

NEWSLETTER OF THE SIOUX COUNTY ASSESSOR'S OFFICE



1908



2025



I hope you will indulge me with a walk down memory lane – going through some old files recently I came across this photo. (sorry for the poor resolution, but it's from 20+ years ago) Pictured with me are two of my longtime mentors and good friends in the assessment business. In the center is Gene Ripley, then Page County Assessor and Ted Van Grootheest, then Buena Vista County Assessor on the right. Unfortunately, both are deceased, and a lot of common sense and knowledge went with them.

I knew Ted prior to working in the assessor's office. While I was in high school and college, I worked for a service station here in Orange City where Ted was a mechanic. He left that to become an appraiser here in the office. He later was appointed deputy assessor and then moved to Buena Vista County as the assessor in 1981. Who knew that ten years after working together at a service station we would both be Iowa assessors. (There was a stretch in the late 1980's to early 2000's where five Iowa assessors had all started in Sioux County.)

One thing that has been a hallmark of the Iowa State Association of Assessors, particularly at the district level, is the willingness of veterans to help newbies. I have been able to fill that role for a number of years now. I guess it helps to start young, then you become a veteran at a younger age (I was 27 when appointed Palo Alto County Assessor). Of the 19 other assessors in the Northwest District who were in office when I first became an assessor (1/1/86) the last one retired in December, 2015. That's quite a few years of being the "old man" in the district. Actually, there are only two other current assessors in the state who have been at it longer than me. Not bad for getting into an "accidental" profession. When I first applied for the appraiser job in this office, I had no idea what an assessor's office was or did and didn't even know where it was located. All I knew was I needed a job, so I went for it, and the rest is history.

Year in Review

As I began to compile items for this newsletter it was kind of bittersweet as this will be my 22nd and final one before retiring later this year. While I'm looking forward to retiring there are plenty of fond memories to look back on. I've been blessed with good staff and a board that has supported me (not the case in every jurisdiction).

We did have a change in staff last fall, we welcomed Sam Scholten as our new appraiser. Sam is from Sioux County originally and spent the three previous years as an appraiser, then Deputy Assessor in Clay County. Sam has been a great addition to the office.

Of course the big story this past year was the flooding. Jonathan and Sam spent a number of days reviewing flooded properties in Hawarden and Rock Valley. A big thank you to the city staff of both towns for the assistance they provided in identifying effected properties, it was a great help.

Here is a breakdown of adjustments made to flood effected properties.

Hawarden – 64 properties were given an adjustment for damage. A total of \$2.8 million in valuation was removed, about 1.6% of the total 2024 valuation.

Rock Valley – 185 properties were given an adjustment for damage. A total of \$22 million in valuation was removed, about 4.5% of the total 2024 valuation.

On the bright side, after adding revaluation and other new construction, both towns did see an overall increase in the assessed value from 2024 to 2025. Hawarden was \$29.5 million, and Rock Valley was \$66.2 million.

There were 27 flooded properties sold "as is." The average purchase price was \$58,900 with a range of \$15,000 - \$185,000. I'm guessing most were acquired to be fixed up and put back on the market.

A FEMA manufactured home "park" was constructed on the east side of Rock Valley to offer a relatively quick solution for displaced residents. A smaller one was also done in Hawarden.



As has been the standard over the past many years, we had to increase the residential assessments due to a continual rise in the housing market. Also continuing is the post-Covid trend of fewer house sales year-to-year, they again were less in 2024, albeit only by 2.5%.

The changes we made amounted to a 16.8% overall increase, which was higher than the statewide average of 11.5%. Statewide, the increases (there were no decreases) ranged from 2% to 28.5%. The statewide number is based on responses to a survey done by the assessor's association and doesn't account for what portion of the increase was due to new construction versus revaluation. Meaning, our overall increase in residential valuation from 2024 to 2025 was 17.9%, which includes \$79 million in new construction.



For commercial properties, we made the largest overall increase since I came back to Sioux County in 2004, 31%. This was determined by 30 "normal" sales in 2024 and 12 appraisals done by Iowa Department of Revenue (IDR) staff on randomly selected commercial properties, which are then treated the same as sales. The IDR appraisals actually helped; without them we would have been looking at an increase in excess of 40%.

