

**STATE OF COLORADO  
COUNTY OF ROUTT**

**OFFICE OF THE CLERK  
July 30, 2019**

Commissioner Beth Melton, Chair, called the regular meeting of the Routt County Board of County Commissioners to order. Commissioner Tim V. Corrigan, Commissioner Douglas B. Monger, Deputy County Manager Dan Weinheimer, and County Manager Tom Sullivan were also present. Those present recited the Pledge of Allegiance. Deanna Sanchez recorded the meeting and prepared the minutes.

The details of this meeting can be found in the Board of County Commissioners (BCC) Regular Meeting Agenda and Packet for July 30, 2019 document in the Commissioners' Regular Meeting Agendas and Packets section of the Routt County Website, along with the meeting audio.

**EN RE: WARRANTS**

Commissioner Monger moved to approve and authorize the Commissioners to sign the Warrants Sheets that included:

Accounts Payable Check- Cycle Date:	7/22-7/26	\$357,509.57
Accounts Payable Check: Manuals	7/22-7/26	
Accounts Payable Wires:	7/22-7/26	
Total:		
Payroll Checks- Cycle Date:	7/22-7/26	
Payroll Checks- Manuals	7/22-7/26	
Payroll – IRS & State Income Tax	7/22-7/26	
Total:		
Total Disbursements Approved:	7/22/19-7/26/19	<u>\$357,509.57</u>

Commissioner Corrigan seconded.

Mr. Sullivan advised of the 2019 Accounts Payable items of note for run date July 23, 2019.

Vendor	Amount	Department
COLORADO MOUNTAIN COLLEGE	7,500.00	Community Services Budget: 2019 CONTRIBUTION: ENTREPRENEURSHIP PROGRAM
CML SECURITY LLC	35,238.98	Building & Plant Pool: Justice Center Exterior Camera Replacement (Partial Billing)
GMCO CORP	51,516.22	Road & Bridge: 2019 Dust Suppressant Program
JVIATION INC	17,416.27	YVRA: Engineering for AIP 44
POWER EQUIPMENT COMPANY	22,204.85	Road & Bridge – Heavy Equipment: Replacement parts for gravel crusher
UPPER YAMPA WATER CONSERVANCY DISTRICT	5,000.00	Environmental Health Budget: UYWCD USGS STUDY July 2019 Contribution
CITYVIEW	51,000.00	Building Department: First Year Annual Maintenance
2019 AP Run Date July 23 - Total	357,509.57	

Motion carried 3-0.

**EN RE: ITEMS OF NOTE FROM PREVIOUS DAY’S WORK SESSION**

Commissioner Melton stated updates were received from the County Manager and Legal. The Board of Equalization also heard multiple appeals.

**EN RE: CONSENT AGENDA**

The following items were presented for consideration, approval, and signing on the consent agenda:

- A. Approval of County Commissioners’ minutes: Regular meeting of June 25, 2019;

- B. Approval of and authorization for the County Manager's Electronic signature on the purchase orders for patch Material to Kilgore CO DBA Elam Construction without exceeding the amount of \$80,500 and to Oldcastle Group DbA United Companies without exceeding the amount of \$138,000;
- C. Approval of and authorization for the Chair to sign the Brust Exemption Filing 2 plat;
- D. Approval of and authorization for the Chair to sign the final Plat for Steamboat Springs School District/Mary Barber Trust Exemption following final approval of the County Attorney;
- E. Approval of professional services agreement between Routt County and Calcon Construction for hardscape and light pole replacement projects for the total cost of \$57,677.00.

## **MOTION**

Commissioner Corrigan moved to approve items A, B, C, D, and E on the consent agenda and authorized the Chair to sign the related documents.

Commissioner Monger seconded; the motion carried 3-0.

## **EN RE: PUBLIC COMMENT**

No members of the public were present.

## **EN RE: INTEGRATED COMMUNITY / NELLY NAVARRO**

Irene Avitia and Rodney Beall, Integrated Community; were also present.

## **UPDATE**

Ms. Navarro, Ms. Avitia, and Mr. Beall presented their Integrated Community Update to the Board.

## **EN RE: HUMAN RESOURCES / KATHY NELSON**

Barbara Houston, Clerk and Recorder; and Ray DuBois, Public Works Director; were also present.

