

BOARD OF EQUALIZATION
GILA COUNTY, ARIZONA

Date: September 26, 2006

JOSÉ M. SANCHEZ
Chairman

STEVEN L. BESICH
Clerk of the Board

TOMMIE C. MARTIN
Vice-Chairman

By: Marian Sheppard
Chief Deputy Clerk

SHIRLEY DAWSON
Member

Gila County Courthouse
Globe, Arizona

PRESENT: Jose M. Sanchez, Chairman; Shirley L. Dawson, Member; Dale Hom, Assessor; Larry Huffer, Chief Appraiser; Irene Mata, Property Appraiser II; and, Marian Sheppard, Chief Deputy Clerk of the Board of Supervisors.

At 1:30 p.m., the Gila County Board of Equalization met to review appeals of the Assessor's 2007 Notices of Value for the valuation of various tax parcels of land located within Gila County. For the record, Chairman Sanchez asked Ms. Sheppard to state the names and titles of those present. He advised that Vice-Chairman Martin was excused from attending today's meeting.

In total, seven Residential Petitions for Review of Valuation were submitted. Chairman advised of the hearing process. Each parcel of land was addressed separately by the Board of Equalization. A summary of each hearing is as follows:

- **Parcel No. 205-21-063 C1 – Mr. and Mrs. Edmund A. Loew, Jr. – on the record**

The Residential Petition for Review of Valuation submitted by Mr. and Mrs. Loew states that their opinion of the full cash value for the subject property is \$115,070. The Assessor's full cash value of the subject property is \$143,134. Larry Huffer presented each Board member with a copy of a letter submitted by Mr. and Mrs. Loew that was dated September 20, 2006.

Attached to the letter was a picture of a hay fire that was published in the August 23, 2006, edition of the East Valley Tribune. In summary, Mr. and Mrs. Loew are opposing the use of a property that is adjacent and lies below their property, which they believe has a negative impact on the value of their property. In addition to that objection, the Loews also expressed a concern for the lighting of the adjacent property and the hay sitting on the property, which they feel is a fire hazard. Their letter states, "...The basis of our appeal relates to the adjacent county land which is zoned C1 ("Neighborhood Convenience District") by the county and which does not conform to the zoning code." Mr. Huffer provided the Board with a copy of page 35 of Gila County's Planning and Zoning Ordinance, which provides a definition for C1-Commercial One District (Neighborhood Convenience District). For the record, Chairman Sanchez asked Ms. Sheppard to read aloud the letter. The letter applies to parcel number 205-21-063C1 and parcel number 205-21-064, which is also owned by the Loews. After Ms. Sheppard read aloud the letter, Supervisor Dawson inquired if the papers being submitted by the Loews and the Assessor's Office are a public record and Mr. Huffer replied in the affirmative. Mr. Huffer advised that C1-Commercial One District is the zoning which applies to the property that is adjacent to the Loew's property. He provided a history of the uses of the property adjacent to the Loew's property. At present, there are several businesses being operated on the adjacent property; a pawn shop, utility trailer sales, used car sales and hay sales. Mr. Huffer then reviewed a case activity report written by the County's Community Development Division, which addresses issues such as grading and flood zones on the property adjacent to the Loew's property. Assessor Dale Hom reiterated that Mr. and Mrs. Loew believe the adjacent property has an adverse negative impact on their property. Mr. Huffer advised that whether the adjacent property has been correctly zoned, it has no bearing on the value of the property owned by Mr. and Mrs. Loew. Mr. Huffer referred to the subject property and neighboring properties on a plat map and he showed pictures of comparable

properties that have been sold. A discussion ensued regarding the lighting of the property that is adjacent to the Loew's property. Mr. Huffer stated that he does not feel the lighting would dissuade anyone from buying the Loew's property or any other neighboring properties. Mr. Hom questioned if deflectors could be placed on the lights. Mr. Huffer replied that there are deflectors on the lights, which deflect the light downward on the property; however, not all of the light is deflected onto the property. Mr. Huffer showed pictures of the lights as they shine on the property at night and a video of same. He advised that the elevation of the sidewalk near the base of the light poles to the street above, which is in front of the subject property, is about 45 feet. Mr. Hom advised that there are a total of 3 lights on the property and he did not believe that they would devalue Mr. and Mrs. Loew's property or any other neighboring properties. He stated that the street lights are more apt to affect the Loew's property. Mr. Huffer showed pictures of properties with comparable sale prices. He advised that he has discussed this situation with Mr. Loew as he considers Mr. Loew to be a personal friend. He stated that the adjacent property's lights provide some illumination onto the subject property; however, he did not believe the amount of light would have a negative affect on the sale of the subject property. He stated that the subject house was built in 1952 and the Assessor's Office has appraised it at \$39.88 per square foot. Comparable properties were valued at \$53.80 per square foot for a house built in 1951 to \$91.11 per square foot for a house built in 1959. Chairman Sanchez stated that the Assessor's full cash value has been stated on the petition as \$143,134. Upon motion by Supervisor Dawson, seconded by Chairman Sanchez, the Board of Equalization agreed with the Assessor's full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value based on the sale price per square foot of the Assessor's property comparables within the same area. The Assessor's basis for decision also states, "If there is any difference in

