

**GUNNISON COUNTY BOARD OF EQUALIZATION
MEETING MINUTES
July 25, 2012**

The July 25, 2012 Board of Equalization meeting was held in the Board of County Commissioners Meeting Room at the Courthouse located at 200 East Virginia Avenue, Gunnison. Present were:

Hap Channell, Chairperson
Phil Chamberland, Commissioner

Paula Swenson, Vice-Chairperson
Bobbie Lucero, Clerk to the Board

County Assessor Kristy McFarland, County Deputy Assessor, Vicki Hildreth and Senior Appraiser/Analyst George Lickiss and others 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, 2008 –June 30, 2010

CALL TO ORDER: Chairperson Channell called the July 25, 2012 meeting of the County Board of Equalization to order at 8:30 am. Chairperson Channell explained the roles, rights and responsibilities of the Board and the Petitioner during each hearing when 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 #01
Kent Rychel**

Assessor's Case: The Assessor's Office recommended changing the classification from vacant to agricultural, resulting in the value adjusting to \$5,850.

Petitioner's Case: The petitioner was present via conference call. The petitioner agreed to the reclassification from the Assessor's Office.

Moved by Commissioner Swenson, seconded by Commissioner Chamberland, to adjust the value of CBOE #01 to \$5,850 as recommended by the Assessor's Office. Motion carried unanimously.

**CBOE #02
Blue Grouse 2000 LLC**

Petitioner was not present for discussion.

Assessor's Case: Lickiss described the subject property and the examples provided in the packet materials. The board and the Assessor's Office discussed the comparables provided in the petitioner's packet materials.

Moved by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #02. Motion carried unanimously.

**CBOE #03
Madeline Batsis**

Assessor's Case: Lickiss explained the subject property and Arrowhead Subdivision sales. He informed the board there were approximately 50 sales within the valuation period that were used to create the valuation.

Petitioner's Case: Petitioner was present for the discussion. The board explained why lots in Arrowhead start at a base value of \$47,000, and that it is based on the 50 sales that occurred within the valuation period. There was discussion about the appraisal cycles. The petitioners informed the condition of their property and the road use permissions. The petitioner asked

Assessor's Office to value their lot from Juniper Drive because that is the road that they use to access the lot.

There was discussion that the petitioners need to provide to the Assessor's Office with the documentation regarding road permission and access limitations. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #03. Motion carried unanimously.

CBOE #04
Douglas McDonald

Assessor's Case: Lickiss explained that this property was valued using the Standard 6 Mass Appraisal process. He explained the subject property and the examples provided in the packet materials.

Petitioner's Case: The petitioner's agent, Jeff Monroe, was present via conference call. Monroe informed the board that he is an "old school appraiser", and when he looks at finished area he looks at above grade and the finished basements should not equal the above grade footage. He explained that the petitioner would like a balance between equalization and market rate. There was a discussion about above grade square footage vs finished area square footage.

Lickiss informed that location needs to be taken into account for valuation depending on their location and desirability. The agent disagreed on the valuation in regards to location, and explained that he is an expert in golf course valuations.

The board explained how they have to make their valuation based off of sales and apply the rules equally to each valuation. **Moved** by Commissioner Chamberland, seconded by Commissioner Swenson, to deny CBOE #04. Motion carried unanimously.

CBOE #05
Colorado Fitness Holdings

Assessor's Case: Lickiss explained the subject property and that it was valued under the Standard 6 Mass Appraisal process. He explained that the information the petitioner provided is valuing what the business is worth, and the Assessor's Office has to look at what the real estate value is, not the value of the business. The Assessor's Office commented they did not have enough income information for this building to perform an income approach analysis.

Petitioner's Case: Gary Gibson was present for the discussion. He expressed that he strongly thinks the income approach is the most fair for valuing his property. There was discussion regarding the examples provided by the Assessor's Office.

The Assessor's Office explained that brick is higher quality than cinderblock, making it more valuable. The Assessor's Office explained to the petitioner the examples provided are only a few out of many sales within the valuation period. There was discussion that the valuation is based off of sales that occurred within the valuation period, and then calculated based on condition and location.

The board discussed it would be best for the petitioner to meet with the Assessor's Office and postpone this decision until the July 31, 2012 meeting. This hearing will be rescheduled for July 31, 2012.

CBOE #06
Delma Stewart

Petitioner was not present for the discussion.

Assessor's Case: Lickiss explained the subject property, and how he used limited access for the valuation. There was discussion that "affected" is classified as non-buildable.