## **FACILITIES MANAGEMENT ADMIN. ASST IV - APPROVAL TO ADVANCE TO STEP**

**6**

Ms. Nelson, Mr. DuBois, and the Board discussed her request for approval to advance the Facilities Management Administrative Assistant IV to step 6 on the pay scale after successful completion of a 6 month performance evaluation.

**MOTION**

Commissioner Corrigan moved to approve the advancement of the Facilities Management Administrative Assistant IV to step 6 of the pay scale after successful completion of a 6 month performance evaluation.

Commissioner Monger seconded; the motion carried 3-0.

**MOTOR VEHICLE OPERATIONS MANAGER - CONSIDERATION TO HIRE AT STEP 5**

Ms. Nelson and the Board discussed the request for approval to hire the Motor Vehicle Operations Manager at Step 5 of the pay scale.

**MOTION**

Commissioner Monger moved to approve the Motor Vehicle Operations Manager to be hired at Step 5 of the pay scale.

Commissioner Corrigan seconded; the motion carried 3-0.

**MOTOR VEHICLE SUPERVISOR - CONSIDERATION TO HIRE AT STEP 7**

Ms. Nelson and the Board discussed the request for approval to hire the Motor Vehicle Supervisor at Step 7 on the pay scale.

**MOTION**

Commissioner Corrigan moved to approve the Motor Vehicle Supervisor to be hired at Step 7 on the pay scale.

Commissioner Monger seconded; the motion carried 3-0.

**EN RE: PUBLIC WORKS DEPARTMENT / RAY DUBOIS**

Terry Reidy, Maureen Reidy; property owners, and Scott Belton, District 3 Foreman; were also present.

**PROPOSED IRRIGATION CULVERT ON CR 129 AT FOCUS RANCH**

Mr. DuBois, Mr. Reidy, Ms. Reidy, and Mr. Belton discussed the request to approve and authorize the Routt County Road and Bridge Department to provide labor, equipment and materials to install an irrigation culvert on Routt County Road 129 on a section of the road that runs through the Focus Ranch owned and operated by Maureen and Terry Reidy.

## **MOTION**

Commissioner Monger moved to approve and authorize the irrigation culvert to be installed on County Road 129 based on the information presented and the agreement between the property owners and previous Board of County Commissioners.

Commissioner Corrigan seconded; the motion carried 3-0.

## **EN RE: ROUTT COUNTY BOARD OF EQUALIZATION**

Gary Peterson, County Assessor; Matt Kuckkahn, Ryan Gelling, Robin David, and Susan Siggson, County Appraisers; Brian Broder, Mark Burke, Stephen Caragol, Stephen Baden, John Goetzman, David Gedeon, Eugene Lubieniecki, Roy Perry, and Tom Downey, Petitioners; were also present.

Commissioner Melton swore-in and advised those present of the rules by which this Board will consider valuations.

Commissioner Melton stated the issue of today's proceeding is property valuation for assessment purposes, not property taxes. No discussion of taxes will be allowed. The Petitioner has the burden of proving, by a preponderance of the evidence, that the Assessor's value is incorrect. Where the comparable sales method is used, state statute provides that the Assessor will determine value based on sales during the 18-month period ending June 30, 2018. Sales may also be considered in 6-month periods immediately preceding the 18-month period, up to 5 years, if there are insufficient sales to obtain accurate comparable valuation data. Smaller Counties commonly use a 24-month period in order to obtain sufficient comparable sales data that better demonstrates the change in value from the prior level of value, June 30, 2016. The 24-month period also eliminated seasonality in the sales data. Routt County uses a 24-month period. The Petitioner and the Assessor should not discuss sales post June 30, 2018, except in cases when it can be demonstrated that a contract for sale was completed prior to June 30, 2018 and closed after June 30, 2018 according to the original contract. Under Colorado law, the present value of your property cannot be considered. The Petitioner shall present his/her evidence first and shall have the opportunity to cross examine the representatives from the Assessor's Office after they have presented their evidence. The decision of this Board may be appealed and we will refer to that after the decision/motion has been made.

### **R4211001 WEISS, ROBERT & DEANE**

Ms. Siggson stated Mr. Weiss withdrew his appeal.

