

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>SOUTH PLATTE PARTNERS, LLC,</p> <p>v.</p> <p>Respondent:</p> <p>PARK COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 51917</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on September 7, 2010, Karen E. Hart and Debra A. Baumbach presiding. Daniel L. Casson, the LLC’s manager, appeared on behalf of Petitioner. Respondent was represented by Marcus A. McAskin, Esq. Petitioner is protesting the 2009 actual value of the subject properties.

Subject properties are described as follows:

**Stone Creek Subdivision, Filing 1 Blocks 2-5, unsold lots, Fairplay, Colorado
(Park County Schedule Nos. R0044512+36)**

The subject properties consist of 37 unsold lots in the Stone Creek Subdivision located in the Town of Fairplay.

Petitioner requested a value of \$195,550.00 for tax year 2009 and Respondent assigned an actual value of \$291,379.00 for tax year 2009.

Mr. Casson, acting as Petitioner’s witness, contended that there were 37 remaining unsold lots in the Stone Creek Subdivision with two lots being unbuildable. Respondent overvalued the lots and failed to adequately account for infrastructure costs and other factors affecting the value of each of the lots.

Mr. Casson performed a vacant land discount analysis to determine a per lot value ranging from \$1,485.00 to \$8,399.00. Five vacant land sales were considered, ranging in a time adjusted sales price from \$37,805.00 to \$55,529.00. After adjustments, the sales ranged from \$22,388.00 to

\$44,116.00 per lot. A concluded value of \$20,228.00 per lot was derived and infrastructure costs of \$18,764.00 were deducted.

Mr. Casson calculated the infrastructure cost of \$18,764.00 for each buildable lot based on CPI inflation index applied to the original costs which included the following in his analysis: sewer, water, paving, electrical power distribution, engineering, CPI testing, inspection, a project manager fee for five months, and a contingency fee of \$10%.

Petitioner requested a 2009 actual value of \$195,550.00 for the subject properties.

Petitioner contends that Respondent was provided with the actual development costs per lot; however, it chose not use those actual costs. Next, Respondent did not take into account additional lineal footage infrastructure costs for the subject properties' longer frontages than the comparable sales. There are higher costs attributed to water and sewer mains which were not accounted for. There are also differences in the comparable sales used by Respondent for lot size, location and topography that were not adequately adjusted. Petitioner contends that Respondent used a minimum raw land value and computed a time adjusted sales price and did not include the cost of platting and engineering costs.

Respondent's witness, Ms. Judith M. Cavagnetto, with the Park County Assessor's Office, presented a total actual value of \$291,379.00 for the 37 lots. Respondent concluded to a per lot value of \$24,509.00 based on five vacant land sales ranging in adjusted sales prices from \$37,805.00 to \$55,529.00.

Respondent deducted development costs of \$12,700.00 for an adjusted sales price per lot of \$11,809.00. Respondent calculated a combined discount rate of 12%, and the retail lot value was discounted at a present worth factor of 68.52% to reflect an absorption rate of six years.

Ms. Cavagnetto testified the figure used for development costs was provided by Petitioner at a previous hearing. There were no new infrastructure costs provided by Petitioner for the subject lots.

Respondent assigned an actual value of \$291,379.00 for tax year 2009.

Respondent presented sufficient probative evidence and testimony to prove that the subject properties were correctly valued for tax year 2009.

The Board finds that Respondent's present worth discounting analysis is well-supported and that the adjusted selling price per lot is reasonable. Respondent made appropriate deductions for direct development costs based on actual information provided by Petitioner from a previous hearing.

The Board is not convinced Petitioner's development cost estimates, based on the CPI inflation index, are the best indicator of actual costs during the time frame. Petitioner estimated development costs to be slightly over 45% with no actual cost estimates from contractors during the appropriate time frame to substantiate this increase.

ORDER:

The petition is denied.

APPEAL:

If the decision of the Board is against Petitioner, Petitioner may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provisions of Section 24-4-106(11), C.R.S. (commenced by the filing of a notice of appeal with the Court of Appeals within forty-five days after the date of the service of the final order entered).

If the decision of the Board is against Respondent, Respondent, upon the recommendation of the Board that it either is a matter of statewide concern or has resulted in a significant decrease in the total valuation of the respondent county, may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provisions of Section 24-4-106(11), C.R.S. (commenced by the filing of a notice of appeal with the Court of Appeals within forty-five days after the date of the service of the final order entered).

In addition, if the decision of the Board is against Respondent, Respondent may petition the Court of Appeals for judicial review of alleged procedural errors or errors of law within thirty days of such decision when Respondent alleges procedural errors or errors of law by the Board.

If the Board does not recommend its decision to be a matter of statewide concern or to have resulted in a significant decrease in the total valuation of the respondent county, Respondent may petition the Court of Appeals for judicial review of such questions within thirty days of such decision.

Section 39-8-108(2), C.R.S.

DATED and MAILED this 5 day of October 2010.

BOARD OF ASSESSMENT APPEALS

Karen E Hart

Karen E. Hart

Debra A. Baumbach

Debra A. Baumbach

I hereby certify that this is a true
and correct copy of the decision of
the Board of Assessment Appeals.

Amy Bruins

Amy Bruins

