

**GUNNISON COUNTY BOARD OF EQUALIZATION
MEETING MINUTES
JULY 30, 2009**

The July 30, 2009 Board of Equalization meeting was held in the Planning Commissioners Meeting Room at the Board of County Commissioners Meeting Room, 200 E. Virginia Ave., Gunnison. Present were:

Paula Swenson, Chairperson
Ruth Dukeman, Clerk to the Board

Hap Channell, Commissioner

County Assessor Kristy McFarland, Deputy Assessor, Vicki Hildreth and Senior Appraiser/Analyst George Lickiss were present and participated as indicated in the text.

NOTICE: The Petitioner's and Assessor's exhibits for each case are located in their individual Board of Equalization files.

The valuation time period is July 1, 2006 –June 30, 2008

CALL TO ORDER: Chairperson Swenson called the July 30, 2009 meeting of the County Board of Equalization 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 #71
Lost Miner Enterprises**

Petitioner was not present. Appraiser II, Don Rundell summarized the subject property and the supported value for the subject property as: Agric Land \$39,230, Agric Other Imps \$30,130, Agric Resid \$101,850 with a total value of \$171,210. The use of the residential portion of the property as staff housing was discussed. Deputy Assessor, Vicki Hildreth explained the process for valuating properties. The comparison property data, with different valuations was further deliberated. Appraiser II, Don Rundell further detailed the housing structure type. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #71. Motion carried unanimously.

**CBOE #70
Bonanza Development LLC.**

Petitioner was not present. Appraiser II, Don Rundell summarized the subject property and the supported value of \$111,120. The petitioners concerns provided in the documentation were reviewed. Discussion about easements related to the subject property and about what information could be considered in the valuation of the property commenced. As the information provided included properties that had not been sold, but were only for sale, the data could not be considered. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #70. Motion carried unanimously.

**CBOE #72
Bonanza Development LLC.**

Petitioner was not present. Appraiser II, Don Rundell summarized the subject property and the supported value of \$104,490. The petitioners concerns provided in the documentation were reviewed. Discussion easements and about what information could be considered in the valuation of the property commenced. As the information provided included properties that had not been sold, but only for sale, the data could not be considered. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #72. Motion carried unanimously.

CBOE #214
James Auster, et al

Petitioner was not present. Appraiser II, Don Rundell advised that after review of the information provided by the petitioner a total stipulated value adjustment of \$369,060, lowered from the previous valuation of \$423,130 was recommended for the subject property. **Moved** by Commissioner Channell, second by Chairperson Swenson, to adjust the value of the Agric Land to \$23,260, the Agric Other Imps to \$18,370 and the Agric Resid portion to \$327,430 for total proposed value of \$369,060. Motion carried unanimously.

CBOE #210
Thomas R. Kuhn, et al

Petitioner was not present. Senior Appraiser George Lickiss advised that after evaluation of information submitted by the petitioner a value change from \$892,450 to a value of \$600,000 was supported for the subject property. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to accept the stipulated value change to \$600,000. Motion carried unanimously.

BREAK: The meeting recessed from 9:00 am until 9:48 am.

CBOE #108
Phil L. Pfeiler, et al

Petitioner was present. Petitioner Pfeiler explained the history of the subject property, previous appeals and his dissatisfaction when several years ago photos were not allowed to be submitted for consideration at the State Board of Assessment Appeal level. The Assessor's Office information was detailed as he was concerned about how the comparables were not similar to the subject property. Additional information, compiled with analysis performed by the Petitioner about properties he felt were similar to the subject property was presented. Petitioner Pfeiler further explained how he felt his property should be changed to a to a type 3 classification. Several physical inspections had been performed by the Assessor's Office. Confidence that the subject properties classification was correct was explained. Petitioner Pfeiler further detailed the features of his property. Other nearby land values, access to the property and how these factors related to the subject property were further detailed. Appraiser II, Don Rundell summarized the sample of comparable properties, adjustments made and the supported value of \$1,154,510 for the subject property. In addition, Deputy Assessor Hildreth explained how utility access to the property was adjusted in the valuation. Discussion about the valuation of the comparables relative to the subject property commenced.

