she had spoken to Tyler Technologies due to the appeal and was able to reduce the value to $124,200.

Mr. Burns asked why the property was valued at $55,000 before the revaluation and asked if this was at 100% of market value.

Ms. Russell explained that before the 2010 revaluation, the property was taxed on vacant land only; the rental income was not taken into account, during the 2010 revaluation the property was looked at as income producing property which raised the value.

Chairman Garfinkel asked the appellant as well as the City Assessor, if there is anything else either party would like to add, at which time both appellant and the City Assessor, told the Board that they had nothing further to add.

Ms. Russell went over the income formula which was used to calculate the value of the property, so Ms. Noll would get a better understanding.

Ms. Noll asked if the income and expense forms are used to calculate the value.

Ms. Russell explained that these forms are used during revaluations and will be mailed out every year. She also explained that the information received will be entered into tables, which will be used to calculate the value for, in this case, all of the mobile home parks in the City.

The Board voted to close the hearing, Chairman Garfinkel asked the board if they would like to deliberate now at which time the members voted to deliberate while the appellant was present.

Mr. Burns went over the income calculations, to insure that they were fair and accurate.

Chairman Garfinkel thought that the appellant did not have compelling evidence to prove to the board that the assessment was incorrect.

Ms. Noll explained that she was not aware that the value had been reduced to $214,200.

Ms. Russell explained that the value could not be changed without taking the matter before the board.

A motion was made by Mr. Welsh and seconded by Mr. Burns, to approve the City's revised value of $214,200. The motion carried unanimously, three to zero.

B. RAYNOR WILLIAM C

Location: 640 S DuPont Hwy. - ED05-077.14-01-19.03

Appealed Assessment: $749,500
Requested Assessment: N/A

Present were the Applicants, Mr. Raynor and Mr. Patel.

Mr. Raynor explained to the board that he owns the land which he leases to Mr. Patel who operates a motel on the appealed property.

Mr. Raynor testified that one of the reasons for his appeal was a change in the zoning by the City from C2A to C4. In his opinion, there are no other properties in his area which have been sold. He believes the City has no data to justify the value of his property.

Chairman Garfinkel asked if Mr. Raynor was under the impression, that the board had authority to make any changes to the zoning of his property.

Mr. Raynor explained that he had been a member of the board for the town of Smyrna, which was able to make recommendations regarding zoning.

Ms. Russell informed Mr. Raynor that the Board of Assessment Appeals deals with assessments only.

Ms. Russell explained that the City is using the income approach to value this property. She went on to verify that the motel consisted of 20 rooms?

Mr. Patel testified that the hotel has 19 rooms.

Ms. Russell asked if the nightly rate was $59 at which time Mr. Patel told the board that he is lucky if he can get $30 right now.

Mr. Russell explained that the information used to calculate the value during the 2010 revaluation was based on the years 2007-2009.

Mr. Raynor asked how the City knows what the Income and Expenses for each property are.

Ms. Russell explained to him that the Assessor's Office mailed Income and Expense forms to the commercial business owners, which were used to value properties in the City during the revaluation. She explained that these forms will be mailed out every year to gather data for the next revaluation.

Mr. Burns wanted to clarify that the zoning of the property did not affect the value, due to the fact that the income approach was used to value the property.

After Ms. Russell changed the room count from 20 to 19, she also made the necessary calculations, which reduced the value from $749,500 to $712,000. She then made the recommendation to the board to change the value to $712,000 based on a clerical error.

Mr. Raynor asked what would happen if the motel goes out of business, would the City still value the property the same.

Ms. Russell explained that even though a business is empty right now, it could be rented at any given time and therefore the value would not be changed while the business is empty.

Chairman Garfinkel asked the appellant as well as the City Assessor, if there is anything else either party would like to add, at which time both appellant and the City Assessor, told the Board that they had nothing further to add.

The Board voted to close the hearing. Chairman Garfinkel asked the board if they would like to deliberate now at which time the members voted to deliberate while the appellant was present.

Mr. Burns explained that in his opinion the City's way of valuing the property using the income and not putting any weight on the land was fair.

A motion was made by Mr. Burns and seconded by Mr. Welsh, to approve the City's revised value of $712,000. The motion carried unanimously, three to zero.

C. DISABATINO THOMAS

Location: 346 Topaz Cir. - ED05-067.01-01-32.00

Appealed Assessment: $257,700
Requested Assessment: $242,000

Present was the Applicant Mr. DiSabatino.

Mr. DiSabatino asked if the value of his property is based on the sales listed on the comparable sales sheet and also wanted to know what the construction price per square foot was.

Ms. Russell testified that the City used a value of $86 per square foot for his property.

Mr. DiSabatino provided evidence of homes that have sold in his neighborhood in the last 6 months. In his opinion based on this information his house should have been valued at $78 per square foot. He also brought a printout from the internet, in which it stated that, the average price per square foot for Dover was $89 which shows a decrease of 15.2% compared to the same period last year. He told the board that this decrease was just in one year's time, not to mention the decrease since 2008 which is the year used for comparable properties.

Ms. Russell explained to Mr. DeSibatino, that the sales used during the revaluation were from 2007, 2008 and 2009, those were the base years used to calculate the value, even if a home was built after those years, the value of the new home would still be based on 2007-2009.

Mr. DeSibatino asked Ms. Russell to explain how sales that happened 3 years ago could be used to calculate the value of a home for the current market.

