CBOE #333

2019 REAL PROPERTY NOTICE OF DETERMINATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N Wisconsin St, Suite A
Gunnison, CO 81230

Date of Notice: August 15, 2019
Phone: (970) 641-1085
Fax: (970) 641-7920
Email: assessor@gunnisoncounty.org
Website: http://www.gunnisoncounty.org/assessor.html

ACCOUNT NUMBER	TAX YEAR	TAX AREA	PARCEL NUMBER
R032322	2019	606	3257-201-01-010

PROPERTY OWNER	LEGAL DESCRIPTION
GIBSON JOHN HOLDEN II 1205 FORESTWOOD DR MCLEAN, VA 221012603	RANCH SITE 8 HIDDEN RIVER RANCH SUB #635391

Received
County Administration
9/16/19

PROPERTY CLASSIFICATION	PROPERTY OWNER'S ESTIMATE OF VALUE	ASSESSOR'S VALUATION	
		ACTUAL VALUE PRIOR TO REVIEW	ACTUAL VALUE AFTER REVIEW
Residential		1,619,590	1,619,590
TOTALS		$1,619,590	$1,619,590

The Assessor has carefully studied all the available information, giving particular attention to the specifics included on your protest. The Assessor's determination of value after review is based on the following:

The actual value of the property is determined by appropriate consideration of the approaches to appraisal set forth in § 39-1-103(5)(a), C.R.S.

Current value is close to the property's time adjusted sales price

If you disagree with the Assessor's decision, you have the right to appeal to the County Board of Equalization for further consideration, § 39-8-106(1)(a), C.R.S.

The deadline for filing real property and personal property appeals is September 15.

The Assessor establishes property values. The local taxing authorities (county, school district, city, fire protection, and other special districts) set mill levies. The mill levy requested by each taxing authority is based on a projected budget and the property tax revenue required to adequately fund the services it provides to its taxpayers. The local taxing authorities hold budget hearings in the fall. If you are concerned about mill levies, we recommend that you attend these budget hearings. Please refer to last year's tax bill or ask your Assessor for a listing of the local taxing authorities.

Please refer to the reverse side of this notice for additional information.

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APPEAL PROCEDURES

County Board of Equalization Hearings will be held from September 1 through November 1 at Gunnison County Courthouse or Blackstock Government Center.

To appeal the Assessor's decision, complete the Petition to the County Board of Equalization shown below, and mail or deliver a copy of both sides of this form to:

Gunnison County Board of Equalization
200 E Virginia Ave
Gunnison, CO 81230
(970) 641-0248

To preserve your appeal rights, your Petition to the County Board of Equalization must be postmarked or delivered on or before **September 15 for real property and personal property** – after such date, your right to appeal is lost. You may be required to prove that you filed a timely appeal; therefore, we recommend that all correspondence be mailed with proof of mailing.

You will be notified of the date and time scheduled for your hearing. The County Board of Equalization must mail a written decision to you within five business days following the date of the decision. The County Board of Equalization must conclude hearings and render decisions by November 1, § 39-8-107(2), C.R.S. If you do not receive a decision from the County Board of Equalization and you wish to continue your appeal, you must file an appeal with the Board of Assessment Appeals by December 8, § 39-2-125(1)(e), C.R.S.

If you are dissatisfied with the County Board of Equalization's decision and you wish to continue your appeal, you must appeal within 30 days of the date of the County Board's written decision to ONE of the following:

Board of Assessment Appeals
1313 Sherman Street, Room 315
Denver, CO 80203
(303) 866-5880
www.dola.colorado.gov/baa

District Court
Contact the District Court in the county where the property is located. See your local phone book for the address and telephone number.

Binding Arbitration
For information about binding arbitration, contact the County Board of Equalization at the address above.

If the date for filing any report, schedule, claim, tax return, statement, remittance, or other document falls upon a Saturday, Sunday, or legal holiday, it shall be deemed to have been timely filed if filed on the next business day, § 39-1-120(3), C.R.S.

PETITION TO COUNTY BOARD OF EQUALIZATION

What is your estimate of the property's value as of June 30, 2018? (Your opinion of value in terms of a specific dollar amount is required for real property pursuant to § 39-8-106(1.5), C.R.S.)

$1,423,056

What is the basis for your estimate of value or your reason for requesting a review? (Please attach additional sheets as necessary and any supporting documentation, i.e., comparable sales, rent roll, original installed cost, appraisal, etc.)

See attached

ATTESTATION

I, the undersigned owner or agent* of the property identified above, affirm that the statements contained herein and on any attachments hereto are true and complete.

Signature	Telephone Number	Date
[signature]	325.439.1647	9.13.19

*Attach letter of authorization signed by property owner.

