

How to Conduct a Property Tax Assessment in Your Community

The goal of this study is to compare and analyze the value per acre and/or square footage and total property value among several types of properties, including those downtown and those owned by large industries.

Step One:

Determine which properties in your community serve the best representations of each category below. Choose one or two properties per category to analyze. Before choosing these properties, look over the provided definitions to ensure the correct properties are chosen for the appropriate categories.

- **Big Box Retailer:**
Located outside the historic district and consists of a large square shaped building with expansive parking lot. Examples include Wal-Mart, Target, and Shopko.
 - **Strip Shopping Center:**
Located outside the downtown district in a long row of connected businesses with shared parking lot and sidewalk in front of storefronts with minimal connections to surrounding neighborhoods
 - **Industrial/Manufacturing:**
Located outside the downtown district and is dedicated to the production of goods or materials.
 - **Farmland:**
Located outside the downtown or historic district and most land dedicated to raising crops and/or livestock.
 - **Luxury Home:**
Located outside the downtown or a historic district and includes numerous desired amenities.
 - **Rehabbed Home in Historic Neighborhood:**
Located in a declared historic neighborhood and has undergone some form of renovation or rehabilitation.
 - **2-Story Downtown Property with an Unoccupied Second Story:**
Located in the downtown district with occupancy on the first story only
 - **2-Story Downtown Property with an Occupied Second Story:**
Located in the downtown district with occupancy on both the first and second stories
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Step Two:

After choosing the properties, determine how to access property assessment information in your community. Most Iowa communities have this information available online, but some may require a visit to the assessor's office to analyze paper records. No matter how the records are available to the public, it is important to know the physical address of the property before proceeding. Another useful bit of information is the parcel identification number. This number is a way your property is identified by the postal service, county, city, etc. This number may be convenient in the future as it allows for a quick, concise search of all property records. The parcel id number can either be found by asking a staff member in your county assessor's office or searching online. Also, if your county only keeps paper records of property assessments, they will most likely be organized by the parcel id number.

If your county keeps records online, they can be accessed through the county assessor's website. Online records can be found with either the physical property address or the parcel id number. If only the address is known, this search should then reveal the parcel id number for future reference. Begin by entering your county assessor's website. All assessor websites can be accessed through <http://www.iowaassessors.com/>. Simply choose your community's county from the listing. The site will send you to the website housing your county's records: Beacon Schneider, Vanguard Appraisals, or the county assessor's homepage. Each site organizes its information in a different way.

From the home page of the Vanguard assessor website (a blue background), select "Real Estate Search" from the list along the left hand side of the page. This will present several different search options, but the first section, "House No. and Street Search," allows you to separately input the street number, street name, and city. After clicking "search" the property listing will appear. Click on the parcel number on the left to access more detailed information. This information may not always be complete, so locate the property report pdf file link to access further, more detailed information on the property. This should be located on the left side of the record.

Many counties in Iowa also house their records on the Website of Schneider Corporation. They can be accessed through <http://beacon.schneidercorp.com/>.

From this site choose the state of Iowa and your county from the drop down boxes. If your county is not listed, go back to <http://www.iowaassessors.com/> to find your county's information.

After entering the appropriate county and state, agree to the terms and conditions and choose to conduct a property search. Then click "enter" to access the records.

Enter the address of the first property into the "Address Search" box. After clicking "search" your property should appear. The system will recognize which city contains the particular address. Depending upon the county, it may also be possible to conduct an "Advanced Address Search." This will appear directly under the "Address Search" bar. The advanced search allows the street number, street name, and city to be entered separately.

If your county does not keep records online, visit the county assessor's office to view the property records.

Step Three:

The next step is to evaluate the assessment records and find the needed information for this study. The most thorough assessments include information such as lot area in acres and square feet, dates of original construction and any additions or renovations, a running record of property value, yearly tax information, a basic sketch of the structures on the property, photographs, the parcel id number, the classification of the property (commercial, residential, etc.), and previous sale prices. However, for this study, the following items are the most pertinent: lot area in square feet and acres, date of original construction, parcel id number, and the most current assessed value. This does not mean the other information is not important and should not be noted. Knowing when major renovations or additions were made can explain a drastic jump in sale price or assessed value, and a sketch of the property can aid prospective buyers in making decisions concerning possibilities for the property. What information and how much is provided vary upon the county and state.

Step Four:

Once the property information has been located, it can be plugged into the provided spreadsheet (formulas included) which will serve as a useful quick reference for grant writing, business recruitment and retention, and many other purposes.

Step Five:

The main goal of this study is to compare the value per acre/square foot among several types of properties. To provide an accurate result, the properties will need to be labeled with the same measurements – use either acres or square feet for all properties. But because many properties, especially downtown, are less than an acre it is beneficial to convert all measurements.

Most assessment forms provide both measurements, but a little math may be required to determine the acreage/square footage of a property. There are 43,560 square feet in one acre. So, for example, if a lot is listed at 5.15 acres, multiply $5.15 \times 43,560$ to determine the number of total square feet, which are 224,334 for this example. If a lot is listed at 50,530 square feet, divide 50,530 by 43,560 to determine the number of total acres. The answer would be 1.16 acres.

Step Six:

After each property has been converted to square feet, it is time to determine the value per square foot of the property. To find this amount, simply divide the most current assessed value by the total number of square feet. This will produce a decimal number which can be easily translated into a dollar amount. Using a previous example, note the total square feet of the property is 224,334. If the assessed value of the property is \$213,000, divide 213,000 by 224,334. The answer should be 0.94947. To convert this to a dollar amount, round the decimals to 0.95 – this is translated to \$0.95. For this example property, the value is \$0.95 per square foot. Some may also want to know the value per acre. To find this value multiply the value per square foot by 43,560. For the example property, the value is \$41,382 per acre.

Step Seven:

Share this information with your Economic Restructuring Committee, Main Street Board, City Government and other stakeholders. It is recommended to share this information by category not by address. Although the information is available to the public it is better to share it generally. Do not include specific addresses in your presentation but do include the property categories.

This evaluation of property values can aid in recruiting and retaining businesses in the downtown area, especially with the comparisons to the properties outside the district.