the estimated market value of your property based on the land to the north of your property that is not in compliance with C1 zoning is immeasurable.” FCV (full cash value) = \$143,134; LPV (limited property value) = \$130,688; Legal Class = 3; and, Assessment Ratio = 10%.

- **Parcel No. 205-21-064 – Mr. and Mrs. Edmund A. Loew, Jr. – on the record**

The Residential Petition for Review of Valuation submitted by Mr. and Mrs. Loew states that their opinion of the full cash value for the subject property is \$61,828. The Assessor’s full cash value of the subject property is \$77,285. Mr. Hom advised that the subject property was purchased by the Loews on July 14, 2005, for \$80,000. Mr. Huffer stated that the Assessor’s Office has comparable sales data for this property and he proceeded to show pictures of comparable properties. The price per square foot of the comparable sales properties ranged from \$57.82 per square foot to \$91.11 per square foot. Upon motion by Supervisor Dawson, seconded by Chairman Sanchez, the Board of Equalization agreed with the Assessor’s full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor’s opinion of value based on the sale price per square foot of the Assessor’s property comparables within the same area. The Assessor’s basis for decision also states, “If there is any difference in the estimated market value of your property based on the land to the north of your property that is not in compliance with C1 zoning is immeasurable.” FCV = \$77,285; LPV = \$68,883; Legal Class = 3; and, Assessment Ratio = 10%.

- **Parcel No. 206-21-106 – Globe-Miami Habitat for Humanity – on the record**

For the record, Edmund Loew, Jr. is the president of Globe-Miami Habitat for Humanity. The Residential Petition for Review of Valuation submitted by

Mr. Loew on behalf of Globe-Miami Habitat for Humanity's Board of Directors states that the Board's opinion of the full cash value for the subject property is \$49,422. The Assessor's full cash value of the subject property is \$56,491. Mr. Huffer presented the Board with a map and pictures of comparable properties. Ms. Sheppard read a letter into the record that was dated September 20, 2006, and written by Mr. Loew on behalf of Globe-Miami Habitat for Humanity. This letter applies to the subject property and 4 remaining petitions that were addressed by the Board of Equalization on this date. Mr. Huffer advised that the subject property is located on Smith Street in Miami. He further advised that he contacted the Arizona Department of Revenue (ADOR) to determine whether there is an Arizona law that would give the residential properties owned by Globe-Miami Habitat for Humanity, but rented to others, any special consideration and/or preferential treatment. Mr. Huffer read aloud the response he received from Stephen Barney of the ADOR. The email states, "I'm not aware of any statutory provision that would provide special consideration for valuing or classifying these types of properties...As long as these properties are rented rather than occupied by their owners, they should be classified in Legal Class 4 which will result in the properties being assessed at a 10 percent assessment ratio. This is the same assessment ratio as other residential property. However, rental residential properties are not eligible for the homeowner's rebate." Mr. Huffer advised that he has previously served on the Globe-Miami Habitat for Humanity Board of Directors and he has personal knowledge of every house of which an appeal petition has been submitted. He stated that the subject house was built in 2003 and it has 1,150 square feet and is valued at \$45.91 per square foot. Comparable properties range from \$36.97 per square foot to \$66.25 per square foot. He stated, "If these (comparable properties) were adjusted to be like the subject property's age or construction years, they would go up considerably...I believe this property would easily sell for \$56,491, as we have it valued." Upon motion by Supervisor Dawson, seconded by

Chairman Sanchez, the Board of Equalization agreed with the Assessor's full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value based on the sale price per square foot of the Assessor's property comparables within the same area. FCV = \$56,491; LPV = \$47,368; Legal Class = 4; and, Assessment Ratio = 10%.