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EXHIBIT A
Page 1 of 2

John H. Gibson II
796 Hidden River Road
Post Office Box 4092
Crested Butte, Colorado 81224
325.439.1647
johngibson.texas@gmail.com

May 28, 2019

Ms. Kristy McFarland
Gunnison County Tax Assessor
Via email – assessor@gunnisoncounty.org

Re: Ranch Site 8, Hidden River Ranch #635391
R032322
Proposed 2019 Valuation, Formal Protest

Ms. McFarland,

Please allow this correspondence (and attachments) to serve as our formal protest to the proposed 2019 to the above property.

We believe the proposed valuation ($1,619,590) for this property is significantly higher than the current market value for the following reasons:

1. Hidden River Ranch is a small, unique development with very defined restrictions on the size, construction, usage and flexibility of ownership/rental options and therefore truly relevant comparables are limited and others might offer only indirectly relative and reflective information on true market values; and
2. Only seven (7) homes currently exist with *no home sales* in the past 24 months; and
3. Hidden River Ranch lots without improvements have seen a significant increase in ***proposed*** valuation which has been blanket applied to the value of all lots (both with and without improvements) without regards to any property specifics; and
4. The ***proposed*** average value for homes in Hidden River Ranch is $502/sq ft, however, this include two properties with two lots and an adjusted average value is $460/sq ft to be consistent; and
5. The most relevant comparables would be East River Ranch area, although they would need adjustments downward as they: are 35 acre lots; also include additional, significant improvements such as barns; have no HOA nor building or owners restrictions; and
6. The 2019 ***proposed*** valuations for East River properties with improvements have dramatically increased ranging from 30% to 89% with average of a 66% increase which puts these ***proposed*** valuations in question; and
7. The ***proposed*** gross East River Ranch valuations average $541/sq ft with a range of $398/sq ft to $775/sq ft ***Before*** any adjustments as comparables to Hidden River Ranch.

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EXHIBIT A
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Therefore, we would conclude the following:

1. Without any immediate, relevant market sales the ability to apply a market approach to the valuation of Hidden River Ranch homes is limited; and
2. The closest point of reference, although not a unilateral determining factor is East River Ranch valuations which are currently only ***proposed***; and
3. Any East River Ranch valuations (current or proposed) would have to be adjusted to reflect the uniqueness of Hidden River Ranch (as outlined in item 4 above); and
4. As a best guess, leveraging the less than ideal ***proposed*** 2019 values for East River Ranch, the following could be used:
    a. The average ***proposed*** valuation is $541/sq ft, however, one of those homes includes a double lot which would lower the average value per sq ft of improvements to $527/sq ft (based on an average proposed land valuation for homes with improvements of $605,292): and
    b. A number of factors would lead to downward adjustment to Hidden River Ranch: size of the parcels; additional, significant improvements on the properties; average building quality; HOA and accompanying usage and ownership limitations among other factors; and
    c. Any adjustment is subjective, and might range from -10% to -25% or more, also potentially considering the relevance of the comparables and the fact these numbers are based on ***proposed*** valuations which have not been settled;
5. Erring on the side of conservatism in hopes of achieving a workable solution for all, choosing a downward adjustment of 12% to the proposed East River Ranch valuations would put the ***proposed*** average Hidden River Ranch valuations at $405/sq ft ($460/sq ft x 88% = $405/sq ft); and
6. Applying this formula to our specific property would equate to $368/sq ft (***proposed*** 2019 valuation of $418/sq ft x 88% = $368/sq ft.); and
7. This would make the value of the property $1,423,056. This is a $114,716 increase over the prior value (or 9%) and consistent with the overall market trends in the upper east river valley excepting the town of Crested Butte; and
8. It should be noted this does not address the disputed value of the underlying land ($422,500 versus $472,000) which equates to $12/sq ft of value.

We would be willing to accept this substantial increase to $1,423,056 and have executed the attached to attest to such.

Sincerely,

Attachments – 2019 Real Property Notice of Valuation (executed page 2)

2019 REAL PROPERTY NOTICE OF VALUATION

Gunnison County
COLORADO

Kristy McFarland
Gunnison County Assessor
221 N. Wisconsin St., Suite A
Gunnison, CO 81230

Date of Notice: May 1, 2019
Phone: (970) 641-1085
Fax: (970) 641-7920
Email: assessor@gunnisoncounty.org
Website: www.gunnisoncounty.org/assessor

CBOE #333

ACCOUNT NUMBER	TAX YEAR	TAX AREA	PARCEL NUMBER
R032322	2019	606	3257-201-01-010

EXHIBIT B
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PROPERTY OWNER	LEGAL DESCRIPTION
13284***G04**0.8295**1/2*********SNGLP GIBSON JOHN HOLDEN II 1205 FORESTWOOD DR MCLEAN VA 22101-2603	RANCH SITE 8 HIDDEN RIVER RANCH SUB #635391

PROPERTY CLASSIFICATION	PRIOR YEAR ACTUAL VALUE as of June 30, 2016	CURRENT YEAR ACTUAL VALUE as of June 30, 2018	+ OR - CHANGE
Residential	1,308,340	1,619,590	+311,250
TOTALS	$1,308,340	$1,619,590	+$311,250

The tax bill you receive next January will be based on the current year actual value shown above. If the Senior Citizen or Disabled Veteran Property Tax Exemption has been applied to your residential property, it is not reflected in the current year actual value.

