

**GUNNISON COUNTY BOARD OF EQUALIZATION
MEETING MINUTES
July 27, 2015**

The July 27, 2015 Board of Equalization meeting was held in the Commissioners' boardroom in the Courthouse located at 200 E. Virginia, Gunnison, Colorado. Present were:

Paula Swenson, Chairperson
Phil Chamberland, Commissioner
Jonathan Houck, Commissioner

William Spicer, Senior Analyst
Bob Blackett, Appraiser
Alexandra Cohen, Appraiser
Bre Shelton, Clerk to the Board

NOTICE: The Petitioners' and Assessor's exhibits for each case are located in their individual Board of Equalization files. The target appraisal date is June 30, 2014.

CALL TO ORDER: Chairperson Swenson called the July 27, 2015 meeting of the County Board of Equalization to order at 8:31 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/petitioner's agent.

**CBOE #80
Virgil Meadows/Josephine Meadows**

Assessor's Case: Spicer described the subject property and the examples provided in the packet materials. Spicer clarified that the Assessor does not value a modular condo complex any differently than a condo unit that is not a modular structure. Moreover, the mass appraisal sales approach was used for valuation.

Petitioner's Case: Petitioner, Meadows, was not present for the discussion. Meadows was scheduled for a conference call and was not able to be reached at their scheduled time slot. The CBOE proceeded with the petitioner's hearing. Spicer had a previous conversation with Meadows that his concern with the valuation of his property was that his condo and complex are considered a modular structure.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #80. Motion carried unanimously.

**CBOE #81
Lynn White8:45**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. Cohen discussed the time adjusted sales price and explained why this particular method was used to determine the value of the subject property. The time adjusted sales data was taken from July 1, 2011 to June 30, 2014. The Assessor's Office saw an estimate of 0.5% increase in property values in the Skyland Area based on the data collected. Spicer explained to the petitioner and the CBOE, the reason for the time adjusted sales model is to identify the influence of neighborhoods, size, condition, and location.

Petitioner's Case: Petitioner, White, was present for the discussion. White discussed from the previous assessment to the current assessment their property increased an estimate of 50%. There was discussion on comparable properties provided by White which the petitioner believed the square footage and price per square foot was most similar to their property.

The CBOE clarified and discussed that the subject property was compared to total sales in the same Econ Area for single family homes to determine the value of the property. There was discussion on the particular area of White's townhome, and that there was a significant increase in value. The CBOE assured White that the increase in property value would not increase their property taxes by the same amount. There was discussion on why the mass appraisal approach was used when valuing property.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #80. Motion carried unanimously.

**CBOE #82
Dennis Schneider**

Assessor's Case: Spicer described the subject property and the examples provided in the packet materials. The Assessor's Office recommends an adjustment to the subject property value to \$415,330 due to prior adjustments calculated for the Golf Villas neighborhood.

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

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to adjust value of CBOE #82 from \$489,290 to \$415,330. Motion carried unanimously.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to adjust value of R030349 from \$323,830 to \$274,880, R030350 from \$333,840 to \$283,370, R030351 from \$382,790 to \$324,920, and R030352 from \$370,190 to \$314,220. Motion carried unanimously.

**CBOE #83
Steven Kelly**

Assessor's Case: Spicer described the subject property and the examples provided in the packet materials. Spicer explained to the CBOE that when the assessment was performed, this property was treated as a property that was not on the river. Spicer explained, when using the time adjusted sales price, when Kelly received his Notice of Determination his property had been adjusted.

Petitioner's Case: Petitioner, Kelly, was present for the discussion. Kelly expressed concern with his property not being on the river and felt his property was not valued fairly when compared to units that were on the river. Kelly questioned why his property was so close in value to the units that were on the river when referencing the previous year's valuations. Kelly does understand the method of using time adjusted sales; however, when referencing the comparisons provided he does not feel his condo has been fairly assessed. There was discussion on the two units that were attached to his unit that were assessed at a different value. Kelly believed his property should be assessed at the same rate as the two comparable units next to him.

The CBOE explained to Kelly that with the lack of housing in Gunnison County, condos are becoming the niche for affordability, which in turn is causing the condo area's to increase their value. There was discussion on the sales of condos during the June 30, 2014 time frame and that Kelly's property was valued based on the total condos sold in the particular Econ Area.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #83. Motion carried unanimously.

**CBOE #84
William Clearwater**

Assessor's Case: Blackett described the subject property and the examples provided in the packet materials. Blackett noted, from prior appeals of this property, the Assessor's Office still retains adjustments on the structure portion of the value. Blackett clarified the basement of the subject property is considered as a crawlspace due to the structural issues the basement holds. Because the subject property is oversized for the area, the Assessor's Office is calculating a downward adjustment. Blackett discussed the time adjusted sales for single family residential sales.

