

**GUNNISON COUNTY BOARD OF EQUALIZATION  
MEETING MINUTES  
October 23, 2019**

The October 23, 2019 Board of Equalization meeting was held in the Board of County Commissioners Meeting Room in the Gunnison County Courthouse at 200 East Virginia Avenue, Gunnison. Present were:

Jonathan Houck, Chairperson  
Roland Mason, Commissioner

John Messner, Vice-Chairperson  
Elizabeth Mense, Clerk to the Board

Assessor Kristy McFarland, Senior Assessment Analyst William Spicer, Appraiser III Bob Blackett, Appraisal Analyst Alexandra Cohen 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.**

**CALL TO ORDER:** Chairperson Houck called the October 23, 2019 meeting of the County Board of Equalization to order at 8:28 am.

**CBOE #10; Safeway Stores, Inc (Rep: 1<sup>st</sup> Net Real Estate Services, Inc)**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is located at the intersection of West Tomichi Avenue and North Spruce Street in the central business district. Three comparable sales were presented. The Assessor's office is recommending a valuation of \$2,661,130.

**Petitioner's Case:** The Petitioner, nor their representative, 1<sup>st</sup> Net Real Estates Services, Inc. participated in the hearing. The Petitioner's representative submitted documentation requesting a value of \$1,500,000. The Board reviewed the documentation submitted by 1<sup>st</sup> Net Real Estate Services, Inc.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to deny CBOE #10. Motion carried.

**CBOE #20; Lazy J K Properties LLC**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. Three comparable sales that are all located in the City of Gunnison central business district were presented. The Assessor's valuation of \$897,950 includes a 10% downward adjustment to the structure, to account for some of the bathrooms within the individual units being out of service.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$425,000. The Petitioner presented 2018 profit and loss statement, 2019 profit and loss statement through July 31<sup>st</sup> and the July 31<sup>st</sup> rent roll. The Petitioner noted that the property has been listed for nearly 5 years at \$549,000. There was only one offer for \$425,000 in September of 2018, which they accepted. However, that contract was terminated because the buyer was unable to secure financing.

**Moved** by Commissioner Mason, seconded by Commissioner Houck to deny CBOE #20. Motion carried.

**CBOE #345; Mountain Associates Inc (Rep: Marvin F. Poer & Company)**

The petition for appeal of CBOE #345 was withdrawn on October 22, 2019 by Attorney Joe Monzon from Marvin F. Poer & Company.

**CBOE #311; CWC Holdings LLC**

**Assessor's Case:** SAA Spicer explained the property location and attributes. SAA Spicer explained that the Assessor's office is recommending to adjust the value of the subject property to from \$902,600 to \$667,240, based on the income approach, using data that was derived from the sale of commercial units in Gunnison Mountain Meadows Mall and the typical income and expense information from similar commercial properties within the area. The sale of units 1-6 in Gunnison Mountain Meadows Mall closed on August 17<sup>th</sup>, 2018 at \$1,210,000, but was contracted at essentially the same price on June 13<sup>th</sup>, 2018 prior to the appraisal date for the

2019 appraisal.

**Petitioner's Case:** The Petitioner did not participate in the hearing. The Petitioner submitted documentation requesting a valuation of \$513,000.

**Moved** by Commissioner Mason, seconded by Commissioner Houck to adjust CBOE #311 from \$902,600 to \$667,240. Motion carried.

**CBOE #7; Walmart Property Tax Department (Rep: Robert Hill Law LTD)**

The Petitioner's representative, Robert Hill Law Ltd. requested an administrative denial. They did not participate in the hearing.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to deny CBOE #7. Motion carried.

**CBOE #325; Montano Revocable Trust**

**Assessor's Case:** SAA Spicer explained the property location and attributes. SAA Spicer explained that the Assessor's office is recommending to adjust the value of the subject property to from \$2,180,340 to \$1,450,600 based on the income approach, using data that was derived from the sale of commercial units in Gunnison Mountain Meadows Mall and the typical income and expense information from similar commercial properties within the area. The sale of units 1-6 in Gunnison Mountain Meadows Mall closed on August 17<sup>th</sup>, 2018 at \$1,210,000, but was contracted at essentially the same price on June 13<sup>th</sup>, 2018 prior to the appraisal date for the 2019 appraisal.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner agreed with the adjustment and thanked the Board.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust CBOE #325 to from \$2,180,340 to \$1,450,600. Motion carried.