The following property characteristics are for the primary structure or land type. For a complete inventory listing, please visit the Gunnison County Assessor website. Please verify your inventory and contact us if any corrections are needed.

LAND

LAND DESCRIPTION	LAND TYPE	ACRES
Single Fam.Res.-Land	Residential	4.81

ELECTRICITY:	Installed
SEWER:	ISDS Septic System Installed
WATER:	Well Installed
SITE ACCESS:	Improved Dirt Or Gravel Road
	Year Around Privately Maintained

OTHER ATTRIBUTES:

Typical Or Average Views
Paved Or Concrete Driveway

SUBDIVISION:

Hidden River Ranch Sub

PRIMARY IMPROVEMENT

OCCUPANCY TYPE:	Single Family Residential
BUILDING DESCRIPTION:	Log Home
CONSTRUCTION QUALITY:	Good
EXTERIOR CONDITION:	Very Good
EFFECTIVE YEAR BUILT:	1999
PERCENT COMPLETE:	100%
ABOVE GRADE LIVING AREA:	1,723 sq ft
BASEMENT:	Walkout: 2,144 sq ft
GARAGE:	Built In: 574 sq ft
TOTAL IMPROVEMENTS ON ACCOUNT:	1
CONDOMINIUM:	

YOU HAVE THE RIGHT TO PROTEST THE CLASSIFICATION AND/OR VALUATION OF YOUR PROPERTY.

CBOE # 333

VALUATION INFORMATION

Your property was valued as it existed on January 1 of the current year. The value of residential property is based on the market approach to value. Generally, the value of all other property is based on consideration of the market, cost, and income approaches to value. The appraisal data used to establish value is from the 18-month period ending June 30, 2018, § 39-1-104(10.2)(a), C.R.S. If insufficient data existed during the 18-month data gathering period, data from each preceding six-month period (up to a period of five years preceding June 30, 2018) may be utilized, § 39-1-104(10.2)(d), C.R.S.

EXHIBIT B
Page 2 of 2

Most property in Colorado is revalued every odd-numbered year § 39-1-104(10.2)(a), C.R.S. The assessment rate for residential property is currently 7.20%, § 39-1-104.2(3), C.R.S. A change in the projected residential assessment percentage is not grounds for protest or abatement of taxes, § 39-5-121(1), C.R.S. Generally, all other property, including vacant land, is assessed at 29%, § 39-1-104(1), C.R.S.

REAL PROPERTY PROTEST PROCEDURES

If you wish to protest, please include your estimate of property value as of June 30, 2018, and any additional documentation that you believe supports a change in the classification and/or valuation of your property.

If the date for filing any report, schedule, claim, tax return, statement, remittance, or other document falls on a Saturday, Sunday, or legal holiday, it shall be deemed to have been timely filed if filed on the next business day, §39-1-120(3), C.R.S.

BY EMAIL:

Written protests submitted by email must be date-stamped by the county server no later than June 1, § 39-5-122(2), C.R.S. Proof of receipt will be sent by return email – save this receipt for your records. ***WE RECOMMEND PROTESTING BY EMAIL FOR EXPEDIENCY AND TO CONSERVE RESOURCES:*** *assessor@gunnisoncounty.org*

BY MAIL OR FAX:

Written protests must be postmarked or faxed no later than June 1, § 39-5-122(2), C.R.S. You may be required to prove that you mailed or faxed your protest on or before the June 1 deadline; therefore, we recommend that you retain proof of mailing or fax delivery confirmation receipt.

IN PERSON:

If you wish to protest in person, please call to set up an appointment: (970) 641-1085. You must appear in the office of the County Assessor no later than June 1, § 39-5-122(2), C.R.S. Hearings will be held at the Gunnison County Assessor's Office, located at 221 N. Wisconsin St, Gunnison, between 9 a.m. and 4 p.m.

TO PRESERVE YOUR APPEAL RIGHTS, YOUR PROTEST MUST BE EITHER POSTMARKED OR RECEIVED BY THE ASSESSOR NO LATER THAN JUNE 1 – AFTER SUCH DATE, YOUR RIGHT TO PROTEST IS LOST.