Even though they are not subject to equalization, the industrial properties were raised 20%, just to keep up with increased construction costs.

The agricultural valuation increased by 22.4% overall, crop years 2022-23 replaced 2017-18 in the five-year productivity formula. The main reason for the increase was larger government payments, the statewide total from 2017-21 was \$14 billion, while 2019-23, was \$17 billion.

The data used in the formula to compute the agricultural assessments in Iowa has been provided by the US Department of Agriculture for decades. Post-covid, the USDA has been informing IDR that they will no longer be providing as much detailed production data on a county-by-county basis. As a result, the rules have been updated so that in the instances where there is no individual county data provided, the statewide average will be used. Not sure what that will mean for future agricultural valuations across the state.

A sad note, long time board of review member, Char Granstra, passed away in late May after a 2½ year battle with cancer. Char was a great member of the board, always had a smile and will be greatly missed.

Legislation

My final year on the Iowa State Association of Assessors legislative committee was busy with following quite a bit of proposed legislation, but in the end, there were no bills passed that affect how Iowa assessors do their jobs.

As you probably are aware, property tax reform was a big issue among the legislators this past session. It looks like a case of saying they want it done is the easy part, but once they start digging in and finding out the various ramifications to their proposals, it becomes a bit more complicated than imagined. One example, to counteract a tax shift with ending the assessment limitation ("rollback") the homestead would change from a credit ($\$4,850 \times$ levy rate, and reimbursed by the State) to an exemption, proposed to be a reduction in the taxable value of $\$50,000$ (and no State reimbursement). It was pointed out that reducing the taxable value of homestead properties would basically wipe out the tax base of many small towns where the assessments tend to be lower to start. As an example, for our two smallest towns, it would have eliminated over 70% of the tax base. So, the proposed exemption was changed to be 25% of the assessed value up to a maximum amount of $\$125,000$. Something that wasn't changed from the original bill, the 2% cap on tax revenue growth for cities and counties, and $\$400$ million from the State general fund for school funding with the intention of lowering local property taxes.

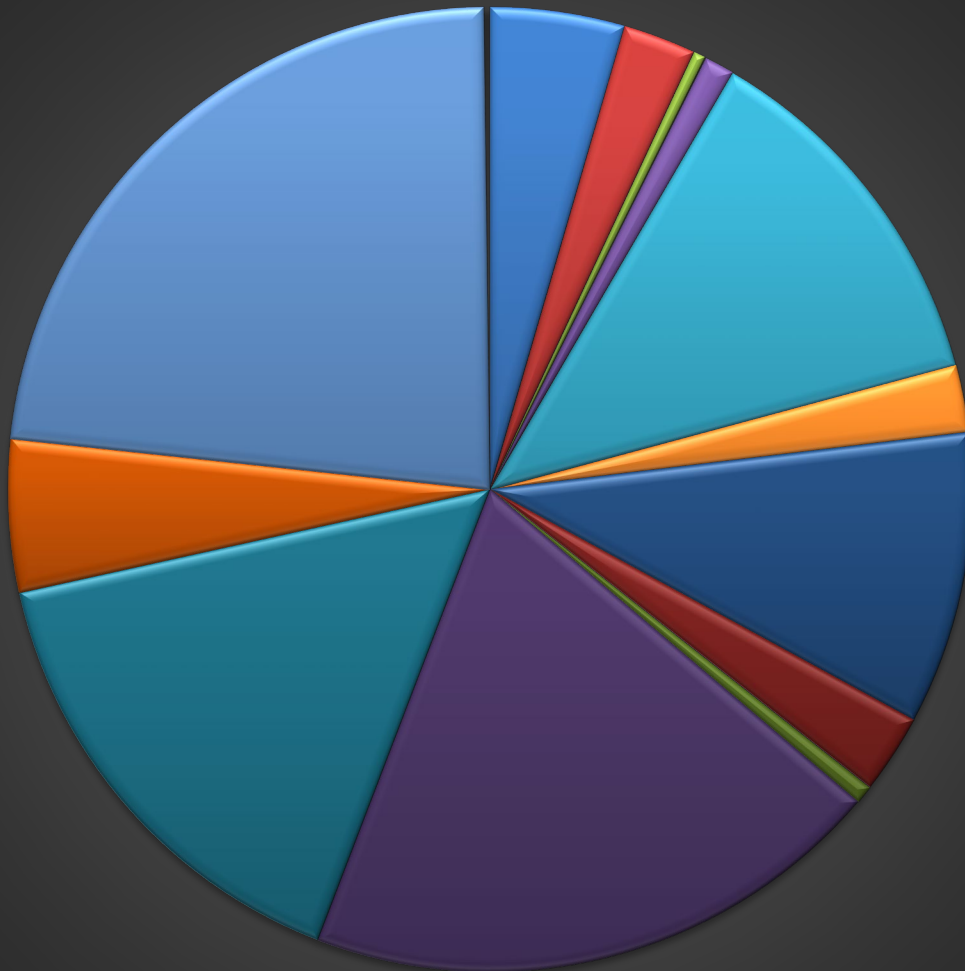
But, as I mentioned, none of this passed during the recent session, but as a top priority will certainly come up again when the legislators reconvene in January, 2026.