**CBOE #382; Thompson**

**Assessor's Case:** SAA Spicer explained the property location and attributes. The subject parcel is a 35.758-acre parcel located on County Road 25 near Blue Mesa subdivision. It is valued as Economic Area 8, Sage Fair Access. The subject property does not have electricity, a well or a septic system. It is not located within Tier I sage grouse habitat. There were three properties of similar size and attributes that were sold during the data gathering timeframe. The three properties sold for between \$74,000 - \$82,000 and support the current valuation of \$75,190.

**Petitioner's Case:** The Petitioner did not participate in the hearing. The Board reviewed the documentation submitted by the Petitioner.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to deny CBOE #382. Motion carried.

**CBOE #339-340; Tashandy LLC**

**CBOE #339:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is a commercial / residential mixed-use property located within the central business district. The valuation was decreased from \$742,800 to \$668,090 during the assessor level appeal. It is currently valued at \$668,090.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$550,000 which was the original purchase price.

**Moved** by Commissioner Mason, seconded by Commissioner Messner to deny CBOE #339. Motion carried.

**CBOE #340:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. Three comparable properties were presented. The examples were not sales. The Petitioner's residential use within the structure is a garage only. There is no residential dwelling unit located on the subject property. The value was decreased from \$310,510 to \$245,710 during the assessor level of appeal. It is currently valued at \$245,710.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$235,000 which was the original purchase price.

**Moved** by Commissioner Mason, seconded by Commissioner Houck to deny CBOE #340. Motion carried.

**CBOE #316-317; Futures Real Estate & Land Ventures LLC**

**CBOE #316:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is Unit C within the Virginia Business Park condominium plat. It is located at 509 West Virginia Avenue. It is average quality construction and condition. The subject property is located along the alley-way and therefore the Assessor's office is recommending an adjustment in value from \$219,940 to \$127,200.

**Petitioner's Case:** The Petitioner participated via telephone. The Petitioner submitted documentation requesting a valuation of \$110,000. The Petitioner noted that financial documentation including income and profit and loss statements were submitted to the Assessor's office. The Petitioner discussed the market and income approach to valuation.

**Moved** by Commissioner Houck, seconded by Commissioner Messner to adjust CBOE #316 to \$127,200. Motion carried.

**CBOE #317:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is Unit D within the Virginia Business Park condominium plat. It is located at 509 West Virginia Avenue. It is average quality construction and condition. The subject property is located along the alley-way and therefore the Assessor's office is recommending an adjustment in value from \$219,290 to \$126,720.

**Petitioner's Case:** The Petitioner participated via telephone. The Petitioner submitted documentation requesting a valuation of \$110,000. The Petitioner noted that financial documentation including income and profit and loss statements were submitted to the Assessor's office. The Petitioner discussed the market and income approach to valuation.

**Moved** by Commissioner Houck, seconded by Commissioner Messner to adjust CBOE #317 to \$126,720. Motion carried.

**CBOE #21; Equirent LLC**

**Assessor's Case:** SAA Spicer explained the property location and attributes. SAA Spicer explained that the Assessor's office is recommending to adjust the value of the subject property to from \$1,247,370 to \$881,380 based on the income approach, using data that was derived from the sale of commercial units in Gunnison Mountain Meadows Mall and the typical income and expense information from similar commercial properties within the area. The sale of units 1-6 in Gunnison Mountain Meadows Mall closed on August 17<sup>th</sup>, 2018 at \$1,210,000, but was contracted at essentially the same price on June 13<sup>th</sup>, 2018 prior to the appraisal date for the 2019 appraisal.

**Petitioner's Case:** The Petitioner participated in the hearing via telephone. The Petitioner's business partner was present for the hearing. The Petitioner agreed with the Assessor's recommendation and thanked the Assessor's office for their efforts.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust CBOE #21 to \$881,380. Motion carried.

