

**GUNNISON COUNTY BOARD OF EQUALIZATION
MEETING MINUTES
July 28, 2009**

The July 28, 2009 Board of Equalization meeting was held in the County Commissioner's Meeting Room at the Courthouse. Present were:

Paula Swenson, Chairperson
Jim Starr, Vice-Chairperson
Hap Channell, Commissioner

Vicki Hildreth, Deputy Assessor
Don Rundell, Real Property Appraiser
Katherine Haase, Clerk to the Board
Others Present as Listed in Text

CALL TO ORDER: Chairperson Swenson called the meeting to order at 9:00 am. Chairperson Swenson explained the roles, rights and responsibilities of the Board and the Petitioner during each hearing where a Petitioner and/or a Petitioner's representative was present, either in person or via telephone. Appeal notices were also provided to each Petitioner.

CBOE #93

SIMON CLAYTON PROPERTY TRUST

Petitioners Doug Clayton and Gloria Simon were present for discussion. The Assessor's Office originally valued these 22 lots at \$101,640, but later reduced the value to \$79,200 after reclassifying the land from Pitkin Limited Access to Pitkin Affected. The Petitioner agreed with the adjusted value. **Moved** by Commissioner Starr, seconded by Commissioner Channell to accept the stipulated value of \$79,200 for CBOE #93. Motion carried unanimously.

CBOE #112

YADON NATALIE LIVING TRUST

The Petitioner was not present for discussion. Real Property Appraiser Rundell explained that the Assessor's office originally valued this lot at \$4,620 and did not recommend reevaluation as the value was believed to be correct. **Moved** by Commissioner Starr, seconded by Commissioner Channell to deny the requested appeal for this reevaluation. Motion carried unanimously.

CBOE #113

AUSTIN REVOCABLE LIVING TRUST

Petitioner Franklin H Austin, Jr. was present for discussion. Real Property Appraiser Rundell explained that, after the date of the appeal, he completed a physical inspection of the property which altered the land's classification and value. Originally, the Assessor's Office valued this property at \$241,270; however, a new value of \$212,470 was assigned after the inspection. The Petitioner stated agreement with the adjusted value after acknowledging that the value of the basement area must be considered. **Moved** by Commissioner Starr, seconded by Commissioner Channell, on CBOE #113, to accept the stipulated reevaluation of \$212,470. Motion carried unanimously.

BREAK: The meeting recessed from 9:38 until 10:02 am.

CBOE #7

FESMIRE LOUIS, et al

The Petitioner was not present for discussion. Real Property Appraiser Rundell performed a physical inspection of this property, which had originally been valued at \$137,380 by the Assessor's Office. After inspection, the property was revalued at \$115,700. **Moved** by Commissioner Starr, seconded by Commissioner Channell to accept the Assessor's proposed value of \$115,700 on CBOE #7, recognizing a 20% location functional obsolescence. Motion carried unanimously.

BREAK: The meeting recessed from 10:05 until 10:15 am.

CBOE #28

BENSON EUGENE L., et al

Petitioner's representative Lucinda Lull was present for discussion, but did not have any further materials for consideration. The Assessor's Office originally valued this property at \$78,410. Real Property Appraiser Rundell explained that he had performed an inspection of the property, which resulted in a classification change and a new value of \$71,300. Ms. Lull stated that the property was listed as having propane heat while only a wood stove is present, which served to

correct the record while not altering the property's value. Ms. Lull also expressed concern that, if the house were to burn down to just a lot, then the lot could possibly be deemed unbuildable. **Moved** by Commissioner Channell, seconded by Commissioner Starr to accept the Assessor's value for CBOE #28 of \$71,300, based on reclassifying the house to Type 0. Motion carried unanimously.

**CBOE #40
GOODRICH THAD, et al**

The Petitioner was not present for discussion. The Assessor's Office originally valued this property at \$136,670. However, Real Property Appraiser Rundell performed a physical inspection of the property, which altered the square footage figures and reduced the value to \$133,120. **Moved** by Commissioner Channell, seconded by Commissioner Starr to approve CBOE #40 with an accepted adjustment to \$133,120 for functional obsolescence and a corrected square footage. Motion carried unanimously.

**CBOE #49
SCHARTON WILLIAM D III**

The Petitioner was not present for discussion. The Assessor's Office originally valued this property at \$46,550. Real Property Appraiser Rundell performed a physical inspection of the property, which resulted in modification of the architectural style from Summer SFR to Cabin. Also, the condition was changed from Average to Poor. **Moved** by Commissioner Channell, seconded by Commissioner Starr to approve acceptance of the proposed value of \$30,070 for CBOE #49, based on the change from Summer SFR to Cabin status and reclassification from Average to Poor. Motion carried unanimously.