Moved by Commissioner Channell, to adjust the value to \$900,000. The information presented by the Petitioner appeared to support that the subject property meets the standards for a type 3 property, versus a type 4 property. An adjustment to the land value to address the issues associated with the location of property was also applicable. The adjustment for type 3 classification reduction of \$100,000, and a percentage reduction to the land value of approximately \$29,730, was then rounded to arrive at a proposed amount of \$900,000. Deputy Assessor, Vicki Hildreth commented that the calculated amount for type 3 property would be greater than the motion as presented. Motion failed.

Moved Chairperson Swenson to deny CBOE #108 as she felt the valuation was well supported. Motion failed.

Moved by Chairperson Swenson, seconded by Commissioner Channell, to table CBOE #108 until August 3, 2009 at 8:30 am. Motion carried unanimously.

CBOE #106
Wayne H. Revoir, et al

Petitioner was not present. Appraiser II, Don Rundell summarized the subject property and the total supported value of \$163,240, with the Agric Residence independently valued at \$161,360. Discussion about the subject property, access and the utilities available commenced. Access to the subject property was unknown. **Moved** by Commissioner Channell, seconded by

Chairperson Swenson, to table this petition until additional information could be provided verifying the access to the property. Motion carried unanimously.

CBOE #21
Sallie J. Upchurch

Petitioner was not present. Appraiser II, Don Rundell summarized the subject property and the supported value of \$361,120. There was question about the easements on the property; a copy of the deed was reviewed and the size of the property detailed. An electric line crossing the subject property, allowing accessing to other properties was further discussed. Adding a power line easement and noting the building restrictions to the subject property were further deliberated. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to adjust value to \$336,000. Motion carried unanimously.

CBOE #118
Hagar Associates

Petitioners Donald and Leila Hagar were present. Petitioner Donald Hagar detailed additional information provided to the Board. He further explained the neighboring property and the information that supported his requested value of \$350,000. Photographs of neighboring properties were reviewed. Assessment histories were presented as the Petitioners were able to find similar properties with much lower values. Appraiser II, Don Rundell summarized the subject property and explained the adjustments made to three comparable properties used as examples. He further explained after physical inspection recommended adjustments to the subject property would be to change the property to a type 1 and to modify the value from \$413,390 to the value of \$396,670. The petitioner expressed his concern that his neighbors property was degrading in value at the same rate that his property was increasing in value with no other changes.

Moved by Chairperson Swenson, seconded by Commissioner Channell, to accommodate architecture of the property and use the market Lot 4 Eubanks Acres as an example of like property to deduct \$8,000 for Architectural Style to arrive at a value of \$364,000. Discussion as to the value of Lot 4 Eubanks Acres commenced. Deputy Assessor Hildreth further explained the blending of actual value and assessed value and the effects on the calculations performed. Motion was withdrawn.

Moved by Commissioner Channell, seconded by Chairperson Swenson, to adjust the Architectural Style to type 1 arriving at an adjusted value of \$390,000, then remove the adjustment for the land of \$8,000 for a total adjusted value of \$382,000. Chairperson Swenson further explained the rationale for the value adjustment as information provided by the petitioner addressing the current assessed value of the neighboring properties. Motion carried unanimously.

CBOE #78
Harding & Carbone Inc.

Petitioner participated via teleconference and was represented by Ted Siwierka. Mr. Siwierka explained how he was unable understand the increase in value of the subject property. Appraiser II, Don Rundell summarized the process of valuations, the subject property and explained adjustments to three comparable sales and the supported value of \$396,670 for the subject property. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny the petition for CBOE #78, as it appears the value is correct based on the supporting information provided. Motion carried unanimously.

CBOE #4
Bobbie J. Harris

Petitioner participated via teleconference. Petitioner Harris explained how the subject property was having water accessibility issues with the well and it was necessary to boil water for use. The remote access to the property was further discussed. Appraiser II, Don Rundell summarized the subject property relative to a set of sales examples that supported a value of \$281,530. Additional comparison properties supplied by the petitioner were reviewed citing the differences from the subject property. The lower sales prices of the manufactured homes and how they value differently than the stick built subject property was explained. The difficult task of making comparisons to properties in different areas was further deliberated, citing examples of the adjustments needed to the sales examples. The process of valuation relative to the

subject property and the comparable examples was discussed. **Moved** by Chairperson Swenson, seconded by Commissioner Channell, to adjust the value to \$254,000, as it appears by the information provided that properties sell for a slightly lower amount than provided in the comparison sample. Motion carried unanimously.