**CBOE #6; McNeill**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is located at 16 Sixth Street in Crested Butte. It is a commercial / residential mixed-use property. The first floor is a restaurant that is approximately 3,000 square feet. The second level is two apartment units just under 2,000 square feet. Six comparable properties were presented. The Assessor's office is recommending a value of \$273.89 per square foot for a total value of \$1,294,960.

**Petitioner's Case:** The Petitioner participated in the hearing via telephone. The Petitioner submitted documentation requesting a valuation of \$518,750. The Petitioner stated that the 3,000 square foot restaurant space on the first floor has been difficult to lease because the number of businesses seeking that amount of space is limited and it is not located on Elk Avenue. The existing tenant's lease expires on May 21, 2020 and they do not intend to renew. The income approach to valuation was also discussed.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to deny CBOE #6. Motion carried.

**CBOE #336; Chaco LLC**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is Unit 3 condominium located within the Beckwith Building. It is located

approximately a half block from Elk Avenue in Crested Butte. The address is 411 Third Street. Three commercial sales from the Town of Crested Butte were presented. The Assessor's office is recommending a value of \$443,350.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$394,735. The Petitioner noted that their unit is on the second floor of a building on an alley off of Elk Avenue. It is often muddy and has views of dumpsters from the unit. Because of this, the Petitioner believes that their unit's value should be lower than the comparables on Elk Avenue. The roof has leaked for a number of years and recently was replaced, which cost \$35,000. The building requires more maintenance due to its age.

The Board consensus was to continue CBOE #336 in order to allow for further analysis.

**Moved** by Commissioner Houck, seconded by Commissioner Mason to continue the hearing for CBOE #336. Motion carried.

### **CBOE #19; Glacier Schoolhouse LLC**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The property is located at 21293 State Highway 135 in the Crested Butte South area. It is a mixed-use commercial and residential property. The Assessor's office presented three comparable sales. The Assessor's office stated that when they analyzed the sale of the subject property, they discovered that the 1,200 square foot building that they had classified as a residential storage shed was actually being used by the prior owner as a commercial workshop. That portion is currently still being used as a commercial workshop. The property was initially valued at \$2,226,670 and reduced to \$1,781,030 after the Assessor level review. The Assessor's office is now recommending that the value of the residential portion remain unchanged at \$148,210 and that the value of the commercial portion be adjusted to \$866,400 for a total value of \$1,014,610.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner thanked the Assessor's office for physically inspecting their property and for the recommended adjustment. The Petitioner submitted documentation requesting a value of \$994,171.05 prior to the hearing. Financial documentation including profit and loss statements and tax forms were also presented.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust CBOE #19 to \$1,014,610. Motion carried.

### **CBOE #22; Foundation Capital Resources, INC (Rep: Ryan LLC)**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is the Tractor Supply building. It is a commercial property located at 1125 North Main Street in Gunnison. Three commercial sales were presented, including the subject property. The Assessor's office is recommending a value of \$3,583,850.

**Petitioner's Case:** The Petitioner's representative, Attorney Ethan Horn, participated in the hearing via telephone. Attorney Horn stated that the subject property is valued in excess of fair market value based on cost, market and income approaches. The valuation of \$2,910,094 was requested.

The Board consensus was to continue the hearing until later in the afternoon to allow Attorney Horn time to produce additional documentation for Board review.

**Moved** by Commissioner Houck, seconded by Commissioner Mason to continue CBOE #22 until 1:00 pm. Motion carried.

**BREAK:** The County Board of Equalization briefly recessed 12:21 pm. The meeting resumed at 12:59 pm.

The Board reviewed the additional documentation provided by Attorney Horn.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to deny CBOE #22. Motion carried.

### **CBOE #23-302; Boxer F2 LP (Rep: Ryan LLC)**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The Assessor's office is recommending adjusting the 2019 value to \$16,699,250. The reduction was achieved by reviewing the use of the commercial units, reanalyzing the parking levels value

and confirming the adjustments applied to the hotel units.

**Petitioner's Case:** The Petitioner's representative, Attorney Ethan Horn, participated in the hearing via telephone. He thanked the Assessor's office for the recommended downward adjustment but indicated that an additional adjustment is warranted. Attorney Horn, on behalf of his client, requested a valuation of \$15,333,260.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust CBOE #23 – 302 to \$16,699,250. Motion carried.