Petitioner's Case: Petitioner, Clearwater, was present for the discussion via conference call. Clearwater discussed a comparable property in his area which had similar structure, similar square footage, and was sold after the June 30, 2014 time frame and decreased in value. Clearwater explained that his property had several physical issues and was not assessed fairly at the increase of 21% which was determined.

The CBOE clarified to Clearwater that the example that he provided could not be used due to the fact that it was sold outside of the timeframe. The CBOE also explained to Clearwater that the total number of sales in the area had to be used when valuing properties in the previous three years for the petitioner's particular property. There was clarification that the condition and the quality of Clearwater's property are being accounted for in the formula which was used for determination of value.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to deny CBOE #84 based on the evidence given. Motion carried unanimously.

CBOE #85
Marvin Poer & Co.

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials.

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

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #85 based on the evidence given. Motion carried unanimously.

CBOE #86
Margaret Esslinger

Assessor's Case: Blackett described the subject property and the examples provided in the packet materials. Blackett clarified when using the time adjusted sales for Econ Area 8 referenced the previous three years when determining the value of Esslinger's property. Blackett explained that the water influence referenced for this property is referencing Tomichi Creek.

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

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to deny CBOE #86 based on the evidence given. Motion carried unanimously.

CBOE #87
Mark Hall

Assessor's Case: Blackett described the subject property and the examples provided in the packet materials. There was discussion on the time adjusted sales approach and Blackett explained to Hall that this was the method used for the three year time frame to determine the value of Hall's property. Blackett explained how total sales were used in Econ Area 8 to determine the property value of all sales within the time frame of June 30, 2014. Age, size, and condition were all determining factors of Hall's property when performing a mass appraisal approach.

Petitioner's Case: Petitioner, Hall, was present for the discussion. Hall does not feel the property is fairly assessed because there is no service from the County other than maintenance of the dirt road to the property. The petitioner has to maintain everything but the dirt road for his property. Hall expressed his concern that unless market values have sky rocketed, that his property is not fairly assessed when referencing the evidence.

The CBOE clarified that the Assessor's Office, by law, have to utilize the time adjusted sales on the calculation of value of properties. The CBOE clarified to the Petitioner the services within the area were taken into account when calculating the net adjustments for the subject property. The CBOE referenced the examples given, and determined that Hall's property fell into the average value of properties within Econ Area 8. There was discussion on why the mass appraisal had to be used to equally value property and an individual fee appraisal was not a method that could be used due to the statutory requirements.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #87 based on the evidence given. Motion carried unanimously.

**CBOE #88
Gordon Moore**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. Cohen clarified that there was a sale that was not represented in the valuation due to the fact that it was a bank sale which typically sells for a lower amount. When looking at total single family sales in Econ Area 6 there was a 0.56% increase per month. Econ Area 6 does not include the Town of Crested Butte. Spicer clarified the condition of Moore's property and referenced interior photos. Spicer clarified to the petitioner that a field inspection is the most accurate way of determining the value of any property.

Petitioner's Case: Petitioner, Moore, was present for the discussion. Moore provided additional material that was not included in the packet from the Skyland Area. There was discussion on the square footage calculations of Moore's property and believed the value of the subject property should be \$1,306,726. Moore explained that the increase on his property was very drastic and his property should not be valued at the increase that was determined on his property. Moore believes that using the mass appraisal approach does not always accurately represent the value of a property. Petitioner Moore stated that he had previously spoken with Cohen about the condition of his property and the category it fell in. Moore took a questionnaire with Cohen and the results from Moore's answers, in turn, changed the category from very good condition to good condition. After Cohen visited the property, the determination of Moore's property was considered very good condition. Moore stated that he wanted to use comparable properties in the Skyland area because he feels these properties are most similar to his property.

The CBOE stated that the biggest discrepancy was the condition of Moore's property and which category it fell under, very good or good. There was discussion based on the additional information provided by Moore, that there were some missing factors, which Moore did not account for, within the home that would categorize the petitioner's property as very good condition. There was discussion on the condition category Moore's property was assessed at. When referencing the pictures and the analysis that was given from the Assessor's Office, the CBOE determined that the subject property was accurately assessed.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #88 based on the evidence given. Motion carried unanimously.

**CBOE #89
KNB Acquisitions Inc.**

Assessor's Case: Spicer described the subject property and the examples provided in the packet materials and believes the value is supported by the evidence given. Spicer clarified the property was not complete on the appraisal date, but the property was complete on the assessment date. For completion, properties must be complete by the assessment date of January 1st of the particular year.