BREAK: The meeting recessed from 10:43 until 11:00 am.

**CBOE #75
ARCHULETA HAROLD E., et al**

Petitioner Harold Archuleta was present for discussion. The Assessor's Office originally valued this property at \$175,390. The Petitioner felt that the property was unique in that it was on a quit claim deed and the foundation was log and not concrete. Deputy Assessor Hildreth noted that the file already reflected the foundation information. Real Property Appraiser Rundell felt that the property classified for 90% functional obsolescence, which would reduce the value to \$171,350. He also stated that LaVeta Placer properties should be reevaluated. **Moved** by Commissioner Starr, seconded by Commissioner Channell to adjust the value of CBOE #75 to \$171,350, based on the LaVeta lot adjustments. Motion carried unanimously.

**CBOE #85
HAINES WAYNE R. REVOCABLE TRUST**

Petitioner Wayne R. Harris was present for discussion via telephone. The Assessor's Office originally valued the property at \$170,420, but later reduced the value to \$160,130 following a physical inspection performed by Real Property Appraiser Rundell. The structure was reclassified from a Type 3 to a Type 2 structure. The land was reclassified from seven Pitkin Limited lots to three Pitkin Limited lots and four Pitkin Affected lots. The Petitioner agreed with the adjustment. **Moved** by Commissioner Channell, seconded by Commissioner Starr to accept the stipulated agreement for the adjusted valued for CBOE #85 for the amount of \$160,130. Motion carried unanimously.

**CBOE #22
MARTIN ZACK B. & MARY L. TRUST**

The Petitioner was not present for discussion. The Assessor's Office originally valued this property at \$313,170. Real Property Appraiser Rundell stated that he had performed a physical inspection of this property during a previous year and that on 1/1/2011 this property would become eligible for reclassification to agricultural land. **Moved** by Commissioner Starr, seconded by Commissioner Channell to deny the appeal request for CBOE #22 for the reason that there had been no ag (agricultural) use of the property until the summer of 2009 and a minimum of two years consecutive use prior to ag (agricultural) designation is required by State law. Motion carried unanimously.

**CBOE #23
EL VASITO INC.**

The Petitioner was not present for discussion. **Moved** by Commissioner Channell, seconded by Commissioner Starr to deny CBOE #23 for the same reasons as stated above for CBOE #22. Motion carried unanimously.

BREAK: The meeting recessed from 11:35 am until 1:00 pm for lunch.

CBOE #31

GILLMAN PAUL T FIRST FAMILY LTD PARTNERSHIP

Petitioner Paul Gillman was present for discussion, as was Ms. Lucinda Lull to assist him with the process. The Assessor's Office originally valued the property at \$230,070. The Petitioner felt that the Board should reduce the value due to the absence of standing area, therefore livable space, in the loft area. He also felt that the structure should be reclassified from Summer SFR to Cabin. Deputy Assessor Hildreth agreed that the description and photos provided by the Petitioner could support a Cabin classification, so she agreed to modify the classification and report back by the end of the day with an adjusted value. The Petitioner provided a telephone number so that he could be reached later in the day.

CBOE #32

SMITH DANIEL L., et al

Petitioner Daniel L. Smith was present for discussion via telephone. The Assessor's Office originally valued this property at \$159,960. The Petitioner confirmed that he had received his requested documentation from the Assessor's Office and that he agreed with the proposed adjusted value of \$112,270. **Moved** by Commissioner Starr, seconded by Commissioner Channell, on CBOE #32, to accept the stipulated value of \$112,270. Motion carried unanimously.

CBOE #95

WALSH JOHN MICHAEL, et al

The Petitioner was not present for discussion. The Assessor's Office originally determined that this property should be valued at \$147,050 and Deputy Assessor Hildreth asked for Board support of that determination. **Moved** by Commissioner Channell, seconded by Commissioner Starr that CBOE #95 be denied and be established at the Assessor's recommendation of \$147,050. Motion carried unanimously.

CBOE #104

FILAR CHRISTOPHER

Petitioner Christopher Filar was present for discussion and provided comparison sales information for his subdivision and surrounding area. The Assessor's Office originally valued the property at \$168,720, but proposed an adjusted value of \$155,000 during the hearing. The Petitioner stated that the property had appraised at \$125,000 approximately seven years prior. Real Property Appraiser Rundell stated that he could not obtain access to the structure, therefore he could neither perform a property inspection nor confirm square footage. **Moved** by Commissioner Starr, seconded by Commissioner Channell to accept the stipulated reevaluation to \$155,000 for CBOE #104. Motion carried unanimously.