Real Estate Market

There were 438 "normal" residential sales in 2024 (both urban and rural), a slight decrease from 449 in 2023. The average sale price was \$261,800, up from \$250,000 the year before, which has been the case since 2015. Averages can be skewed by extremes on either end, to temper that we also look at the median/middle price. For 2024 that was \$240,000 compared to \$230,000 in 2023. (Sales of properties which sustained damage in the flooding are not included).

Residential Sales by Location (All Sales)



ALTON - 22	BOYDEN - 12	CHATSWORTH - 2	GRANVILLE - 5	HAWARDEN - 61
HOSPERS - 11	HULL - 48	IRETON - 13	MAURICE - 3	ORANGE CITY - 96
ROCK VALLEY - 77	RURAL - 25	SIoux CENTER - 113	SHELDON - 1	

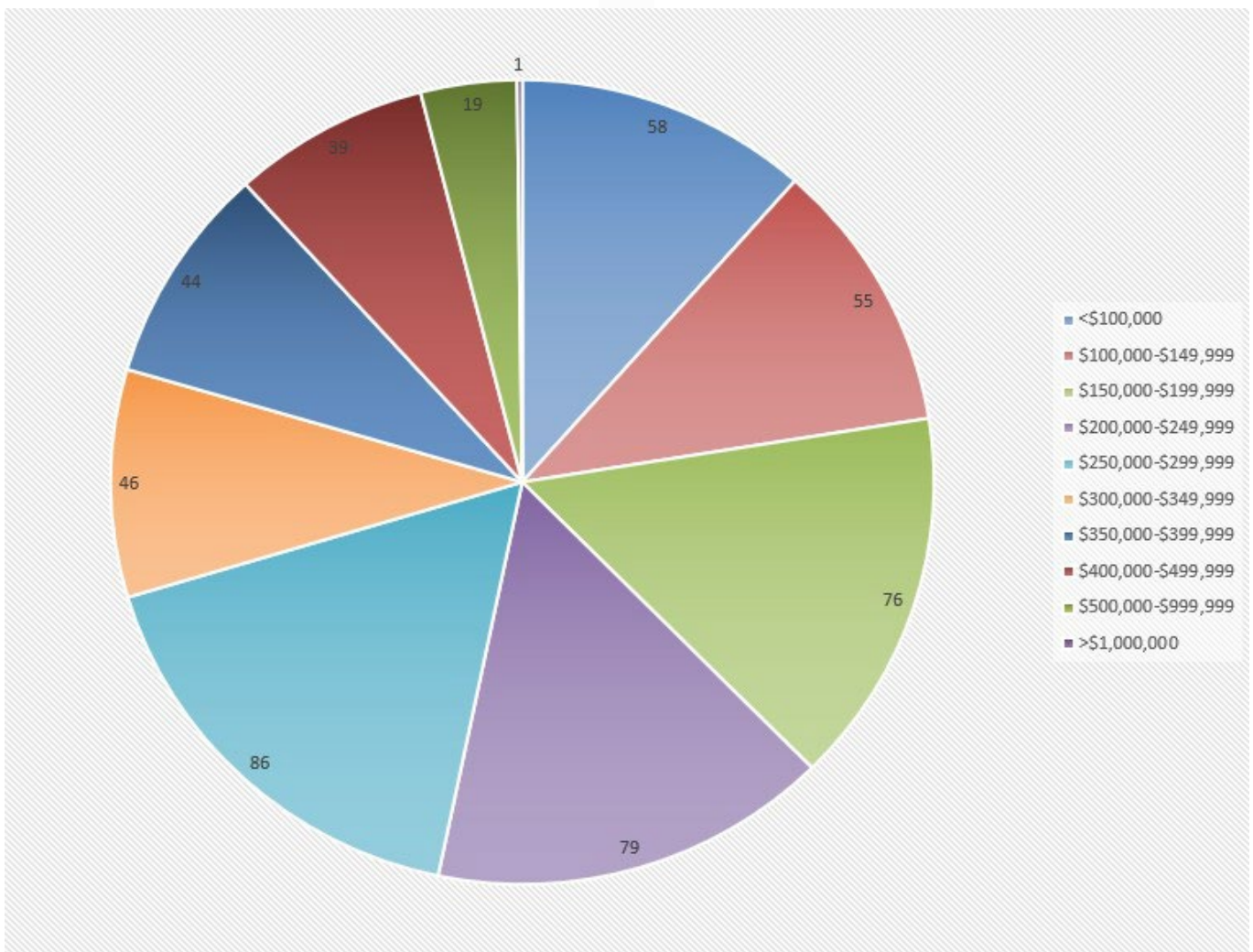
From a May 20, 2025 article on the Forbes website with predictions for the 2025 housing market:

The much-anticipated spring home-buying season has yet to fully bloom as cautious consumers navigate record-high home prices, persistently elevated mortgage rates and a volatile economic landscape.

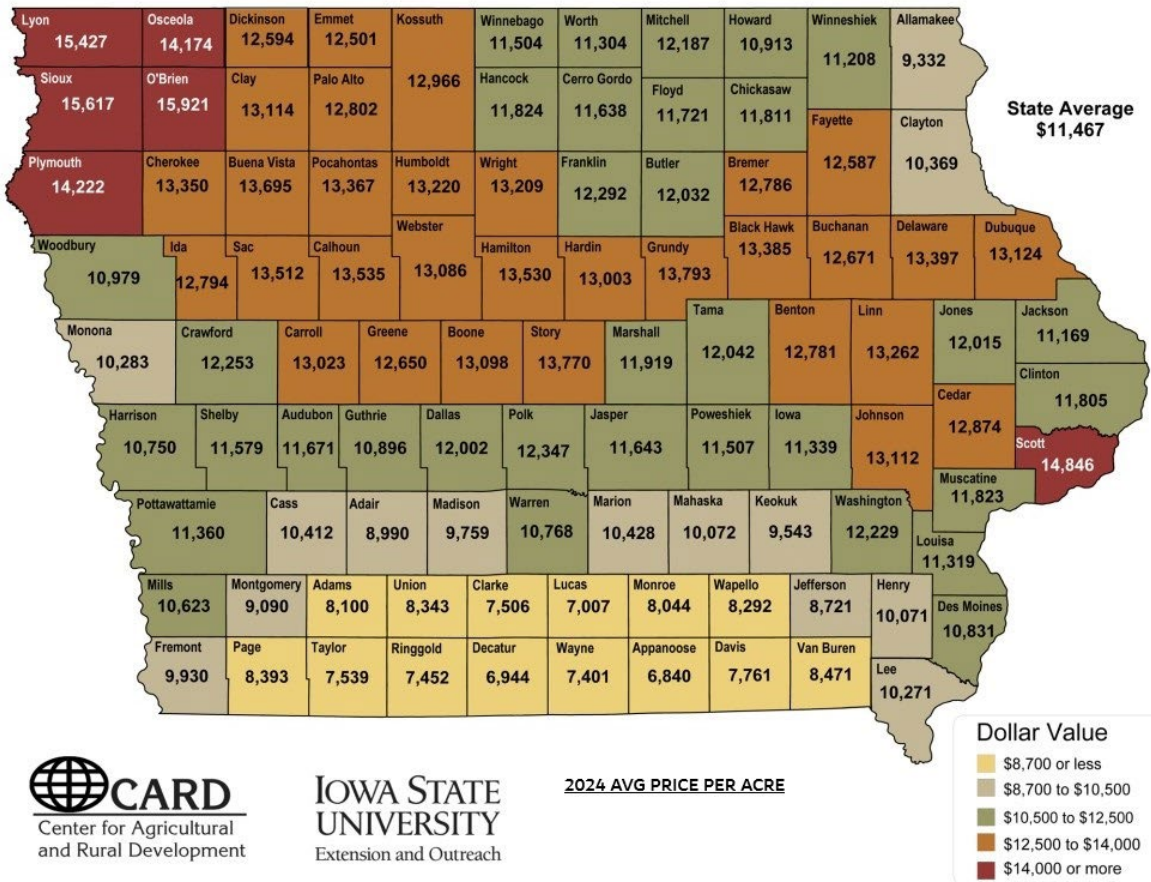
Still, some green shoots are emerging, with various regions seeing a deceleration in home price growth and gradually expanding inventory. Nonetheless, the high cost of homeownership will likely remain the norm over the coming months...