**BREAK:** The County Board of Equalization briefly recessed 1:21 pm. The meeting resumed at 1:30 pm.

**CBOE #349-354; Elk Avenue Partners LLC (Rep: Jacob With)**

**CBOE #349:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is Butte Plaza located at 318 Elk Avenue in the Town of Crested Butte. It is located in B1 zoning district. Three comparable sales were presented. The Assessor's office is recommending a valuation of \$2,696,010.

**Petitioner's Case:** The Petitioner and his representative, Attorney Jacob With were present for the hearing. Attorney With argued that there were no comparable sales during the appraisal period. Documentation supporting a net income valuation was presented. A valuation of \$1,552,413 was requested.

**Moved** by Commissioner Houck, seconded by Commissioner Messner to deny CBOE #349. Motion carried.

**CBOE #350:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is located at 330 Elk Avenue and part of Fourth Street in the Town of Crested Butte. It is located within the B1 zoning district. The total square footage is 9,987. Three comparable sales were presented. The Assessor's office is recommending a valuation of \$2,483,660.

**Petitioner's Case:** The Petitioner and his representative, Attorney Jacob With were present for the hearing. Attorney With explained that the subject property is in poor condition and currently vacant. Significant upgrades are necessary in order to lease the property in the future. Attorney With argued that there were no comparable sales during the appraisal period. Documentation supporting a net income valuation was presented. A valuation of \$1,884,563 was requested.

**Moved** by Commissioner Houck, seconded by Commissioner Messner to deny CBOE #350. Motion carried.

**CBOE #351:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is located on Elk Avenue in Crested Butte within the B1 zoning district. It includes a restaurant and retail space. Three comparable sales were presented, including the sales of the subject property itself. The Assessor's office is recommending a valuation of \$3,639,060.

**Petitioner's Case:** The Petitioner and his representative, Attorney Jacob With were present for the hearing. Attorney With presented documentation supporting a rental income-based approach. A valuation of \$2,647,533 was requested.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust CBOE #351 to \$2,894,240. Motion carried.

**CBOE #352:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is located on Elk Avenue in Crested Butte within the B1 zoning district. The Assessor's office is requesting a valuation of \$1,768,730.

**Petitioner's Case:** The Petitioner and his representative, Attorney Jacob With were present for the hearing. Attorney With argued that there are no actual comparable sales within the appraisal period. He explained that the subject property is located on a floodplain. Additionally, he explained that Coal Creek runs through the middle of the lot, rendering approximately one-half of the lot unusable. The second level of the building has outdated kitchen equipment and requires significant upgrades. A valuation of \$1,228,283 was requested.

**Moved** by Commissioner Mason, seconded by Commissioner Messner to adjust CBOE #352 to \$1,500,000. Motion carried.

**CBOE #365; Coal Creek Investments LLC (Rep: Jacob With)**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is located at 130 Elk Avenue in Crested Butte. It is located within the B1 zoning district. Three comparable sales were presented. The Assessor's office is recommending a valuation of \$1,099,120.

**Petitioner's Case:** The Petitioner and his representative, Attorney Jacob With were present for the hearing. A valuation of \$1,099,120 was requested. Attorney With explained that the subject property is an old warehouse. It has not had significant renovations. The building has minimal insulation and the roof needs to be replaced. The age and condition of the building results in increased maintenance and expenses. Attorney With argued that the construction quality and overall condition is below average. Additionally, the property is located on a floodplain. The floodplain renders a substantial portion of the lot undevelopable.

The Board consensus was to continue the hearing for CBOE #365 to allow the Assessor's office additional time to analyze whether an adjustment is warranted.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to continue CBOE #365. Motion carried.