Ms. Russell explained that January 01, 2010 is the base year for the last revaluation. She also mentioned that during a revaluation, sales from three years prior are used to annualize the value, therefore, if the City would go through another revaluation in 2013, the years used to analyze would be 2010-2012.

Chairman Garfinkel asked the appellant as well as the City Assessor, if there is anything else either party would like to add, at which time both appellant and the City Assessor, told the Board that they had nothing further to add.

The Board voted to close the hearing. Chairman Garfinkel asked the board if they would like to deliberate now at which time the members voted to deliberate while the appellant was present.

A motion was made by Mr. Welsh and seconded by Mr. Burns, to accept the City's value. The motion carried unanimously, three to zero.

D. WALKER SQUARE UNIT 884 B CONDO III LLC

Location: 884 B Walker Road - ED05-067.19-02-02.11

Appealed Assessment: $357,300
Requested Assessment: N/A

Present was the Applicant Mr. Everett.

Mr. Everett testified that he purchased the property 10 years ago for $250,000. He believes that he would not be able to get $250,000 today. He also believes that the numbers used to calculate his income per square foot were not realistic, he would not be able to get that kind of rent today the way the market is.

Ms. Russell pointed out that during the informal appeal Mr. Everett had with Tyler Technologies, it was discovered that the square footage had been incorrect, which changed the value from $178,700 to $357,300.

Mr. Everett acknowledged that he was aware of the correction.

Mr. Burns explained that the square footage value used for calculation would be fair for replacement basis. He was wondering how much value was put on the income producing value.

Ms. Russell explained that economic adjustments were made to certain areas in the city, the area that the appealed property is located in, was not adjusted. She explained to the board, that they could make adjustments if they feel that Mr. Everett's testimony warrants an adjustment.

Mr. Burns told the board that Walker Square never did receive the rental income other areas in the City received.

Chairman Garfinkel asked if the requested Income and Expense forms were submitted during the revaluation year.

Ms. Russell explained that since these forms are confidential, she did not research if Mr. Everett turned his in during the revaluation.

Chairman Garfinkel asked if these forms would have been used to calculate the value of the appealed property.

Ms. Russell assured him that the data from the Income and Expense forms, which had been returned to the Assessor's Office, were used for calculations during the revaluation. She

explained to the board that if Mr. Everett had submitted his Income and Expense information at the time he filed the appeal, she would have been able to use this to determine the value.

Chairman Garfinkel asked Mr. Everett if he turned his Income and Expense forms in during the revaluation.

Mr. Everett testified that he took the requested form to the informal appeal hearing with Tyler Technologies, but did not leave them with Tyler Technologies.

Chairman Garfinkel concluded that if the forms would have presented enough evidence to make changes to the value at the informal hearing, Tyler Technologies would have done so.

A motion was made by Chairman Garfinkel and seconded by Mr. Burns, to accept the City's value of 357,300. The motion carried unanimously, three to zero.

E. 1151-1155 WALKER ROAD LLC

Location: 1151-1155 Walker Road - ED05-067.18-01-79.00

Appealed Assessment: $1,334,700
Requested Assessment: N/A

Present was the Applicant Mr. Everett.

Mr. Everett testified that he tried to appeal the value during the revaluation, but did not get a chance to talk to Tyler Technologies. He believes that the assessment of the two buildings at $1,334,700 is too high; he also thought the income rate per square foot used for calculations was too high for what he is getting. He explained that one of the buildings is empty at the moment. Mr. Everett was wondering how Tyler Technologies came up with the numbers used to calculate the value.

Ms. Russell explained that the information gathered from the Income and Expense forms during the 2010 revaluation was used to calculate the value.

Mr. Burns told Mr. Everett, that in his opinion the numbers used to calculate the value were fair.

Chairman Garfinkel asked the appellant as well as the City Assessor, if there is anything else either party would like to add, at which time both appellant and the City Assessor, told the Board that they had nothing further to add.

The Board voted to close the hearing. Chairman Garfinkel asked the board if they would like to deliberate now at which time the members voted to deliberate while the appellant was present.

Mr. Burns pointed out again, that based on the years of 2007-2009; the calculations used for the appealed property are accurate.

A motion was made by Mr. Burns and seconded by Mr. Welsh, to accept the City's value of $1,334,700. The motion carried unanimously, three to zero.

F. JOAN REYNOLDS-EVERETT REVOC TRUST

Location: 50 Elm Ter. - ED05-077.09-05-59.01

Appealed Assessment: $23,300
Requested Assessment: N/A

Present was the Applicant Mr. Everett.

Mr. Everett testified that piece of property is located in a cleanup, drainage site and has absolutely no value. He also explained that the piece of land has been attached to the main parcel since approximately 1920. He told the board that located directly behind the parcel are drains which lead into a septic system.

Ms. Russell explained that the property had been reviewed and reduced. The property was reclassified as residual land and had also been given a 50% reduction in value.

Mr. Burns told the board that he is familiar with the site and went briefly over the history. He also pointed out that with most of the properties on Elm Street; these properties are combined with the main parcel. He suggested that Mr. Everett might want to look into having the properties combined, which would eliminate the tax bill for that parcel.

Ms. Russell explained that she is not sure what the impact on the property value would be and advised Mr. Everett that there is a fee associated with the combination of the two properties.

Mr. Burns agrees that this parcel does need to be valued. He also suggested Mr. Everett give the parcel to the City since it is of no value to him.

A motion was made by Chairman Garfinkel and seconded by Mr. Burns, to accept the City's recommended assessment of 5,300. The motion carried unanimously, three to zero.