CBOE #1

MAGUIRE DONALD A.

Petitioner Donald A. Maguire was present for discussion. Real Property Appraiser Rundell explained that the parcel of land in question was originally valued at \$12,000; however, an adjusted valuation of \$7,120 was proposed by the Assessor's Office after reclassifying the land from Seasonal Acreage Less Than One Acre to Masden Lake Fork Cove with a 27% adjustment for lack of utilities. The Petitioner appreciated the reevaluation to \$7,120, but felt that the property should be further reduced to a value of \$5,000. **Moved** by Commissioner Starr, seconded by Commissioner Channell to adjust the value to \$6,000 primarily because of the admitted lack of access to the property. Motion carried unanimously.

CBOE #29

PETRI GARY A.

Petitioner Gary A. Petri was present for discussion and provided additional written information relative to his property. The Assessor's Office originally valued this seasonal-access property at \$222,300. The Petitioner explained that he had purchased portions of the property, valued at \$117,000, during two separate occasions in July of 2006 and again in October of 2007 for a total of \$125,000. The value increased to \$175,500 in 2008 and again to \$222,300 in 2009, which he felt was a result of being incorrectly compared to the Blue Mesa Subdivision. Real

Property Appraiser Rundell felt that the value of \$222,300 was correct and substantiated by the use of comparable sales. Deputy Assessor Hildreth noted that the Petitioner's two sales established a median price of \$1875 per acre. **Moved** by Commissioner Starr, seconded by Chairperson Swenson to adjust the value to \$146,250, which is a per-acre value of \$1,250 which reflects fairly accurately the purchase prices actually paid during the subject time frame. Commissioner Channell agreed that the Petitioner's purchases should be factored into the equation since they were completed within the time frame allowed by statute. He felt that the average of purchase amounts and assessed values indicated a total value of \$172,000. Deputy Assessor Hildreth explained that the median price would be \$1,316 per acre, not allowing the third sale, should the Board decide to include the Petitioner's two sales. Commissioner Starr withdrew his previous motion and Chairperson Swenson withdrew her second. **Moved** by Commissioner Starr, seconded by Chairperson Swenson to adjust the value to \$154,000 to reflect the rationale given to them from the Assessor's Office to reestablish the array to include the sale of the purchase of the subject properties during the subject period and to exclude the parcel which is currently in the array and is apparently a creek-side property. Motion carried unanimously.

**CBOE #123
HALVORSEN ADAM R.**

Petitioner Adam R. Halvorsen was present for discussion and described the property as 40 acres of mountainous property with seasonal access only and no utilities. The Assessor's Office originally valued this property at \$543,100, but later reduced the value to \$435,610 after review. The Petitioner provided pictures of an adjacent property, which has utilities, as he felt that this property increased the value of his property. He felt that his property should be compared to properties with similar altitude and access, such as Ragged Mountain Estates, for an average per-acre value of \$4,290 and a total value of \$174,002. Deputy Assessor Hildreth stated that comparable sales in this area suggest that the Petitioner's property had a higher value; however, she acknowledged that access issues and water frontage may not have been considered in the comparable sales. **Moved** by Commissioner Channell, seconded by Commissioner Starr to adjust CBOE #123 to \$305,000 in order to reflect the access limitations for this property. Motion carried unanimously.

**CBOE #53
LIPPOTH NADINE L REV TRUST, et al**

Petitioner Nadine L. Lippoth was present for discussion via telephone. The Assessor's Office originally valued this 130-acre property at \$200,700. The Petitioner stated disagreement with the proposed value due to having only seasonal access to the property. She also felt that 100% of the property was not accessible by motorized vehicles and that development of the property would be impossible, which should yield a per-acre value of \$1,250. Real Property Appraiser Rundell felt that \$200,700 was an accurate value as it indicated 100.32 acres without vehicular access and 30.11 seasonal-access acres. **Moved** by Commissioner Channell, seconded by Commissioner Starr to adjust CBOE #53 to \$163,000 reflecting all of the acreage, approximately 130 acres, to No Vehicular Access at \$1,250 per acre. Motion carried unanimously. Commissioner Channell requested that the Assessor's Office perform a physical inspection of the property so that the classification issues do not continue to come up in future years.

ASSESSOR'S OFFICE STAFFING CHANGE: Real Property Appraiser Rundell left the hearings at 3:19 pm and was replaced by Real Property Appraiser Darrah Miller.