**CBOE #353-364; DDE Gunnison Meadows Holdings LLC (Rep: Jacob With)**

**Assessor's Case:** SAA Spicer explained the property location and attributes.

The Assessor's office is recommending adjusting the value of Units 1-12 of Gunnison Mountain Meadows Mall, based on an income approach, using data derived from the sale of commercial condo units in Gunnison Mountain Meadows Mall. The Assessor's office is recommending the following downward adjustments: CBOE #353 to \$193,000, CBOE #354 to \$192,040, CBOE #355 to \$205,580, CBOE #356 to \$207,220, CBOE #357 to \$207,220, CBOE #358 to \$207,220, CBOE #359 to \$202,980, CBOE #360 to \$202,980, CBOE #361 to \$205,170, CBOE #362 to \$205,170, CBOE #363 to \$206,540 and CBOE #364 to \$205,170. The total value for all the units would be reduced from \$3,354,210 to \$2,440,290.

**Petitioner's Case:** The Petitioner and his representative, Attorney Jacob With were present for the hearing. DDE Gunnison Meadows Holdings, LLC purchased the units on August 17, 2018 for \$2,235,000, which is the value they are requesting.

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust the value of CBOE #353-364 to \$2,440,290. Motion carried.

**CBOE #367; Nehrer**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is a commercial building located at 1140 North Main Street. Six comparable sales were presented. The Assessor's office is recommending adjusting the value from \$1,875,470 to \$1,485,990.

**Petitioner's Case:** The Petitioner participated in the hearing via telephone. The Petitioner presented financial documentation and documentation for both a market and income approach. The total for the income approach was \$840,000. The total for the market approach was \$970,000. Petitioner requested a valuation of \$970,000

**Moved** by Commissioner Messner, seconded by Commissioner Mason to adjust the value of CBOE #367 from \$1,875,470 to \$1,485,990. Motion carried.

**CBOE #376-380; Young**

**CBOE #376:**

**Assessor's Case:** Appraiser III Blackett explained the property location and attributes. The subject property is Unit 5A within the Redstone commercial building. Four commercial sales were presented. The Assessor's office is recommending a valuation of \$155,830.

**Petitioner's Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$127,115.

The Board consensus was to continue the hearing for CBOE #376 to allow the Assessor's office additional time to determine if an adjustment is warranted.

**Moved** by Commissioner Messner, seconded by Commissioner Houck to continue the hearing for CBOE #376. Motion carried.

**CBOE #377:**

**Assessor’s Case:** Appraiser III Blackett explained the property location and attributes. The subject property is Unit 6C within the Redstone commercial building. Three comparable sales were presented. The Assessor’s office is recommending a valuation of \$126,930.

**Petitioner’s Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$95,400.

**CBOE #378:**

**Assessor’s Case:** Appraiser III explained the property location and attributes. Three comparable sales were presented. The Assessor’s office is recommending a valuation of \$133,170.

**Petitioner’s Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$101,400.

**CBOE #379:**

**Assessor’s Case:** Appraiser III Blackett explained the property location and attributes. Three comparable sales were presented. The Assessor’s office is recommending at valuation of \$159,220.

**Petitioner’s Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$127,200.

**CBOE #380:**

**Assessor’s Case:** Appraiser III Blackett explained the property location and attributes. Three comparable sales were presented. The Assessor’s office is recommending at valuation of \$129,430

**Petitioner’s Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$97,800.

**Moved** by Commissioner Houck, seconded by Commissioner Mason to deny CBOE #377, 378, 379 & 380. Motion carried.

**CBOE #381; Tikkun Investments INC**

**Assessor’s Case:** Appraisal Analyst Cohen explained the property location and attributes. The subject property is a unit within Golf Villas at Skyland condominium complex. It is an end unit but it not located on the golf course. Six comparable sales were presented, all of which are located in the same complex. The Assessor’s office is recommending a valuation of \$621,180.

**Petitioner’s Case:** The Petitioner was present for the hearing. The Petitioner requested a valuation of \$586,872.

**Moved** by Commissioner Mason, seconded by Commissioner Messner to deny CBOE #381. Motion carried.

**ADJOURN: Moved** by Commissioner Messner, seconded by Commissioner Mason to adjourn the meeting. The October 23, 2019 meeting of the Board of Equalization adjourned at 4:04 pm.

\_\_\_\_\_  
Jonathan Houck, Chairperson

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John Messner, Vice-Chairperson

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Roland Mason, Commissioner

Minutes Prepared By:

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Elizabeth Mense, Deputy County Clerk

Attest:

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Kathy Simillion, County Clerk