Another portion of the article showed typical home prices for each state. It gave current, one year ago, and five years ago sale prices. For Iowa those numbers were \$224,230, \$213,700 and \$162,150. The five-year increase is 38.6%, which is very comparable to the 38.8% overall increase we've made in residential assessments since 2020.

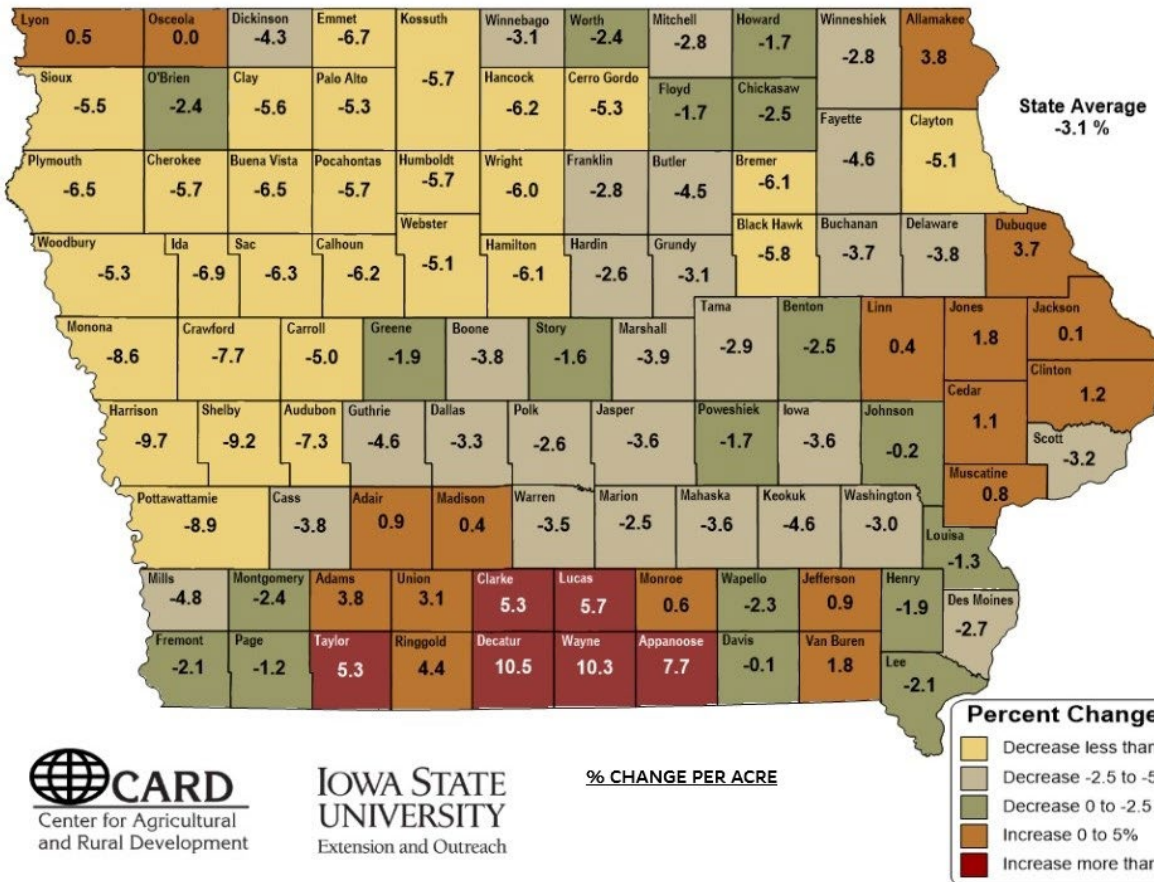
Residential Sales by Price – Urban and Rural