Petitioner's Case: Petitioner, KNB Acquisitions Inc., was not present for the discussion. The Petitioner explained in the evidence provided that this property was not completed/finished at the time of the appraisal and was not fairly valued. Referencing the materials provided by the petitioner, KNB stated the subject property was listed in June of 2015 with an additional \$30,000 repair allowance.

There was discussion on the zoning of the subject property and explained it backed up to a townhome and was across the street from Chipeta Hall. There was clarification from Spicer and the CBOE stating the subject property was acquired April of 2015 from the Public Trustee.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to deny CBOE #89 based on the evidence given. Motion carried unanimously.

**CBOE #90
Susan Rychel**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. The Assessor's Office has not physically inspected the subject property after the appeal was made by the petitioner. Spicer clarified that appliances do not affect the real property value, unless the appliances are truly built into the structure of the home.

Petitioner's Case: Petitioner, Rychel, was not present for the discussion. The petitioner supplied information regarding the condition, and stated the subject property was used as a rental.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #90 based on the evidence given. Motion carried unanimously.

**CBOE #91
Brent Rowland11:38**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials.

Petitioner's Case: Petitioner, Rowland, was not present for the discussion. Rowland noted that no other home in this area had an increase this large.

The property in Arrowhead compared to the subject property was an accurate comparison.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to deny CBOE #91. Motion carried unanimously.

**CBOE #93
Carl Long1:15**

Assessor's Case: Spicer described the subject property and the examples provided in the packet materials and discussed that a mass appraisal approach was used to value the subject property. Spicer discussed that the examples provided had some sort of water influence which relates to Long's subject property. Spicer explained that one difference between the subject property and Buffington's property was the condition of the improvements and even though the example given by Long was across the ditch, it was not considered part of the same neighborhood. Spicer clarified to the CBOE that this particular neighborhood was Rio Vista West Branch. Spicer suggested that there be an adjustment and to adjust the value of the subject property and make a neighborhood adjustment.

Petitioner's Case: Petitioner, Long, was present for the discussion. Long explained that their property was not on the main river, but was on the West branch and was considered an irrigation ditch. Long referenced the Buffington house as an example and explained that there was a discrepancy with the square footage of the subject property vs. the square footage of Buffington's property. Long felt that his property was not fairly valued when looking at the comparable properties within the neighborhood.

There was discussion on whether or not Spann could cut of the ditch and whether or not it would change the valuation of Long's property.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to adjust the value of CBOE #93 from \$480,740 to \$433,460. Motion carried unanimously.

**CBOE #94
James Donnell1:40**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. Cohen explained that the petitioner's estimated value of \$822,480 was based on an older set of sales and did not accurately determine the value. She stated that the subject property had a significant amount of differences when referencing the neighboring properties.

Petitioner's Case: Petitioner, Donnell, was not present for the discussion. Donnell stated in a letter that he believed his property should be valued at \$822,480 and his property was assessed at a higher value compared to his neighbors.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to deny CBOE #94. Motion carried unanimously.

**CBOE #95
Neil Bratcher**

Assessor's Case: Blackett described the subject property and the examples provided in the packet materials. Blackett discussed the increase in value due to the time adjusted sales in the subject area.

Petitioner's Case: Petitioner, Bratcher, was present for the discussion via conference call. Bratcher stated that the subject property was built forty-five years ago, the structure has not changed and does not feel like his property will sell at the value at which it was assessed. The petitioner explained that his house has been on the market for over four years and there has been no activity. Bratcher expressed his concern about how taxes in Gunnison County were dispersed.

There was discussion on the net adjustments calculated for the subject property. There was discussion between the CBOE and the Assessor's Office to go to the subject property and take a physical inspection to determine the quality and condition of Bratcher's property.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to table the decision of CBOE #95 until August 4th. Motion carried unanimously.

**CBOE #97
William Sandifer Trust**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. The Assessor's Office recommended a 25% obsolescence adjustment to the subject property due to heavy commercial activity and prior neighborhood adjustments.

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

Moved by Commissioner Houck, seconded by Commissioner Chamberland to adjust the value of CBOE #97 from \$264,290 to \$190,860. Motion carried unanimously.

**CBOE #98
Cooley Family LLC, James Cooley**

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. Cohen explained after reviewing the property, the condition of the subject property would be classified as fair quality and an adjustment of \$414,340 would be made. There was discussion on the time adjusted sales of average quality single family homes and Cohen clarified that there was a 1% increase per month. Spicer clarified to Cooley that, by law, a mass appraisal approach of the total sales in single family homes must be used when determining the value of property.