CBOE #25
James E. Wagner, et al

Petitioner was present. Petitioner explained his property values using real fruits to demonstrate his understanding about the valuation process. He then presented information about how a neighboring property recently sold for \$190,000 and felt that his property holds that same value. Appraiser II, Don Rundell summarized the examples of comparable properties supporting the value of \$247,270. Discussion about adjustments made to the sample comparison properties ensued. **Moved** by Chairperson Swenson, seconded by Commissioner Channell, to adjust the value to \$225,000. This value closer represents the value relative to those of other comparable properties like the subject. Motion carried unanimously.

CBOE #97
J. D. Castell, et al

Petitioner participated via teleconference. Petitioner Castell was assisted by Bobbi Harris the petitioner for CBOE #4. Ms. Harris explained how the subject property was built by the same builder and very much like the property heard in CBOE #4. Appraiser II, Don Rundell summarized the subject property and verified that time was not a factor, supporting the value of \$279,730. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to adjust value to \$254,000 to accommodate factors as discussed during CBOE #4. Motion carried unanimously.

LUNCH BREAK: The meeting recessed from 12:17 pm to 1:00 pm.

CBOE #119
Joseph Jerry Wright Rev Living Trust

Petitioner was present. Petitioner Wright explained how after completion of the construction in the subdivision, the views from the properties will be obstructed, he further noted how the area in front of the properties was sold and the subject property was no longer considered ski in/out access. Appraiser II, Mary Mast summarized how a clerical error was noted and the value should be \$365,800 as the subject property should be classified as an affected lot. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to accept the Assessor's Office recommendation to adjust value to \$365,800. Motion carried unanimously.

CBOE #67
Daisy Run LLC.

Petitioner was not present. Appraiser II, Mary Mast summarized the subject property and explained the supported value of \$183,660. The square footage of the unit and location was discussed. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny the petition for CBOE #67. Motion carried unanimously.

CBOE #68
Daisy Run LLC.

Petitioner was not present. Appraiser II, Mary Mast summarized the subject property and verified that time was not a factor; the details supporting the value of \$164,460 were presented. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny the petition for CBOE #68. Motion carried unanimously.

CBOE #69
Sandy Shrimp LLC.

Petitioner was not present. Appraiser II, Mary Mast provided information about other similar units in the building selling for very different amounts. The process of valuation was further discussed. She further summarized the subject property and the supported value of \$122,310. A map was provided to the Board for review the exact location of the properties. **Moved** by

Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #69. Motion carried unanimously.

CBOE #109
Spring Lane Investments LLC.

Petitioner was not present. Appraiser II, Mary Mast summarized the subject property and the supported value of \$1,150,000. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny the petitioner appeal for CBOE #109. Motion carried unanimously.

CBOE #110
Pruroc Joint Venture

Petitioner participated via telephone. It was explained how the subject property and several others in the complex had been listed for sale but were not selling. Chairperson Swenson explained the comparison properties and how the values of the sales were used to determine the value of the property. Appraiser II, Mary Mast summarized the subject property and the supporting value of \$1,182,500. Discussion about the valuation processes and methods used by the Assessor's Office relative to the subject property commenced. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #110. Motion carried unanimously.

BREAK: The meeting recessed from 2:05 pm until 2:30 pm.

CBOE #169
Conroad Associates LP

Petitioner Lloyd Abram was present. Petitioner Abram explained information he gathered about comparative sales relative to the subject property. He further explained how the sales price had been reduced with no results relative to the sale of the property. The process for valuation was further presented, explaining how only sales could be used. Appraiser II, Mary Mast summarized the subject property and the supported value of \$270,000. **Moved** by Chairperson Swenson, seconded by Commissioner Channell, to adjust the value to \$249,000, as comparison sales 6 and 7 indicate a lower selling value, with the removal of sale 5 that has special amenities and a unique location, the average the other sample comparisons from Mulligan Drive sample properties support a change in value to more accurately represent the subject property. Motion carried unanimously.

BREAK: The meeting recessed from 2:40 pm until 2:54 pm.