The board reviewed aerial photos and discussed "affected" lot sales in Pitkin in 2006. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #06. The board asked the petitioner to provide approval documentation to the Assessor's Office from the Town's sanitation officer. Motion carried unanimously.

**CBOE #07 and CBOE #08
Marble Lot 2 LLC and Marble Lot 3 LLC**

Assessor's Case: Lickiss explained the subject property.

Petitioner's Case: Petitioner, Brad Oren, was present via conference call. The petitioner explained his main concern is the sculpting symposium next door to him and how it has impacted the value of his property.

The board explained how the value was based off of an array of sales within the valuation period. The Assessor's Office commented that they were not aware of the noise and dust from the symposium and the use can affect the property value.

The petitioner suggested the Assessor's Office observe the property value while there is sculpting occurring at the symposium. The petitioner confirmed that he has not brought his concerns to the Town of Marble, and he would like to find a way to get his property lines adjusted due to set backs from the river. The Assessor's Office commented they will confirm the Town of Marble's set backs from the river and factor in an adjustment based on the symposiums impact on the value of this property.

The board agreed to postpone this decision until the July 31, 2012 meeting. The Assessor's Office will research this property based on the information provided by the petitioner at today's hearing.

**CBOE #09
Doug Foeller**

The petitioner was not present for discussion. The board reviewed the information provided by the petitioner in the meeting packet.

Assessor's Case: Lickiss explained there is access to this property, the access is considered poor access.

Moved by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #09. Motion carried unanimously.

**CBOE #10
David Houghton**

Assessor's Case: Lickiss explained the subject property, and that it is a commercial zoned lot. He explained the examples provided. The valuation period was explained to the petitioner.

Petitioner's Case: Ellyn Houghton was present for the discussion. She explained that the property has been on the market for four months, and has not sold. She went over information she brought to the meeting, but did not provide copies to the board.

The board explained the comparables the petitioner brought to the hearing will apply to the next valuation period. The board also explained that location and condition are also factors in the valuation process. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #10. Motion carried unanimously.

**CBOE #13
David Thompson**

Assessor's Case: Lickiss explained the subject property and examples provided in the packet. There was discussion about square footage. There was discussion that the property was purchased in a foreclosure property sale. Lickiss explained the valuation and appraisal process. Lickiss explained the mass appraisal technique.

Petitioner's Case: Petitioner was present for the discussion. The petitioner opined that using an appraisal from 2006 is not fair because the economy was still good in 2006, and the economy did not drop until fall of 2008.

Moved by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #13. Motion carried unanimously.

CBOE #14
Anthony Family Revocable Living Trust

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials. Lickiss announced this property was valued under the Standard 6 Mass Appraisal process.

Petitioner's Case: Petitioner, Tom Anthony, was present for the discussion. The petitioner informed the board about his journey of purchasing the house. The petitioner opined that the house was less than average when he purchased it and then fixed it up. The petitioner commented that he feels the valuation is excessive.

The board explained the valuation process to the petitioner and that they need to ensure that all valuations conducted are conducted equally. **Moved** by Commissioner Chamberland, seconded by Commissioner Swenson, to deny CBOE #14. Motion carried unanimously.

CBOE #15
Richard Corbett

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet. He explained this property was evaluated using the Market Approach. There was discussion regarding House Bill 11-1146 (HB 11-1146).

Petitioner's Case: The petitioner's agent, Michael Dawson, was present for the discussion. Dawson explained this property may be considered under HB 11-1146 exemptions because the petitioner already lives on the property. Dawson provided tax returns filed by the petitioner. Dawson commented the petitioner is using the shop/storage building for the agricultural operation and not for personal storage, therefore it should be valued under agricultural not residential. Dawson provided the grazing lease.

The tax return forms the petitioner filed were discussed. Lickiss mentioned that the storage building is not a part of the lease and is not leased out to the renter, resulting in the building being classified under the residential valuation. **Moved** by Commissioner Chamberland, seconded by Commissioner Swenson, to deny CBOE #15. Motion carried unanimously.

CBOE #16
Scott Brown

Assessor's Case: Lickiss explained the subject property and examples provided in the packet materials. He explained this property was valued using the Standard 6 Mass Appraisal process.

Petitioner's Case: Petitioner, Abby Brown, was present via conference call. The petitioner referenced the letter that was provided in the packet materials. She inquired why the Assessor's Office did not go back to 2005 for examples .