### **R6161553 BURKE, MARK & SUSAN**

Mr. Burke and Mr. Broder presented their appeals together. Their main argument was the market based approach utilized in their cases was not statistically appropriate. The Assessor's land valuation for lot 5 increased from \$50,180 (2018) to \$200,000 (2019), an increase of about 300%. The petitioners believe the reason for this increase was the result of the sale of lot 6, R6161554, for \$229,000. Lot 6 is located along the Elk River. Since the land valuation of interior lots within the subdivision have generally not increased, it is apparent to the petitioners that the excessive increase of land value assessments is solely the result of location adjacent to the river. The owner of lot 6 is building a multi-million dollar second home. This house is out of character with all existing houses in the subdivision according to the petitioners. The petitioners believe the sale prices of their properties were influenced by the nature of the multi-million dollar house, which is out of line with the market value of all riverside lots located within the subdivision.

Mr. Gelling stated at Assessor level appeal, petitioners provided a spreadsheet that compared the Assessor's office land values in 2018 and 2019 for lots with river frontage in the Elk Ridge Home site neighborhood, which the petitioners requested to be considered as justification for reducing the land values. The petitioners also provided 2 sales. 1 sale was outside of the sales collection time period and the other was a vacant land sale with river frontage within the subject's subdivision, which sold within the time period. This was considered a valid and qualified sale. It was used by the Assessor's office to set land values for river frontage properties within the subject's subdivision. Due to the subject property and comparable 1 sale being flat, similar in size, easily buildable, and have river frontage, the sale presented by the petitioners is considered the best comparable sale available as compared to the subject's properties.

Mr. Gelling continued that the petitioners also stated the value given to the subject property is "arbitrary and capricious" as compared to other lots in the subdivision. The basis for residential property values is based on sales and not what other nearby properties are valued at. During an appeal of value, the Assessor's office is tasked with determining whether the subject's value is an accurate bases on sales or not.

The Board discussed the case. Based on square footage, the value the Assessor has assigned, the comparable 6 sale, the subject property for Burke, and improvement values, the Board decided \$516,750 was justifiable for R6161553.

## **MOTION**

Commissioner Corrigan moved to deny the petitioner's request and maintain the current Assessor level of value in the matter of account number R6161553 in the amount of \$516,750.

Commissioner Monger seconded; the motion carried 3-0.

## **R6168220 BRODER, BRIAN**

Commissioner Corrigan restated the Assessor's comments on the acreage of the properties being irrelevant to the value of the buildable lots. He noted while he understands the

petitioner's discomfort with the valuation of the residential land, the Assessor was correct in the Board is required to value the entire piece of property. The valuation of the residential land is a component of arriving at the total land value. Looking at the staff packet provided by the Assessors' Office, Commissioner Corrigan was originally concerned by the comparable sales used, but after hearing the values of improvements and square footage, he felt more comfortable with the sales.

Commissioner Melton stated the petitioner had provided proposed comparable sales that were outside of subdivision and the Assessors put weight on the comparable sales within the subdivision. She believed the Assessors method was accurate.

## **MOTION**

Commissioner Monger moved to deny the petitioner's request, deny the Assessor's request, and adjust the value from \$390,800 to \$418,960 in the matter of account number R6168220.

Commissioner Corrigan seconded; the motion carried 3-0.

## **R6176282 LUBIENIECKI, EUGENE JR**

Mr. Lubieniecki stated the valuation of \$5,000 for his property is not supported by logic or market data. The property can no longer be built on, as it has become "landlocked" when the County approved re-platting of Elkhorn subdivisions. A 2015 Assessor's report stated "3 primary reasons to own; re-platting, investment, and recreation". The petitioner believes removing 2 of the 3 reasons reduces the property value. He found no sales in subdivision filling 8 demonstrating no recent market for these properties. Sales in nearby subdivision fillings show values well below the \$5,000 value and most of these properties are larger than the petitioner's property, can still be built on, and have all season gravel roads and utilities.

Mr. Gelling stated at Assessor-level appeal the petitioner provided 3 sales (R6171620, R0117718, R0021715) that he considered justification to lower the subject's value to \$500, from the Assessor value of \$5,000. 1 of these sales is a non-arm's length transaction with the lot selling from mother to son. The next petitioner comparable sale was a partial-interest (25%). The actual sale price was \$10,000. This lot is buildable but suffers from low-lying wetlands and receives a 60% discount from the typical lot in its valuation tier. The third sale at \$570 was sold on Craigslist by an out-of-state owner who had inherited the property a decade earlier and wanted to sell the property quickly. The property sold in a day of being on Craigslist.

The Board discussed the case.