CBOE #215
John B. Nichols

Petitioner was present. Petitioner Nichols provided information supporting his requested value of \$1,000,000. He further summarized what he felt was the difference between the comparisons and the subject property. The valuation process of basements was further reviewed. A fee appraisal from 2005 was supplied. The process used by the Assessor's Office for valuation was further explained. Appraiser II, Mary Mast summarized the subject property and comparable properties showing a supported the value of \$1,578,890. The location of the property and the size of the garage were deliberated. The basement area size and characteristics were discussed in detail. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to reduce the value of the subject property to \$1,296,000 to accommodate the unique characteristics of the basement. It was recommended that the Petitioner request the Assessor's Office to perform a physical inspection. Motion carried unanimously.

CBOE #219
Karole Armitage

Petitioner was not present. Appraiser I, Darrah Miller summarized the subject property and advised that a stipulated value of \$674,000 was supported. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to adjust the value to \$674,000. Motion carried unanimously.

BREAK: The meeting recessed from 3:24 pm until 3:30 pm.

CBOE #226
Steve Brough, et al

Petitioner was not present. Senior Appraiser George Lickiss summarized the subject property and explained that the unit is in poor condition, three examples of comparable properties were provided supporting the value of \$210,860. The poor condition was factored in the valuation to accommodate the issues of inferior plumbing and other issues of the subject property as explained by the petitioner in the documentation. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny the petition. Motion carried unanimously.

CBOE #157
Tyler Land & Cattle Co.

Petitioner was not present. Discussion about the documentation provided ensued. Senior Appraiser George Lickiss summarized the subject property and the supported value of \$871,880. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #157. Motion carried unanimously.

CBOE #99
Elk Avenue Partners

Petitioner was represented by David Leinsdorf. Petitioner Leinsdorf explained the location of the property. He provided photographs of the subject property demonstrating the current condition. Different types of valuations were discussed. Senior Appraiser George Lickiss summarized the subject property and agreed that the split use nature of the subject property was unique. He further explained how the currently assigned value of \$2,226,610 was calculated. Assessor, Kristy McFarland explained how after review of the information provided by the Petitioner, the building condition appeared to be poor and an adjustment from average/fair condition was supported and would result in a reduction in value. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to accept the stipulated agreed value of \$1,839,000 to accommodate the condition of the building and to adjust the inventory for the property to poor condition. Motion carried unanimously.

CBOE #209
The Last Will of William Leon McAuliffe

Petitioner Eleanor McAuliffe was present. Petitioner described the property as a resort and guest ranch. She explained the unique attributes of the property. The size of the property was confirmed and the access was further deliberated and determined to be limited. Senior Appraiser George Lickiss summarized the subject property, detailed the adjustments made to the comparables provided as examples for the supported value of \$398,790. The condition of the property was discussed. It was explained how several cabins were constructed without foundations. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to adjust value to \$315,000 to accommodate the condition and access to the property. Motion carried unanimously.

CBOE #212
Eleanor Ann McAuliffe

Petitioner was present. Petitioner summarized the subject property and detailed the location. Senior Appraiser George Lickiss summarized the comparable sample sales supporting the assigned value of \$61,980. **Moved** by Commissioner Channell, seconded by Chairperson Swenson, to deny CBOE #212. Motion carried unanimously.

CBOE #213
Eleanor McAuliffe

Petitioner was present. Petitioner explained the location and characteristics of the property. Senior Appraiser George Lickiss summarized the comparable properties provided supporting a value of \$824,000. The income approach was further deliberated. The condition of the building and the access to the properties was further discussed. **Moved** by Chairperson Swenson, seconded by Commissioner Channell, to adjust value to \$700,000 to accommodate the condition and access to the property. Motion carried

**CBOE #211
Eleanor Ann McAuliffe**

Petitioner was present. Petitioner explained the location and characteristics of the property. Senior Appraiser George Lickiss summarized the subject property and advised that after review of the information provided by the Petitioner a value of \$31,000 was recommended. **Moved** by Chairperson Swenson, seconded by Commissioner Channell, to accept the Assessor's Office recommended value of \$31,000. Motion carried unanimously.