Here are the latest numbers from the annual Iowa Land Survey done by ISU.



IOWA STATE UNIVERSITY
Extension and Outreach



IOWA STATE UNIVERSITY
Extension and Outreach

New Construction

For agricultural, there was \$7.23 million in new construction valuation added. This amount is quite a bit higher than what we've had in a while, post-Covid for sure. There was a new egg processing facility built and also expansion at some of the existing egg laying properties and dairies. (Reminder - agricultural buildings are assessed at 22% of depreciated cost.)



New egg processing facility



Dairy expansion, including living quarters for employees

In the residential class (including ag dwellings) we added \$79.7 million in new construction, with 152 additional housing units. Both numbers are up considerably from previous years, but that was expected with all the replacement housing being built after the flooding.



New housing developments in Rock Valley



Building new spec houses has slowed, there are some that have been on the market for 6+ months, when not long ago it seemed common that they sold before being completed.



Spec house projects in Orange City



With all the replacement homes in Rock Valley, there now are very few lots available in the two newest subdivisions.



Southern Trails 1st Addition



East Meadows 4th Addition

Commercial/industrial construction was \$30.6 million of valuation added. Not as much as last year's record, but higher than any other previous year.



New shop for SRC Overhead Doors – Maurice



Warehouse/storage units - Ireton



Storage units - Hawarden



Addition on Canopy Lumber Products – Rock Valley



Downtown rehab – Rock Valley - 1st floor commercial units, 2nd floor residential condos



Scooters – Rock Valley



Addition on Kooima Ag - Rock Valley



Shop/storage – Boyden



Warehouse addition – Dubak Electrical – Sheldon



New Fareway - Hull



Replacement Caseys after fire – Hull



Dutch Dogs – Sioux Center



Warehouse/commercial condos – Sioux Center





Members Cut Butchery – Sioux Center



Goodwill store – Sioux Center



Addition – Peoples Bank – Sioux Center



New Motel – Sioux Center



RJ's Indoor Golf – Sioux Center



Commercial Warehouses – Alton



Office/Shop – Noteboom Electric – Orange City



Expansion of climate control storage – Orange City

Board of Review

Being a reassessment year, and making the changes we did, the expectation for numerous appeals was there. Honestly, we were pleasantly surprised when we ended up with 79.

Prior to the point of filing an appeal with the board, property owners can request an informal review with our office. We do handle these similar to a formal appeal, in that we look at sales of comparable properties and also make sure the assessment is equitable with others that are similar. There were 76 of those with 52 resulting in an adjustment.

Of the 79 formal appeals, the board gave a reduction to 49 of them. Along with adjustments made on their own, the board reduced the total valuation by \$5,319,240.

The board's decisions have resulted in three further appeals to the Iowa Property Assessment Appeal Board:

Collingwood Management, LLC - Orange City
2025 Assessment - \$839,510 – Requesting \$570,000

Smithfield Fresh Meats Corp. - Orange City
2025 Assessment - \$6,069,540 – Requesting - \$4,500,000

Smithfield Packaged Meats Corp. - Sioux Center
2025 Assessment - \$5,244,510 – Requesting - \$4,500,000



That's all I have for now, thanks again for all the support I have received over the past 22 years. I will be in touch as we proceed with the process of appointing my successor.

Enjoy the summer!

Ross