Commissioner Corrigan suggested the average sales price of comparable sales 1 through 5 and a 50% discounts from those properties, due to little possibility on building on this land, would be justifiable. He noted to make things easier the Board could round that number to \$2,000.

The Board agreed with Commissioner Corrigan.

### **MOTION**

Commissioner Corrigan moved to deny the petitioner's request, deny the Assessor's level of value, and adjust the value from \$5,000 to \$2,000 in the matter of R6176282.

Commissioner Monger seconded; the motion carried 3-0.

## **EN RE: ROUTT COUNTY BOARD OF EQUALIZATION**

### **R8172501 RED DOG MGMT**

Mr. Gedeon stated the proposed valuation of his vacant lot was improper and does not follow established appraisal techniques. Mr. Gedeon does not believe his sale should be used in establishing value.

Ms. Siggson stated she consulted with the Division of Property Taxation (DPT) regarding the subject sale. The DPT stated that there was no reason the subject sale would not stand up in court. Accordingly, the subject sale was used in establishing value and was valued at \$1,800,000, below its time-adjusted sales price of \$1,872,000.

The Board, Mr. Peterson, Mr. Gedeon, and Ms. Siggson discussed the comparable sales used.

Commissioner Corrigan asked why more comparable sales weren't used.

Ms. Siggson and Assessor Gary Peterson explained the unique characteristics of the subject property make it difficult to find numerous comparable sales.

Ms. Siggson stated the sale of an improved property next door to the subject property was reviewed. This property underwent substantial remodel after time of purchase. A great amount of value was placed on the land as opposed to the large but very dated home on the property.

Commissioner Corrigan suggested a value of \$100 per square foot for improvements in reference to a comparable sale. Backing that value out of the total sales price results in an indicated land value of \$1,600,000.

The Board discussed Commissioner Corrigan's suggestion.

The Board agreed with Commissioner Corrigan's suggestion.

### **MOTION**

Commissioner Monger moved to deny the petitioner's request, deny the Assessor's level of value, and adjust the value from \$1,800,000 to \$1,600,000 in the matter of R8172501.

Commissioner Corrigan seconded; the motion carried 3-0.

### **R8167578 GOETZMAN, JOHN & TONI**

Commissioner Melton excused herself from the hearing.

Commissioner Monger swore-in and advised those present of the rules by which this Board will consider valuations.

Commissioner Monger stated the issue of today's proceeding is property valuation for assessment purposes, not property taxes. No discussion of taxes will be allowed. The Petitioner has the burden of proving, by a preponderance of the evidence, that the Assessor's value is incorrect. Where the comparable sales method is used, state statute provides that the Assessor will determine value based on sales during the 18-month period ending June 30, 2018. Sales may also be considered in 6-month periods immediately preceding the 18-month period, up to 5 years, if there are insufficient sales to obtain accurate comparable valuation data. Smaller Counties commonly use a 24-month period in order to obtain sufficient comparable sales data that better demonstrates the change in value from the prior level of value, June 30, 2016. The 24-month period also eliminated seasonality in the sales data. Routt County uses a 24-month period. The Petitioner and the Assessor should not discuss sales post June 30, 2018, except in cases when it can be demonstrated that a contract for sale was completed prior to June 30, 2018 and closed after June 30, 2018 according to the original contract. Under Colorado law, the present value of your property cannot be considered. The Petitioner shall present his/her evidence first and shall have the opportunity to cross examine the representatives from the Assessor's Office after they have presented their evidence. The decision of this Board may be appealed and we will refer to that after the decision/motion has been made.

Mr. Goetzman stated the values determined in the reappraisal process were not reasonable or consistent. Mr. Goetzman believes the reappraisal process is not able to assess a statistically significant number of sales in order to make reasonable conclusions of values. In the absence of statistically significant number of sales, assumptions and conclusions are made that lead to unreasonable and inconsistent valuations. The reappraisal process of valuing condos differently based on size of the unit is flawed and leads to unreasonable and inconsistent valuations in Mr. Goetzman's opinion. He does not see the increase of 31% of his property value as fair. Mr. Goetzman continued to present the comparable sales he found.

Mr. Goetzman asked about the SPSS software.

Mr. Peterson stated the Assessor's office does not use the Statistical Package for the Social Sciences (SPSS) software for mass modeling for the large condo complexes. The Appraisers hand value them using sales within the complex when available.

