

Minutes
County of Volusia
Value Adjustment Board
Final Board Meeting of 2016

The Value Adjustment Board held its annual Final Board Meeting of the 2016 session on January 23, 2017. The meeting was held in Council Chambers of the Thomas C. Kelley Administration Building located at 123 W. Indiana Avenue, Suite 204, Deland, Florida. The meeting was open to the public and noticed pursuant to Florida Administrative Code 12D-9.007. Chairperson, Pat Patterson called the meeting to order at approximately 8:30 a.m. Roll Call was performed by Deputy Clerk, Terri Pendarvis. Full Attendance was acknowledged with the following members present:

Board Members	Board Legal Counsel
Pat Patterson, Chairperson	Aaron Thalwitzer, Esq.
Deborah Denys	
Ray Pennebaker, Vice-Chairperson	Deputy Clerk
Linda Cuthbert	Terri Pendarvis
Clement Diegel (Skip)	

The next order of business was Item 3: Consent Agenda, Adoption of Minutes. The following minutes were presented: Organizational Meeting Minutes of September 26, 2016, and Special Session Meeting 3 Minutes of September 26, 2016. A motion made by Deborah Denys and seconded by Ray Pennebaker adopted the minutes. The motion passed unanimously.

Agenda Item 4, Public Participation was the next order of business. The following individuals submitted a written request to be recognized during open session of the meeting.

Petition Number	Participant Name
2016-0012	Juliet Nelson (Will not attend)
2016-0175	Attorney, Astrid De Parry
2016-0178	John Masiatis
2016-0262	Jan Nichols
2016-0450	Anthony Stabile
2016-0572	Harry Stewart
2016-0002	May Maragh and Kennedy Gallimore
2016-0157	Charles Palilunas
2016-0575	Nicholas Mostert

Chairperson, Pat Patterson recognized Budget and Administrative Services Director, Tammy Bong for comment. Mrs. Bong stated the VAB Attorney previously provided a legal summary for each public participant, she indicated board members were provided a copy of that summary.

Although not present during the final board meeting, Petitioner, Juliet Nelson of 400 Dogwood Avenue, Orange City, FL (Petition 2016-0012) submitted a participation request with a letter dated December 14, 2016. The petitioner asked for the letter be read into record during her absence. Mr. Patterson asked if there was any objection to reading the letter into record, there was no objection noted. Mr. Patterson read the letter into record. Attorney, Aaron Thalwitzer confirmed the review process had been completed on the subject record and provided legal reasons the recommendation should be adopted. Board Member, Deborah Denys stated the petitioner did not meet the burden of proof. A motion made by Deborah Denys and seconded by Skip Diegel adopted the recommendation. The record reflects a vote of 4:1, with Board Member, Ray Pennebaker in opposition.

Attorney Astrid De Parry for Petition 2016-0175 was the next participant. Petitioner, Joni Gonzalez of 2225 E. New York Ave, SR 44, Deland was also in attendance. Chairperson, Pat Patterson recognized Mrs. De Parry whom provided a summary sheet and detailed description of the property. Chairperson, Pat Patterson advised a three minute time period is allotted for testimony. Board Members, Deborah Denys and Linda Cuthbert asked that additional presentation should be allowed. Mrs. De Parry commented on functional obsolescence, comparable sales, and easement records. Chairperson, Pat Patterson confirmed with Mrs. De Parry the information presented was included during the original petition hearing. Property Appraisers Attorney, Christopher Woolsey provided rebuttal and stated the recommendation addressed functional obsolesce, sales data, and the easement. VAB Attorney, Aaron Thalwitzer confirmed the recommendation covered these factors. Board Member, Skip Diegel commented on the burden of proof. Board Member, Deborah Denys commented on property location and easement records. School Board Member, Linda Cuthbert inquired about the easement being utilized by the public, and commented on security issues, use of the dock, and the adjoining property assessments. Attorney, Thalwitzer commented about new evidence being presented. Chairperson, Pat Patterson confirmed with Mrs. De Parry that new evidence had not been presented. Board Member, Ray Pennebaker commented on presumption of correctness. Mrs. De Parry stated the value presented by the property appraiser did not match the recommendation. Mrs. De Parry and Mr. Woolsey discussed values. Chairperson, Pat Patterson asked for a member of the property appraisers office to step forward. Deputy Appraiser, Janice Cornelius provided the original TRIM value and stated the property appraiser read the new value \$451,559 into record during the hearing, which reflected functional obsolesce. She also noted the registered survey allowed specific adjustments for 2017, but not 2016. Board Member, Ray Pennebaker commented on the annual assessment date and stated the value should match what was provided by the property appraiser.