- **Parcel No. 206-21-115 – Globe-Miami Habitat for Humanity – on the record**

The Residential Petition for Review of Valuation submitted by Mr. Loew on behalf of Globe-Miami Habitat for Humanity's Board of Directors states that the Board's opinion of the full cash value for the subject property is \$63,813. The Assessor's full cash value of the subject property is \$72,982. Mr. Huffer presented the Board with a map and pictures of comparable properties. Mr. Huffer advised that the subject property is located across the street from the Miami Library on Adonis Street. This is a 2-story house with 1³/₄ bathrooms and a garage. None of the comparable properties have a garage, which adds value to a house. After review, a motion was made by Supervisor Dawson, seconded by Chairman Sanchez and moved by a unanimous vote to agree with the Assessor's full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value based on the sale price per square foot of the Assessor's property comparables within the same area. The Assessor's decision also states, "Parcel 206-21-115 and 206-21-117C, per your request, will be combined into parcel 206-21-115A starting with tax year 2007. A 2007 Notice of Change card will be mailed to you on or before September 30, 2006, indicating the full cash value, limited property value, legal class and assessment ratios that will be used for 2007." FCV = \$72,982; LPV = \$61,340; Legal Class = 4; and, Assessment Ratio = 10%.

- **Parcel No. 206-21-117B – Globe-Miami Habitat for Humanity – on the record**

The Residential Petition for Review of Valuation submitted by Mr. Loew on behalf of Globe-Miami Habitat for Humanity’s Board of Directors states that the Board’s opinion of the full cash value for the subject property is \$54,712. The Assessor’s full cash value of the subject property is \$61,172. Mr. Huffer presented the Board with a map and pictures of comparable properties. Mr. Huffer advised that the subject property is located across the street from the Miami Library on Adonis Street and next door to the house as mentioned in the previous appeal. This house was constructed in 2000 and it has 1,152 square feet. Mr. Huffer that the full cash value of the land on the subject property has been adjusted to \$2,694. Comparable properties ranged from \$45.42 per square foot to \$66.25 per square foot. After review, a motion was made by Supervisor Dawson, seconded by Chairman Sanchez and moved by a unanimous vote to agree with the Assessor’s full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor’s opinion of value based on the sale price per square foot of the Assessor’s property comparables within the same area. FCV = \$61,172; LPV = \$52,945; Legal Class = 4; and, Assessment Ratio = 10%.

- **Parcel No. 206-21-149 B6 – Globe-Miami Habitat for Humanity – on the record**

The Residential Petition for Review of Valuation submitted by Mr. Loew on behalf of Globe-Miami Habitat for Humanity’s Board of Directors states that the Board’s opinion of the full cash value for the subject property is \$57,299. The Assessor’s full cash value of the subject property is \$63,961. Mr. Huffer presented the Board with a map and pictures of comparable properties. Mr. Huffer advised that the subject property is located where the old tennis courts were for the Miami High School. The house was constructed in 2002 and it has 1,056 square feet. Mr. Huffer advised that

the house only has one bathroom; however, most of the comparable properties only have one bathroom. After review, a motion was made by Supervisor Dawson, seconded by Chairman Sanchez and moved by a unanimous vote to agree with the Assessor's full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value based on the sale price per square foot of the Assessor's property comparables within the same area. FCV = \$63,961; LPV = \$56,244; Legal Class = 4; and, Assessment Ratio = 10%.

- **Parcel No. 208-02-017 – Globe-Miami Habitat for Humanity – on the record**

The Residential Petition for Review of Valuation submitted by Mr. Loew on behalf of Globe-Miami Habitat for Humanity's Board of Directors states that the Board's opinion of the full cash value for the subject property is \$68,037. The Assessor's full cash value of the subject property is \$75,717. Mr. Huffer presented the Board with a map and pictures of comparable properties. Mr. Huffer advised that the subject property was the first house built by Globe-Miami Habitat for Humanity and it is located in Globe on 668 E. Sycamore Street. It was constructed in 1998 and it has 1,126 square feet. The house has 4 bedrooms, 1 bathroom and a laundry room. Comparable properties ranged from \$53.50 per square foot to \$70.04 per square foot. Mr. Huffer stated that the comparable's sale prices were not adjusted to match the subject property's age and that the sale comparables have considerably older houses on them. After review, a motion was made by Supervisor Dawson, seconded by Chairman Sanchez and moved by a unanimous vote to agree with the Assessor's full cash value for the subject property.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value based on the sale price per square foot

of the Assessor's property comparables within the same area. FCV = \$75,717; LPV = \$68,037; Legal Class = 4; and, Assessment Ratio = 10%.

There being no further appeals for review, the Board adjourned the meeting at 3:52 p.m.

José M. Sanchez, Chairman

ATTEST:

Steven L. Besich, County Manager/Clerk