Ms. David stated during the Assessor level appeal, the petitioner had submitted 3 comparable sales for consideration. The sales did not account for the Time Adjusted Sale Price (TASP). Therefore, Ms. David made the calculation based on what the TASP would be. The petitioner's comparable sales for #2 and #3 were not given weight, due to the fact that they were much larger than the subject and in a different valuation tier. Additionally, several of the

valuation tiers at Trappeurs Crossing demonstrate that smaller units have a higher price per square foot than larger units. With a difference of 36%, it was felt that sales in Trappeurs Crossing with similar living area and bed and bath count were considered the best comparable sales.

Commissioner Corrigan suggested using the average of all of the comparable sales presented by the Assessor. This would equal \$437,132.

Commissioner Monger agreed with Commissioner Corrigan's reasoning.

### **MOTION**

Commissioner Monger moved to deny the petitioner's request, deny the Assessor's level of value, and adjust the value from \$450,930 to \$437,100 in the matter of R8167578.

Commissioner Corrigan seconded; the motion carried 2-0.

### **R8169861 PERRY, ROY & SUSAN**

Mr. Perry stated his case. He spoke of comparable sales provided by an appraisal done on his property in September of 2018. He questioned why his property would be valued at more than \$830,000 when that was what it was valued at in September of 2018 and property prices have been falling since then.

Commissioner Corrigan asked about the purchase price of this property.

Mr. Perry clarified he bought the property in October of 2018 for \$830,000.

There was discussion on the validity of the claim that property prices have been falling since 2018.

Ms. David stated the subject property is valued at \$360/sf or \$889,560. During the Assessor level appeal, the petitioner provided three comparable sales. Petitioner's comparable #1 is a sale from Moraine Townhomes (lot 48), which has 2,801sf, 5-bedrooms and 4.5-baths. This unit sold in October 2017 for a TASP of \$316/sf. The Petitioner also provided sales from outside of the Moraine Townhome development. The Petitioner's comparable #2 is situated at Eagles Overlook Condominiums. It is a 4-bedroom, 4-bath (3,144sf) condominium unit and sold in May 2018 for \$259/sf after personal property adjustments. The Petitioner's comparable #3 is situated at Majestic Valley Townhomes. It is a 4-bedroom, 4-bath (2,467sf) townhome and sold in June 2018 for \$289/sf after personal property adjustments. Due to there were sales within the development that had occurred within the time period, the sales provided by the petitioner from outside Moraine Townhomes were given little weight. The subject property was listed as of June 30, 2018 for \$930,000 or \$376/sf. Although listings cannot be considered in the valuation, their listing price can be used to check for reasonableness. After further evaluation of the sales at Moraine Townhomes and given subject's listing history as of the appraisal date, the petitioner's

appeal for a change in value to \$790,000 or \$319.70/sf was considered unwarranted and was therefore denied.

Commissioner Corrigan stated he believes the Assessor's office has chosen the most like units to the subject property, therefore he would give more weight to their valuation.

Commissioner Monger agreed with Commissioner Corrigan's reasoning.

### **MOTION**

Commissioner Corrigan moved to deny the petitioner's request and approve the Assessor's new valuation of \$852,500 from the original \$889,560 in the matter of R8169861.

Commissioner Monger seconded; the motion carried 2-0.

### **R6771379 CARAGOL, STEPHEN & MICHELLE**

Mr. Caragol stated his case. He discussed the comparable sales he found.

Ms. Siggson stated at Assessor-level appeal, petitioner requested a value of \$583,603 with a side note saying, "however, owner will accept no change in value = \$838,500", which was the 2017 level of value. The petitioner has provided four sales on appeal to CBOE, none of which are truly comparable to the subject. The petitioner's methodology for arriving at a value of \$583,603 is also drastically flawed. Photos of the four comparable sales are listed at the end of the Assessor report.

Ms. Siggson discussed how she calculated the property value.

Commissioner Corrigan stated the Pine street comparable sale seems to be the most similar sale. Valuing the caretaker unit at \$75,000 would get the total to \$939,000. He noted he is comfortable with the original value of \$956,850.

Commissioner Monger agreed with Commissioner Corrigan's reasoning.

### **MOTION**

Commissioner Corrigan moved to deny the petitioner's request, deny the Assessor's request for increase of value, and maintain the value of \$956,850 in the matter of R6771379.

Commissioner Monger noted Commissioner Melton joined the hearing, but she would not participate in the vote because she was not present for the discussion.