**CBOE #124
MANSFIELD CHARLES L., et al**

Petitioners Charles and Beth Mansfield were present for discussion. The Assessor's Office originally valued this property at \$54,500; however, the Petitioner and the Assessor's Office were in agreement to reduce the value to \$41,000. **Moved** by Commissioner Channell, seconded by Commissioner Starr, that the value of CBOE #124, as of a stipulated agreement, be established at \$41,000. Motion carried unanimously.

ASSESSOR'S OFFICE STAFFING CHANGE: Real Property Appraiser Miller left the hearings at 3:20 pm.

**CBOE #77
JENKINS STEVEN D., et al**

Petitioner's representative Leo Klinker was present for discussion and expressed concern that all comparable sales were for commercial properties. The Assessor's Office originally valued this property at \$262,130, however Mr. Klinker felt that \$208,000 would be more appropriate. Deputy Assessor Hildreth explained that the comparable sales were all house-like structures that had been used commercially. She also acknowledged that this property is leased to a non-profit organization. Mr. Klinker informed the Board that a one-bedroom apartment exists in the upstairs of this property, which had been previously used as housing was currently being used as storage. **Moved** by Commissioner Starr, seconded by Commissioner Channell to adjust the value to \$218,800, which is valuing the main commercial part of the property at the \$143 per square foot and the upstairs residential area at half that for a total of \$218,800. Motion carried unanimously. The Board felt that the upstairs residential area should be assessed at half since it is not available for commercial use.

ASSESSOR'S OFFICE STAFFING CHANGE: County Assessor Kristy McFarland and Real Property Appraiser Bob Blackett joined the hearings at 3:38 pm.

**CBOE #114
WOOD NEIL M., et al**

Petitioner's representative Ted Bayouth was present for discussion and explained that he was representing CBOE #114, #115, #116, and #117, which are all properties in the Heatherwood Condos. The Assessor's Office originally valued this property at \$377,810, but Mr. Bayouth felt that \$300,000 would be more appropriate. There had been no sales during the previous eight years to use as comparable sales, and Mr. Bayouth felt that the Heatherwood Condo properties should not be compared to Island Condos as the Heatherwood Condo properties are much smaller and older. Real Property Appraiser Blackett explained that he selected six market examples for comparison, each allowing for the differences between Heatherwood Condos and Island Condos with adjustments for being on or off of the river. Commissioner Starr felt that the adjustment for being on the river was too high. **Moved** by Commissioner Starr to adjust the value of CBOE #114 to \$340,000, which would appear to more accurately reflect the locational adjustments to the examples. The motion died for lack of a second. Real Property Appraiser Blackett noted that the adjustments for being on river were between 70% and 80% during the previous sales period, and that 60% was the current adjustment. **Moved** by Commissioner Channell, seconded by Chairperson Swenson that CBOE #114 be denied. Motion carried. Commissioner Starr voted against the motion.

**CBOE #115
MARSHALL HELEN C.**

Petitioner's representative Ted Bayouth was present for discussion. **Moved** by Commissioner Channell, seconded by Chairperson Swenson to deny (CBOE #115). Motion carried. Commissioner Starr voted against the motion.

**CBOE #116
HOSKINS PERRY DON, et al**

Petitioner's representative Ted Bayouth was present for discussion. **Moved** by Commissioner Channell, seconded by Chairperson Swenson to deny (CBOE #116). Motion carried. Commissioner Starr voted against the motion.

**CBOE #117
WILKINSON ROGER D. & MARLENE A.**

Petitioner's representative Ted Bayouth was present for discussion. **Moved** by Commissioner Channell, seconded by Chairperson Swenson to deny (CBOE #117). Motion carried. Commissioner Starr voted against the motion.

**CBOE #121 & #122
HEGEMAN ALANSON B., et al**

Petitioner Colleen Hegeman was present for discussion. The Assessor's Office originally valued these properties at \$384,250, which the Petitioner felt was excessive as the value appeared to have increased 90% within the last year. The highest increase in value indicated by the comparable sales was 43%, so the Petitioner felt that her property should not increase more than 43%. **Moved** by Commissioner Starr, seconded by Commissioner Channell to adjust CBOE #121 to \$72,000. Motion carried unanimously. **Moved** by Commissioner Starr, seconded by Chairperson Swenson to adjust CBOE #122 to \$266,300. Motion carried unanimously.

CBOE #141
STORAGE ONE CRESTED BUTTE LLC.

