

**MAYOR AND COMMISSIONERS MEETING
CITY OF REHOBOTH BEACH**

August 10, 2015

The Special Meeting of the Mayor and Commissioners of the City of Rehoboth Beach was called to order at 1:00 p.m. by Mayor Samuel R. Cooper on Monday, August 10, 2015 in the Commissioners Room in City Hall, 229 Rehoboth Avenue, Rehoboth Beach, DE.

ROLL CALL

Present:	Commissioner	Toni Sharp
	Commissioner	Patrick Gossett
	Commissioner	Bill Sargent
	Mayor	Samuel R. Cooper
	Commissioner	Stan Mills
	Commissioner	Lorraine Zellers
	Commissioner	Kathy McGuiness

Also in attendance was: City Solicitor Glenn Mandalas
Mr. Jonathan Larson, PTA/DelVal

The purpose of this Special Meeting was for the Commissioners to sit as the Board of Appeals to hear appeals taken from the annual assessment list.

1. Jerry Iacono, 527 North Boardwalk, Unit No. 411, was not present for the appeal hearing. The hearing was cancelled.
2. Calvin Roland, 39 Henlopen Avenue, was in attendance at the appeal hearing. He noted that his house had been reassessed in 2014 to include 1.5 baths, but his house has only had one bath since it was built.

Mr. Jonathan Larson recommended that the half bath should be deleted from the record. The value will be reduced by approximately \$2,200.00 which results in \$.80.

Commissioner Mills made a motion, seconded by Commissioner Zellers, that in the case of 39 Henlopen Avenue, the recommendation would be accepted from the Assessor to remove the half bath so that the assessment for Mr. Roland's property would reflect one bathroom. Motion carried unanimously.

The meeting was recessed at 1:05 p.m. and reconvened at 1:30 p.m.

3. Peter & Kimberley Hamilton, 22 Henlopen Avenue, were in attendance at the appeal hearing. John Novak, husband of Deborah Hamilton an owner, was also in attendance at the appeal hearing. Mr. Peter Hamilton noted that no change had been made this year to the property. There are two issues: 1. The original valuation noted the living space at 3,408 square feet. An independent appraisal noted the living space at 2,549 square feet. The difference is that there are two enclosed porches which from the outside look like living areas, but under the standards of property valuation, they are not. The square footage is 3,408 square feet, but the living area is 2,549 square feet. 2. The independent valuation put the property value at \$1,300,000.00. The assessed value is at \$1,831,700.00.

Mr. Larson had been provided with a sketch and appraisal from the Appellants. The sketch created at the reassessment shows 3,408 square feet of living space in the house. The sketch which has been supplied by the Appellants, along with an appraisal, shows less square footage by eliminating a two-story addition to the home and eliminating a portion of a one-story addition to the home. In look at a photograph, the two-story addition looks like two stories of living space. Mr. Larson did not have a picture of the one-story section of the house, and he did not have personal knowledge of what it is. He had included it in the living space of the house for the reassessment. The other possible difference in value from the appraisal to the assessor's valuation is land value which is that the lot is 7,500 square feet so there is an additional \$312,500.00 in value of land which does not exist in most of the comparables from the first assessment. This would reduce any difference from the \$1,300,000.00 appraisal by adding the \$312,500.00 which would total \$1,600,000.00. The entire building is valued at \$268,000.00. Any change Mr. Larson would make in moving living space to a sunroom would be approximately \$40,000.00. The property is valued consistently with the neighborhood. The land value is the same as the surrounding properties, and the buildings were assessed using the same criteria.

Mr. John Novak provided handouts with photographs to the Commissioners. An independent appraisal had been done on June 2015 at \$1,900,000.00 based on comparables in the area. The appraisal notes the two porches in question as seasonal. Both porches are glass enclosed and can be opened to the heated area of the house. No heat is provided on either porch area.

Mayor Cooper noted that there is no evidence to suggest that the land values in this area are misstated. The only thing the Board would be considering is the structure and the appropriate classification of these areas.

Mr. Larson recommended that with regard to the two-story addition to the home, it would be reclassified as a one-story room addition of 12 feet x 22 feet over a sunroom of 12 feet x 22 feet which indicates an enclosed area with expected three seasonal usability. The one-story addition would also be called a sunroom of 19 feet x 8 feet. The building square footage will remain the same, but there will be a classification change within that.

Commissioner Mills made a motion, seconded by Commissioner Sargent, that in the case of 22 Henlopen Avenue, the recommendation would be accepted from the Assessor to reclassify these room sections. Motion carried unanimously.

There being no further business, Mayor Cooper adjourned the meeting at 1:50 p.m.

Respectfully submitted,

(Lorraine Zellers, Secretary)