Commissioner Monger seconded; the motion carried 2-0.

## **R8163683 BLUE RHINO INVESTMENT INC**

Mr. Caragol stated his case. He clarified he is asking for \$900,000. The property is currently used for small offices on the first floor and a medical clinic on the second floor. Due to not being able to find a medical tenant, the small office conversion was necessary.

Mr. Caragol discussed the Assessor's comparable sales that he put the most weight on, as well as the income analysis. He argued the comparable sales for medical offices and condos attached to the hospital are not acceptable. The hospital is a significantly larger business.

Mr. Krause stated all three approaches to value have been considered. The Cost Approach to Value is deemed to be an effective approach because the subject property is relatively new; whereas, depreciation estimates are reliable. This coupled with reliable local building cost estimates and the lack of any significant external or functional obsolescence, provides for a reliable indication of value for typical investors in this market. Because there were several good office sales during the 24 month data collection period, the Sales Comparison Approach is also considered to be very reliable. All six sales are good indicators of value as they compete in the same market. Reliable market income data was available during the period to assist the Assessor's Office in estimating the potential gross income, vacancy rate, expense rate and overall cap rate. The Income Approach indication is higher than both the Sales Comparison and Cost Approaches to value. Had the petitioner furnished his income and expense data as requested, the subject's actual pro forma could have been correlated with that of the Assessor's Office. The comparable sales are deemed to be the best market evidence supporting the subject's value. The Sales Comparison Approach is emphasized in this report. The Assessors' office suggest the Board deny the petitioner's request to lower the 2019RA value to \$900,000 and upholding the Assessor's 2019RA Assessor Level Adjusted value of \$1,141,840.

Commissioner Corrigan discussed removing 20% of the square footage of the uncompleted basement with Mr. Peterson, due to this being new information.

Commissioner Monger stated he believes the Board should stick to the Assessor's value because the three methods presented justify the value. Commissioner Melton agreed.

### **MOTION**

Commissioner Monger moved to deny the petitioner's request and uphold the Assessor's value of \$1,141,840 in the matter of R8163683.

Commissioner Melton seconded; the motion carried 2-1. Commissioner Corrigan voted against the motion.

Commissioner Corrigan stated he voted against the motion because he was more comfortable with a cost per square foot of \$279, but he understands the direction the other Commissioners are going. He believes the Assessors' numbers were a little too high, but he recognizes these numbers are very difficult to decide on.

## **ALPENGLow (VARIOUS) BLUE RHINO INVESTMENTS**

Mr. Caragol stated his case. His main argument was the income approach is not compatible with some of the comparable sales, because there was not a tenant at the locations for an extended amount of time.

Mr. Krause stated the petitioner offers three comparable sales where Adjusted Sales Prices / LSF are allocated based on square footage. If the comparable sales would have been allocated based on LSF (leasable square footage) and location/position, the two comparable sales on front Lincoln Avenue would calculate much higher/LSF. Furthermore, the petitioner neglected to analyze the two Alpenglow Units (C4 & C5) located in the subject project that sold for \$393.71/LSF and \$451.39/LSF, respectively. Both of these units are inferior to the subject units because they do not front Lincoln Avenue. When all of the newer Downtown retail commercial condo sales are analyzed with emphasis placed on the two Alpenglow sales, the subject's total Aggregate value of \$1,859,200 is well supported.

The Board discussed the case. Based off of the square footage requested by the petitioner and Assessor, the Board decided on a value of \$367 per square foot.

### **MOTION**

Commissioner Monger moved to deny the petitioner's request, deny the Assessor's level of value, and adjust the values from \$580,030 to \$554,540 for C1, \$432,840 to \$385,720 for C2, and \$843,330 to \$760,060 for C3 in the matter of R8179289, R8179290, and R8179291.

Commissioner Corrigan seconded; the motion carried 3-0.

## **ELK RIVER CROSSING CONDOS (VARIOUS) OUTBACK INVESTMENTS LLC**

Mr. Caragol stated the main issue is the units are assessed as commercial condos and legally described as such, but in reality the commercial units belong to one owner and function as a typical shopping center similar to Sundance Place and Central park. Outback desires to use comparable sales of similar properties and not commercial condos. Outback requests that the Assessor change its strategy and treat the buildings at Curve as one or three buildings similar to Central park, which has four buildings. The tenants at Curve often utilize one to four commercial condos, effectively the same as Central park other than the legal designation.