Petitioner Roger Kahn was present for discussion. The Assessor's Office originally valued this property at \$1,397,730, but later reduced the value to \$901,530 after further review. The Petitioner felt that the property should be valued at \$701,810 and suggested that his business may be losing clients due to pricing that cannot remain competitive while affording tax payments. Real Property Appraiser Blackett noted that, prior to 2007, an error caused this property to be undervalued. Since this property is the only mini-storage facility in operation in Crested Butte, the business's actual gross income was used instead of potential gross income when calculating the Income Approach to Value of \$901,400. The Board felt that the value could further be decreased only if the Petitioner could provide more detailed information relative to his income. The Petitioner stated his intention to appeal the decision of the Board. **Moved** by Commissioner Starr, seconded by Commissioner Channell to deny the requested adjustment of value for CBOE #141. Motion carried unanimously.

ASSESSOR'S OFFICE STAFFING CHANGE: Real Property Appraiser Bob Blackett left the hearings at 5:04 pm and was replaced by Real Property Appraiser Mary Mast.

CBOE #152
CORCORAN EDWARD A., et al

Petitioner Edward Corcoran was present for discussion. The Assessor's Office originally valued this property at \$723,100. The Petitioner disagreed with the assessed value because he felt that his property was assessed at \$100 per square foot higher than the comparable sales. **Moved** by Chairperson Swenson, seconded by Commissioner Channell that, based on the 101 Tincup being the most comparable to the subject property in the array we are shown and weighing heavily on that, not as it came into the array, but actually how it is assessed this year as it is assessed at \$658,260. They took that value and added in the additional square footage of this property to get a value of \$669,000. Motion carried unanimously.

ASSESSOR'S OFFICE STAFFING CHANGE: County Assessor McFarland left the hearings at 5:24 pm.

CBOE #223
GREENE CHRISTOPHER W., et al

The Petitioner was not present for discussion. The Assessor's Office originally valued this property at \$379,320; however, after further review, the value was increased to \$430,770. The Petitioner felt that the property should be valued at \$315,000. Much discussion took place relative to only comparing deed-restricted properties for the purpose of evaluating this property. **Moved** by Commissioner Starr, seconded by Commissioner Channell to adjust the set value on CBOE #223 to \$379,320 and, as justification, it more closely reflects the other similarly deed-restricted properties in that neighborhood. Motion carried unanimously.

CBOE #225
HOGUE JAMES M., et al

Petitioner James M. Hogue was present for discussion. The Assessor's Office originally valued this property at \$3,219,250. The Petitioner believed that the property should be valued at \$2,300,000. The Petitioner felt that the first comparable sale, Example #1, should be disregarded as the square footage was contested by an MLS listing of the property. Real Property Appraiser Mast felt that the difference in square footage may be explained by the inclusion, or not, of the unfinished basement in the final footage calculation. The Petitioner also contested the second and third comparable sales, Examples #2 and #3. Lastly, he provided a copy of an appraisal of his property that was completed in December of 2008 and indicated a value of \$2,300,000. **Moved** by Commissioner Starr, seconded by Chairperson Swenson to adjust the value to \$2,722,500, this value was arrived at by using an adjustment in Example #1 and averaging the other examples to accommodate the subject property size. Motion carried unanimously.

CBOE #137
OLSON SHAWN

Petitioner Shawn Olson was present for discussion. The Assessor's Office originally valued this property at \$580,620; however, the value was decreased to \$569,560 after further review. The Petitioner felt that the value should be \$493,275 and provided information relative to comparable property sales. He argued that the first comparable sale should be excluded because it was listed as a duplex, but should have been listed as a single-family residence with

an apartment. **Moved** by Commissioner Starr, seconded by Commissioner Channell to adjust the value on CBOE #137 to \$534,000, acknowledging example #1 is similar to this and that it is a single-family residence with an apartment and adjusting that value and then taking the average of Examples #1, #2 and #3 takes you to the figure of \$534,000. Motion carried unanimously.

ASSESSOR’S OFFICE STAFFING CHANGE: Real Property Appraiser Mast left the hearings at 6:33 pm and was immediately replaced by Real Property Appraiser Rundell.

CBOE #31 (continued)
GILLMAN PAUL T FIRST FAMILY LTD PARTNERS

The petitioner was not available for discussion; however, Chairperson Swenson left a voice mail message at the telephone number that was provided to the Board by the Petitioner earlier in the meeting. Real Property Appraiser Rundell stated that the property was revalued at \$179,820, after reclassification to Cabin. **Moved** by Commissioner Starr, seconded by Commissioner Channell to accept the Assessor’s valuation of \$179,820 for CBOE #31. Motion carried unanimously.

ADJOURN: Chairperson Swenson adjourned the meeting at 6:37 pm.

Paula Swenson, Chairperson

Jim Starr, Vice-Chairperson

Hap Channell, Commissioner

Minutes Prepared By:

Katherine Haase, Deputy County Clerk

Attest:

Stella Dominguez, County Clerk