There was Discussion that the Assessor's Office used sales from 2007, which were right before the economy crashed. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to adjust the value of CBOE #16 to \$104,900, based on the information reviewed today and the sales that occurred in 2005. Motion carried unanimously.

CBOE #17
Eric Jordan

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials. He explained this property was valued using the Standard 6 Mass Appraisal process.

Petitioner's Case: The petitioner's agent, Michael Dawson, was present for the discussion. The petitioner, Eric Jordan, was present for the discussion via conference call. Dawson informed the board that there are adjacent properties with lower values.

There was discussion that the properties are valued at \$30,000/acre. The adjacent property has a conservation easement. Lickiss explained the valuation process. The board reviewed other properties in this area. The board commented that the Assessor's Office has been consistent in their valuations and adjustments. There was discussion that part of this property is in an avalanche zone and the petitioner is not allowed to build in the avalanche zone.

Moved by Commissioner Swenson, seconded by Commissioner Chamberland that due to the intervening mining claim, everything east of the intervening mining claim will remain at the current assessed value; everything west of the intervening mining claim will be adjusted due to the avalanche zone. The petitioner will provide the avalanche zone notification letter to the Assessor's Office. The Assessor's Office will calculate the new valuation and provide it at the hearing scheduled for July 31, 2012. Motion carried unanimously.

**CBOE #18
Marilyn Bauer**

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials. He explained that the property was valued using the Standard 6 Mass Appraisal process.

Petitioner's Case: The petitioner's agent, Michael Dawson, was present for the discussion. He explained this is a classification issue based on a divorce, and this property went from agricultural to vacant during that time. He explained that this property has been used as agricultural since 2007 and he provided the lease.

The Assessor's Office provided a questionnaire that the petitioner filled out, indicating that the property was not used for agricultural purposes. The questionnaire confirmed that the petitioner classified their property as vacant. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #18 based on the information presented. Motion carried unanimously.

**CBOE #19
Craig Silberman**

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials. He explained the property was valued using the Standard 6 Mass Appraisal process.

Petitioner's Case: The petitioner, Craig Silberman, was present for the discussion. He provided additional materials at the hearing. The board and Assessor's Office reviewed the comparables provided by Silberman.

There was discussion regarding land value and the value of square footage. The board and Assessor's Office informed the petitioner the comparables he provided are from 2011, and they are outside of the valuation period. The valuation period and Mass Appraisal process was explained to Silberman. The Time Adjustment Trend was reviewed for Economic Area 8. The board explained the comparable provided by the Assessor's Office and how they are just the top three that compare the closest to the subject property out of 145 properties that were sold within the valuation period. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #19. Motion carried unanimously.

**CBOE #20
SA Group Properties Inc**

Petitioner's Case: Petitioner was not present for the discussion.

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials.

The board pointed out that the petitioner provided an appraisal that did not have a date on it. The board discussed that they can take appraisals into consideration if it is within the valuation

period. **Moved** by Commissioner Chamberland, seconded by Commissioner Swenson, to deny CBOE #20. Motion carried unanimously.

**CBOE #21
LPP Mortgage LTD**

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials.

Petitioner's Case: The petitioner was not present for the discussion. The petitioner's agent, Joe Monzon with Marvin F. Poer and Company, sent an email informing the board they would not be attending this hearing. The board discussed that the petitioner's representative shows a pattern of not showing up for hearings, and instead ends up taking this appeal to a higher level. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #21. Motion carried unanimously.

**CBOE #22
Frank Woodruff Jr.**

Assessor's Case: Lickiss explained the subject property and the examples provided in the packet materials. He explained the Mass Appraisal approach to the petitioner.

Petitioner's Case: Petitioner was present for the discussion via conference call. Woodruff explained he purchased the house in September 2011. He pointed out that the valuation was conducted in the valuation period prior to when he owned it.

There was discussion on the comparable sales in the valuation period and square footage. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland, to deny CBOE #22. Motion carried unanimously.

ADJOURN: **Moved** by Chairperson Channell, seconded by Commissioner Chamberland, to adjourn the meeting. Motion passed unanimously. The July 25, 2012 meeting of the Board of Equalization adjourned at 3:04 pm.

Hap Channell, Chairperson

Paula Swenson, Vice-Chairperson

Phil Chamberland, Commissioner

Minutes Prepared By:

Bobbie Lucero, Deputy County Clerk

Attest:

Stella Dominguez, County Clerk