Mr. Caragol continued the unusual method of valuation results in the Curve tenants paying about 2/3 more taxes than Central park and Sundance. The Curve location is inferior to the other shopping centers. The tax issue causes great hardship for the tenants and creates an environment where Curve plaza is unable to compete. For example, road repairs are delayed since the funds are allocated to extra tax payments.

Mr. Krause stated for the 2019RA an attempt was made to measure for a time trend. However, no trend was measured nor applied to the sales. This suggests the market is at least

stable and similar to what it was as of June 30, 2016, which is around the same time the 13 units in question were purchased.

Mr. Krause continued that even though the petitioner paid nearly what the units are currently valued at, the petitioner's tax agent, Mr. Caragol, argues the commercial condo units are significantly overvalued. Mr. Caragol argues that rather than be valued with similar commercial condo units, the 13 units should be valued using data from sales similar to those supporting the values of Sundance plaza and Central park. However, these shopping center properties are significantly larger buildings and are not condos. Based on the "economy of scale", a building that is significantly larger in gross building area (GBA) will generally have a lower price per LSF than an identical smaller building.

Commissioner Melton stated she understand the value of owning a condo property and the ability to sell the units separately. The petitioner is arguing the units should not be valued with that consideration in mind, but she disagrees with that argument.

Commissioner Monger and Corrigan agreed with Commissioner Melton's statements.

### **MOTION**

Commissioner Corrigan moved to deny the petitioner's request and maintain the current Assessor level of value in the matter of account numbers R8173959, R8173960, R8173961, R8173962, R8173963, R8173964, R8173965, R8173966, R8173967, R8173968, R8173969, R8173970, and R8173971 in the amount of \$4,433,996.

Commissioner Monger seconded; the motion carried 3-0.

### **LAKE VILLAGE LOTS (VARIOUS) YAMPA VALLEY DEVELOPMENT LTD**

Mr. Baden stated his case. He argued his comparable sales are accurate and relevant, the corner lot is not inferior, and MLS info is not relevant.

Mr. Kuckkahn stated at the Assessor appeal level, the petitioner submitted a list of 28 accounts to appeal, with an unadjusted comparable sale picked for each account as the reconciled value. 10 of the 28 accounts were adjusted downwards. At the Assessor level the approved adjustments brought the aggregate value from \$973,200 to \$947,000. The adjustments ranged from \$1,000 to \$12,200 or 2% to 30% of the value. The subdivider's discount, a 0.7051 factor, is then applied to this market value, which reduces the value. Of the 24 accounts appealed at CBOE level, 7 have already been adjusted. The petitioner's requests would modify the aggregate original market value of 24 accounts from \$947,000 to \$858,500 for these combined 24 accounts. It is recommended the remaining accounts be denied, with one exception below. The appraiser is recommending one additional lot be adjusted: lot 70 (R8171476) to a \$47,000 market value. Many of the requested adjustments are trivial, with many amounting to a 1-1/4 point adjustment by utilizing a single unadjusted sale. In some cases the petitioner's provided sales have not been recorded, and differences have not accounted for in any of the protestor's comparable sales. Such narrowed-in adjustments on the final value are not considered supportable in an imperfect market where there is a range of potential value. It

indicates these are not errors in value or an overvaluation, but most likely both figures are within the potential range, with decisions on rounding not considered a valid argument on the basis of value or methodology.

The Board discussed the case. Based on the evidence presented, the Commissioners agreed with the Assessor's time adjusted values.

**MOTION**

Commissioner Corrigan moved to deny the petitioner's request and uphold the Assessor's values in the matter of R8171426, R8171427, R8171428, R8171429, R8171430, R8171431, R8171432, R8171438, R8171439, R8171455, R8171456, R8171457, R8171459, R8171464, R8171465, R8171476, R8171481, R8171482, R8171484, R8171488, R8171489, R8171491, R8171492, and R8171493, except for lot 25 will be adjusted from \$35,000 to \$32,500 and lot 70 will be adjusted from \$53,200 to \$47,000.

Commissioner Monger seconded; the motion carried 3-0.

No further business coming before the Board, same adjourned sine die.

\_\_\_\_\_  
Kim Bonner, Clerk and Recorder

\_\_\_\_\_  
M. Elizabeth Melton, Chair

\_\_\_\_\_  
Date