**CBOE #98
Robert G Colvey, et al**

Petitioner was present and also represented by David Leinsdorf. Mr. Leinsdorf explained a color coded map showing different areas on the map had a specific values. Photographs of the property, the views from the subject property and other neighboring properties were reviewed. Access to the properties was deliberated. Petitioner Colvey expressed his appreciation to Senior Appraiser George Lickiss for his help understanding the valuation process and how it applied to his property. Mr. Lickiss then summarized the subject property relative to the comparable sales and a supported value of \$1,438,390. He further noted that the market data supports an overall higher value of the lots but as the subject property was located near the highway, a location adjustment for traffic noise was explained. The amenities of the properties were further discussed. **Moved** by Chairperson Swenson, seconded by Commissioner Channell, to adjust value to \$1,350,000 as an average of the comparative properties that have sold historically in the subdivision. Motion carried unanimously.

**CBOE #106 Continued
Wayne H Revoir, et al**

CBOE #106 was tabled earlier in the meeting. Appraiser II, Don Rundell explained his results of reevaluating the property specifically focusing on those properties classified with or without utility access (on grid and off the grid). After further evaluation it was determined that the subject property value of \$163,240 was supported by the sales data. It was noted that there was an adjustment for the economic 8 area supporting a 15% adjustment for the utility access. The differences of medians versus averages were discussed. **Moved** by Commissioner Channell, seconded Chairperson Swenson, to adjust the market value to \$140,000 for the residential portion of the property adding \$1,880 as an adjustment for the location adjustment for a total \$141,880. This amount reflects an adjustment for utility access and was using the comparison property averages and deducting those adjustments that were not applicable to the subject property.

**CBOE #57 through CBOE #65
Crystal Creek Subdivision**

Petitioners were represented by L. Richard Bratton of Bratton, Hill, Wilderson & Lock LLC. Several property owners were also present: Penny and Earnest Angelo Jr., Jim and Sandy Hall, Bill Patterson, Doug Forshagen, Harris Macintosh and Craig Estes. Charles A. Peterson, SRA, Real Estate Appraisals, was also present and provided additional insights and details as to his opinion of the valuation of the properties. Petitioner Bratton explained the details about the subject properties location and attributes. He further presented information how a 342% increase in value had been calculated relative to the properties. The valuation processes was discussed. Recent sales within the complex were deliberated. A sale, used in the comparable sample was explained to be unique as the price paid was for the specialized privacy and attributes of the property and not typical of the neighboring lots. Mr. Peterson explained the difficulties in the comparable sales data. He further reviewed his opinion of the valuation of the properties. Photographs were provided and reviewed. Each owner then provided details explaining the differences of each property, the fishing access and how the sale of the two comparison lots did not properly demonstrate the value of many of the other properties.

Senior Assessor George Lickiss explained the comparable properties, the adjustments made and the supported values on each of the subject properties. Discussion about fishing access commenced. The specific comparables used by the Assessor's Office and Mr. Peterson in the

fee appraisal were then deliberated. The sales within the complex were presented and discussed.

Moved by Chairperson Swenson, for a neighborhood adjustment for each property to be reduced by \$1,555,000 as the lots sold that were represented in the array data differ in characteristics from subject properties. Motion Failed.

Moved by Chairperson Swenson for neighborhood adjustment for \$1,200,000 per lot. The incorrect base amount from the documentation was used, the Assessor’s Office adjusted the values downward \$197,750 per lot and that amount was not included. Motion Failed.

Moved by Chairperson Swenson, seconded by Commissioner Channell, to reduce the value \$902,250 per lot to address the issues in the process with the unique sales. Deputy Assessor Hildreth noted that the depreciation of these properties would demonstrate a 5% increase, an amount not the typical for the area. Commissioner Channell further explained the difficulty of the valuation for subject properties and the challenges for the appraisal value of the area and the complexity of the issues related to the properties. Motion carried unanimously.

ADJOURN: Moved by Chairperson Swenson, seconded by Commissioner Channell to adjourn the meeting. Motion passed unanimously. The July 30, 2009 meeting of the Board of Equalization adjourned at 6:12 pm.

Paula Swenson, Chairperson

ABSENT

Jim Starr, Vice-Chairperson

Hap Channell, Commissioner

Minutes Prepared By:

Ruth Dukeman, Deputy County Clerk

Attest:

Stella Dominguez, County Clerk