A Motion made by Ray Pennebaker and seconded by Deborah Denys approved a value of \$451,559. Attorney, Aaron Thalwitzer asked if the property appraiser recommended that value. Deputy Appraiser, Janice Cornelius confirmed the value had changed by a Certificate of Correction prior to the hearing and explained Certificate of Correction process. Mrs. Cornelius asked Petitioner, Joni Gonzalez if she received the new tax notice reflecting the value change. Board Member, Deborah Denys inquired about procedure. Board Member, Ray Pennebaker stated the petitioner sought further reduction for the easement. Chairperson, Pat Patterson recognized Petitioner, Joni Gonzalez who confirmed several tax notices were received and felt the evidence warranted further reduction. Chairperson, Pat Patterson asked Board Member, Ray Pennebaker to restate the motion to include a direct value. School Board Member, Linda Cuthbert asked the petitioners opinion on the stated value. Mrs. De Parry encouraged the board to consider further adjustment for functional obsolescence. Chairperson, Pat Patterson restated the motion and value of \$451,559. The motion passed unanimously.

John Masaitis for Petition 2016-0178 was the next participant. Chairperson, Pat Patterson recognized John Masaitis whom asked if his presentation would be limited to three minutes. Chairperson, Pat Patterson noted the time limit had been previously cancelled. Mr. Masaitis stated the value assigned to his lot was inaccurate, he confirmed lot size and the current value. Mr. Masaitis indicated adjoining properties had a lower assessed value per square foot although they were identical and stated the current value assigned to his lot was comparable to office space in downtown metropolitan areas such as Washington, Miami, and Atlanta. Mr. Masaitis indicated the findings of facts contained no evidence to support consideration of the eighth criterion and stated his lot was not buildable and provided comparable property summaries. Property Appraiser Attorney, Christopher Woolsey stated the magistrates decision was well-founded and included the eight factors. Mr. Woolsey confirmed a range of sales had been presented by the property appraiser and the subject assessment was at the low end of the range. Mr. Woolsey pointed out the last paragraph of the recommendation which noted the only relevant evidence presented during the hearing was the 2015 sale of the subject property itself. Mr. Woolsey stated the petitioner testified the subject property was listed on the open market by a licensed Realtor with a listing price of \$59,000 and encouraged the board to adopt the recommendation. Mr. Masaitis stated there was no evidence to prove the criterion was considered and comparison of properties did not match in lot size. Board Member, Deborah Denys commented on the subject sale price and discussed location. Mrs. Denys stated office space in Miami was not comparable to river front property on the inter-coastal and stated the petitioner got a deal at the sale price. **A motion made by Deborah Denys and seconded by Ray Pennebaker** adopted the magistrates recommendation. School Board Member, Linda Cuthbert stated the argument was a result of adjoining property owners paying less per square foot. Chairperson, Pat Patterson asked a member of the property appraisers office to step forward.

Christopher Woolsey, Attorney for the property appraisal office approached and noted specific improvements listed in recommendation and explained the difference was adherent to the improved portion which bears a higher assessment. School Board Member, Linda Cuthbert commented on the information being documented on record. Chairperson, Pat Patterson restated the motion. The motion passed unanimously.

Jan Nichols of 3609 Azurite Court, Deland for Petition 2016-0262 was the next participant. Chairperson, Pat Patterson recognized Mrs. Nichols whom presented a summary sheet. Mrs. Nichols commented on notable errors within the recommendation and stated key evidence was omitted. She explained the appraisal principle of substitution and suggested the magistrate failed to consider preponderance of the evidence. Property Appraisers Attorney, Christopher Woolsey provided rebutal and stated the evidence supported the assessment and encouraged the board to adopt the recommendation. VAB Attorney, Aaron Thalwitzer confirmed the recommendation met the requirements of law. School Board Member, Linda Cuthbert inquired if the concerns were an argument of just value versus sales value. Attorney, Aaron Thalwitzer stated the property appraiser offered both values, and the sale appeared to be the most persuasive. Board Member, Deborah Denys discussed values with the VAB Attorney and asked a member of the property appraisers office to step forward. PAO Attorney, Christopher Woolsey approached and commented on unqualified sales, he stated the recommendation supported the value. Property Appraiser, Laurence Bartlett introduced neighborhood appraiser, Kristopher Hoffman to explain how the value was derived. Mr. Hoffman presented appraisal methodology and established the subject property was a bank sale that sold for \$227,000, he stated the house needed work and the petitioner reported spending \$8,000.00 to get the property in decent condition. Mr. Hoffman explained the difference between fee appraisal and mass appraisal methodology and confirmed the lack of the pool and elevator was factored into the value. Mr. Hoffman confirmed a Certificate of Correction was made prior and reported a new value of \$230,186. Chief Deputy Appraiser, Janice Cornelius commented on the certificate of correction process and stated the correction did not get transferred to the recommendation. Board Members, Deborah Denys and Ray Pennebaker commented on the correction process. **A motion made by Ray Pennebaker and seconded by Skip Diegel upheld the recommendation.** The record reflects a 3:2 vote. Board Members, Deborah Denys and Linda Cuthbert in opposition.