Petitioner's Case: Petitioner, Cooley, was present for the discussion. Cooley clarified that the subject property was used as a vacation home. His property has very few trees, and does not sit on the water and believes the 58% increase was not an accurate assessment. Cooley does not agree with the method of determining value of properties by using the total amount of sales. He believes his should be valued at a lower rate due to square footage and the amount of acreage the subject property has compared to the examples given.

The CBOE clarified to Cooley that a mass appraisal approach must be used to equally determine property values.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to adjust value of CBOE #98 from \$452,640 to \$414,340. Motion carried unanimously.

CBOE #99
Patuxent Partners LLC, Jay Shipowitz

Assessor's Case: Cohen described the subject property and the examples provided in the packet materials. There was no time adjustment performed on this subject property because there was not enough sales within the Town of Crested Butte. Spicer explained that the majority of the adjustment made on the subject property was because it was within the Kapushion subdivision, which has a higher number of sales, and a mass appraisal approach, by law had to be executed.

Petitioner's Case: Petitioner, Shipowitz, was present for the discussion via conference call. Shipowitz discussed the sales in Crested Butte provided by his realtor and does not feel his property is fairly assessed. The petitioner referenced the comparable properties value and square footage and felt his subject property did not fall within the average assessed value. Shipowitz explained that the Aspen Hill properties are not comparable to his property and should not be used as a reference for his property. The petitioner referenced 404 Butte and stated that 404 Butte was newer and had similar, if not better views than the subject property.

The CBOE discussed the living space, and the square footage of land Shipowitz's property to comparable properties. There was discussion on the extra 200 square feet on the backside of the subject property and whether or not it should be considered part of the square footage or considered an accessory dwelling which may change the value. The CBOE stated that because the quality of construction was considered very good condition, in turn, it would increase the value of the subject property.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to deny CBOE #99. Motion carried unanimously.

CBOE #102
Paul Edstrom

Assessor's Case: Spicer described the subject property and the examples provided in the packet materials. Spicer explained the mass appraisal approach to petitioner Edstrom, and discussed that the only sales in the Spring Creek area were much smaller properties than the subject property. In relation, Spicer recommended an adjustment on the subject property because it is considerably larger than the neighboring properties. Spicer explained to the CBOE that Edstrom's property consisted of two homes on the same piece of land, could be sold independently, and were valued as a combined property when determining the value.

Petitioner's Case: Petitioner, Edstrom, was present for the discussion. Edstrom referenced one examples from the Assessor's Office which also had two houses on the same piece of land. Based on Edstrom's calculations, he believes the final price of the subject property should be valued at \$953,739 for the main house, and valued between \$235,000-\$252,000 for the cabin. Edstrom referenced three additional properties in Ohio Creek, on the Gunnison River, and Lost Canyon, and stated that his property should be similar in comparison to the properties he provided. Edstrom stated that his property was on a private road and does not maintained by the county.

There was discussion on the examples provided by Edstrom and the condition of the subject property vs. the condition of the examples given. The CBOE explained that the difference in condition of properties would affect the value of properties.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to adjust value of CBOE #102 from \$1,789,920 to \$1,637,250. Motion carried unanimously.

**CBOE #101
Jane Wolf Revocable Grantor Trust**

Assessor’s Case: Spicer described the subject property and the examples provided in the packet materials. Spicer clarified that there has not been a physical assessment on the subject property and would like to do a physical inspection on Wolf’s property.

Petitioner’s Case: Petitioner, Wolf, was present for the discussion via conference call. Wolf explained that the subject property was built as a hunting cabin and was unfinished and should not be considered at the average condition it was appraised for. Wolf agreed for the Assessor’s Office to perform a physical inspection of the subject property.

Moved by Commissioner Houck, seconded by Commissioner Chamberland, to table the decision of CBOE #101 until August 4th. Motion carried unanimously.

**CBOE #100
Susan Dunda**

Assessor’s Case: Spicer described the subject property and the examples provided in the packet materials. Spicer clarified the subject property included an additional building, but was considered a garage/living area on the same parcel. There was discussion about the subject property having similarities to CBOE #102 and recommended a 15% obsolescence.

Petitioner’s Case: Petitioner, Dunda, was not present for the discussion.

Moved by Commissioner Chamberland, seconded by Commissioner Houck, to amend CBOE #100 to \$774,580. Motion carried unanimously.

ADJOURN: **Moved** by Commissioner Chamberland, seconded by Commissioner Houck, to adjourn the meeting. Motion passed unanimously. The July 27, 2015 meeting of the Board of Equalization adjourned at 3:50 pm

Paula Swenson, Chairperson

Phil Chamberland, Vice-Chairperson

Jonathan Houck, Commissioner

Minutes Prepared By:

Bre Shelton, Deputy County Clerk

Attest:

Kathy Simillion, County Clerk