You may use this form to begin the protest process; however, written correspondence with the same basic information will suffice. This form is not necessary to be able to protest and is provided for your convenience.

What is your estimate of the property's value as of June 30, 2018? $ 1,423,056 property R032322

For all Commercial Property appeals: If your property was leased during the data-gathering period, please attach an operating statement indicating your income and expense amounts. **The actual income and expense information is due to the Assessor no later than July 15th.** Also, please attach a rent roll as of June 30, 2018, indicating the square footage and rental rate for each tenant-occupied space.

What is the basis for your estimate of value or your reason for requesting a review? (Please attach additional sheets as necessary and any supporting documentation, i.e., comparable sales, photos, rent roll, appraisal, etc.)

See attached correspondence dated 5-28.19

In 2019, the assessor and Board of County Commissioners have elected to use the extended appeal period in accordance with 39-5-122(2), C.R.S. *The Assessor must mail you a Notice of Determination* ***on or before August 15, 2019****. If you disagree with the Assessor's determination, or if you do not receive a Notice of Determination, you must submit a written appeal to the County Board of Equalization* **on or before September 15, 2019** *if you wish to continue your appeal, § 39-8-106(1)(a) and (3), C.R.S.*

ATTESTATION

I, the undersigned owner or agent of the property identified above, affirm that the statements contained herein and on any attachments hereto are true and complete.

Signature	Telephone Number	Email Address	Date
John H. Gibson	325.439.1647	johngibson.texas@gmail.com	5-30.19

AGENT AUTHORIZATION - *only fill out this section if a person other than the owner will be appealing*

I, the undersigned owner of the property identified above, authorize the agent named below to act on my behalf in the property value appeal process for the tax year shown above. All protest communication will be mailed to agent.

Agent's Name (Please Print) _____

Signature of Property Owner _____ Date _____

Agent's Street Address _____

Agent's Email Address _____

Agent's City, State, Zip _____

Agent's Telephone Number _____

P.O. Box 4092
Crested Butte, CO
81224

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

7019 0700 0001 2059 6070

UNITED STATES POSTAL SERVICE

1000

81230

U.S. POSTAGE PAID
FCM LG ENV
CRESTED BUTTE, CO
81224
SEP 13, 19
AMOUNT
$4.80
R2304M116281-05

Gunnison County Board of
Equalization

200 E. Virginia Ave.

Gunnison, CO

81230

Received
County Administration
10/17/19 (VIA EMAIL)

Statement for the record – CBOE appeals hearing, Monday, October 21, 2019, 1045 MDT
John H. Gibson II
Regarding: Properties R032324 (Lot), R032322 (Residence)

Thank you for the consideration of our appeal of the most current tax valuations for both of our properties in Gunnison County.

For both properties we received a significant increase in valuation this current period. Our home was increased 24% and the lot which accompanies our home increased by 53%. Although the standard notice referred to "mathematical models, formulas based on same type and construction", we received no rationale, methodology nor data to accompany these significant valuation increases at any time during the process. Accordingly, we evaluated the available data and applied a rational, common real estate and statistical approach to determine what was an accurate reflection of market valuation. The attached files outlines our approach for both properties and also reflects the settlements we were/are willing to make for both properties (increases of 9% and 38% respectively) acknowledging values have increased, yet using data and relevant real estate rationale to come to a mutually justifiable and reasonable position for both parties.

We are hopeful you will consider this information from a fair and unbiased position as is your fiduciary responsibility as the board of Equalization.

From a perspective of good governance, a related suggestion on the overall process.

In round one of the valuation process, we simply received a notice of the substantial increase without any methodology, rationale nor data supporting the county's position. We were pointed to a public website which does a wonderful job of providing raw data only, yet all real estate has many nuances in determining market value with many factors as unique as any property to be considered. We were suppled no mathematical models, formulas or other information to compile the universe of data into a market valuation. Additionally, the resulting valuations in our more immediate area of like properties yielded significant variations and inconsistencies.

As we had to blindly respond to the reasoning behind the proposed valuations, we attempted to use the relevant data and apply rational, real estate processes and statistical methods as is common in determining a relevant market value.

The response to our appeals simply came back as updated notices confirming the initial valuations. No details, explanation, rationale, data or other relevant comments. Without communication, this second action might give the impression not much thought went into the process.

Transparency, communication and trust is the cornerstone of good governance whether at the federal, state or local levels. Any person or body in a position of public trust has this fiduciary responsibility to its constituents. Keeping this in mind for future actions would ensure the public confidence and trust is high with those we trust to execute the mission at hand.

Thank you to each of you for your willingness to serve something larger than yourself.