Anthony Stabile for Petition 2016-0450 submitted a written request to appear but was not in attendance during the meeting. A motion made by Ray Pennebaker and seconded by Deborah Denys upheld the recommendation. The motion passed unanimously.

Harry Stewart of 419 Quay Assisi, New Smyrna Beach for Petition 2016-0572 was the next participant. The Deputy Clerk confirmed the petitioner was in attendance and circulated a summary sheet the petitioner provided. Chairperson, Pat Patterson recognized Harry Stewart for comment. Mr. Stewart described he purchased the subject lot located on DeSoto for \$910,000. He pointed out calculation errors in the recommendation and confirmed the purchase price included the home. Mr. Stewart stated the structure was removed three and half months after the purchase and was concerned the property appraiser failed to consider the removal. Mr. Stewart cited statutory guidelines, the eighth criterion, and comparable properties with a different value per linear foot, he encouraged the board to consider removal of the structure. Property Appraisers Attorney, Christopher Woolsey asked the board to adopt the recommendation because it contained an exhaustive record of evidence to support the assessment, he confirmed the sale was not under duress. VAB Attorney, Aaron Thalwitzer inquired about the 15% adjustment. Deputy Appraiser, Janice Cornelius stated the house was demolished prior to January 1, and explained a current trend of taxpayers purchasing water front properties and demolishing the improvements. Board Member, Ray Pennebaker asked the property appraiser if the structure was previously assigned a value, Mrs. Cornelius confirmed. Attorney Thalwitzer commented on petitioners testimony which confirmed the property was not purchased with the intent to remove the residence, and reiterated the appraiser attributed a value to the structure. Board Member, Ray Pennebaker asked if the property appraiser was appealing the value, Mrs. Cornelius denied any appeal. Board Member, Ray Pennebaker stated the magistrate did not take into consideration the 15% reduction. For the record, Mr. Pennebaker acknowledged he knew Mr. Stewart personally and asked if he should refrain from voting. Board Member, Deborah Denys asked the VAB Attorney about structuring a motion to include value. Chairperson, Pat Patterson stated a value could be awarded. VAB Attorney, Aaron Thalwitzer confirmed. **Deborah Denys made a motion to adopt a Just Value of \$619,445. School Board Member, Linda Cuthbert seconded the motion.** The motion passed unanimously.

The Deputy Clerk acknowledged additional participants submitted written requests to appear after the agenda had been printed and pointed out previously provided documentation. Kennedy Galimore of 1610 Lake George Road, Seville and his mother, May Maragh of 410 Quebec Avenue, DeLeon Springs for Petition 2016-0002 were the next participants. Chairperson, Pat Patterson recognized Mr. Galimore whom demonstrated 2013 health circumstances resulted in the creation of the trust. He stated the homestead exemption was lost due to the wording of the trust agreement and referenced the conclusion of law on the recommendation, which stated the petitioner was not the beneficial title owner. Mr. Galimore pointed out Addendum, Paragraph 1 of the trust agreement which entitled interest of the trust, he encouraged the board to grant the exemption. Attorney, Aaron Thalwitzer indicated the trust vested title to real estate in favor of the trustee and noted the trust agreement was unsigned. Chairperson, Pat Patterson acknowledged Property Appraiser Attorney, Christopher Woolsey whom cited Florida Statute 196.031 required the trust to be recorded to allow granting

of the exemption under the law and encouraged board members to adopt the recommendation. School Board Member, Linda Cuthbert asked Mr. Woolsey once the petitioner recorded the document, if it could be brought for challenge next year. Mr. Woolsey confirmed the petitioner could record the trust agreement and present the recorded copy to the property appraisers office for consideration next year. **A motion made by Deborah Denys and seconded by Linda Cuthbert** upheld the magistrates recommendation. The motion passed unanimously.

Joan Palilunas of 7 Esther Court, New Smyrna Beach, Petition 2016-0157 was the next participant. Chairperson, Pat Patterson recognized Mrs. Palilunas whom described the Duplex located at 405 South Cooper Street. Mrs. Palilunas presented comparable sales utilized by the appraiser and provided rebuttal on the comparable sales, noting a reasonable buyer would not pay the current value and recommended a new value of \$250,000 which was presented during the hearing. The petitioner expressed concerns about value changes for multi-units in the area. Property Appraisers Attorney, Christopher Woolsey confirmed a Certificate of Correction was completed on December 13, 2016 which reflected removal of the wood structure and provided the new value of \$298,780 which the petitioner confirmed. Mr. Woolsey stated the magistrate found evidence supported the standard sales comparison approach and encouraged the board to adopt the recommendation. VAB Attorney, Aaron Thalwitzer asked Joan Palilunas if the correction addressed her concerns or if alternate relief was being sought. Mrs. Palilunas stated the value of the subject home was based on higher sales and was concerned nothing beyond the area was considered. Chairperson, Pat Patterson stated only evidence presented during the hearing was allowed, Mrs. Palilunas confirmed there had been no new evidence presented. Board Members, Deborah Denys and Skip Diegel inquired about location, Mrs. Palilunas confirmed location. School Board Member, Linda Cuthbert asked the petitioner what she was requesting of the board. Mrs. Palilunas stated she was seeking re-evaluation. Chairperson, Pat Patterson stated the board cannot approve that type of request. Board Member, Ray Pennebaker stated the petitioner did not overcome the presumption of correctness. **A motion made Ray Pennebaker and seconded by Skip Diegel denied the petition.** The motion passed unanimously.

Nicholas Mostert of 607 Marisol Drive for Petition 2016-0575 was the last participant. Chairperson, Pat Patterson recognized Mr. Mostert whom provided and summary sheet, location of the property, and sales comparisons. Mr. Mostert stated reasons he was seeking a reduction in value, and pointed out errors within the recommendation, which included the bedroom count that was previously corrected, incorrectly categorized evidence, and the statement of tenants being in the rental unit. He described the efficiency and explained the attempts made to improve the structure, which included electricity that was in place at the time of purchase. He stated the efficiency could not be utilized for intended purposes, therefore, he was seeking to meet the county half way on the just value because the comps provided were in a non-comparable area, and stated the county removed one of the comparable sales that was not relatively comparable. The Property

Appraisers Attorney, Christopher Woolsey confirmed a Certificate of Correction was made on December 21st, 2016, which changed the value to \$53,531. Mr. Woolsey demonstrated the magistrate made a well-founded decision and stated the appraiser lawfully considered the eight factors which gave them the presumption of correctness. Evidence presented at the hearing provided two methods of valuation: 1) the income approach and 2) the sales comparison approach. He stated the decision speaks for itself and asked the board to uphold the recommendation. Board Member, Ray Pennebaker stated evidence presented did not overcome the burden of proof and stated the two methods presented by the property appraiser supported the assessment. **A motion made by Ray Pennebaker and seconded by Skip Diegel denied the petition and adopted the recommendation.** The motion passed unanimously.

The next order of business was Item 5; Approval of the 2016 Recommendations and Issuance of Final Decision. Chairperson, Pat Patterson recognized Budget Director, Tammy Bong for comment who demonstrated this agenda item would deduct those petitions previously discussed and approved. **A motion approving remainder recommendations was made by Ray Pennebaker and seconded by Linda Cuthbert.** The motion passed unanimously.

The next order of business was Item 6, Certifications of the Tax Roll pursuant to s193.122 F.S. Chairperson, Pat Patterson recognized Budget Director, Tammy Bong who demonstrated the Certifications would need to reflect those board action incorporated above. Chairperson, Pat Patterson asked for a motion. **A motion made by Deborah Denys and seconded by Ray Pennebaker approved the certifications incorporating board action.** The motion passed unanimously.

The next order of business was Item 7, Other Business. A motion made by Ray Pennebaker and seconded by Skip Diegel approved this item. The motion passed unanimously.

- Item E1: Approval of Notice of Tax Impact.
- Item E2: Approval of Board Expenses.
- Item E3: Approval of Billing of School Board.
- Item E4: Board Meeting Schedule for the 2017 Session.

The next order of business was Agenda Item 8, Other Matters not listed on the agenda. Board Members, Deborah Denys, Ray Pennebaker, and Skip Diegel commented on the required time frame to notify board of attendance. Janice Cornelius speaks about Certificate of Corrections. Chairperson, Pat Patterson recognized Budget Director, Tammy Bong whom commented on organizational process. Chairperson, Pat Patterson recognized Property Appraiser, Laurence Bartlett who commented on his new role as property appraiser.

The Final Board Meeting for the 2016 session of Value Adjustment Board adjourned at approximately 10:45 a.m. this 23rd day of January, 2017.