

**BOARD OF ASSESSMENT APPEALS,  
STATE OF COLORADO**

1313 Sherman Street, Room 315  
Denver, Colorado 80203

**Docket No.: 58815**

Petitioner:

**AIRPORT-COLFAX LLC,**

v.

Respondent:

**ARAPAHOE COUNTY BOARD OF  
EQUALIZATION.**

**ORDER**

**THIS MATTER** was heard by the Board of Assessment Appeals on August 30, 2012, Gregg Near, Brooke B. Leer, and MaryKay Kelley presiding. Petitioner was represented by Victor F. Boog, Esq. Respondent was represented by George Rosenberg, Esq. Petitioner is protesting the 2011 actual value of the subject property.

Subject property is described as follows:

**Vacant land, Centennial, Colorado  
Arapahoe County Schedule Nos.:**

**1975-05-1-17-002  
1975-05-1-17-028  
1975-05-1-17-043  
1975-05-1-01-014**

The subject of this appeal is comprised of four individual parcels totaling twenty-five acres bordered by Colfax Avenue on the north and Airport Blvd on the east. The parcels are described as follows:

Schedule No. 1975-05-1-17-002	8.58 acres	Commercial Zoning
Schedule No. 1975-05-1-17-028	4.62 acres	Commercial Zoning
Schedule No. 1975-05-1-17-043	1.81 acres	Residential Zoning
Schedule No. 1975-05-1-01-014	9.99 acres	Commercial and Residential Agriculture Zoning

Respondent assigned a value of \$4,768,258 for tax year 2011 but is recommending a reduction to \$3,370,000. Petitioner is requesting a value of \$870,000.

Petitioner's witnesses, Donald Siecke, managing partner of the Airport-Colfax LLC, relayed the history of the property, which was acquired in 1998 with intent to assemble or develop. Multiple issues have resulted in negative marketability: economic decline; location within a blighted area; constrained access from Colfax Avenue and Airport Blvd.; high tap fees required for residential development; the requirement for re-zoning and other city mandates considered burdensome.

Petitioner's witness, Robert A. Koontz, a developer with Kelmore Development, discussed additional marketability issues: 50' setbacks from both major streets; a three-acre no-build zone in the Buckley Air Force Base crash area allowing only a parking lot and/or landscaping; and the city's requirement that Nucla Street be extended northward at a minimal estimated cost of \$250,000 (street alone) and \$500,000 (utilities, sidewalks, etc.).

Petitioner's witness, Michael Walter, tax agent, agreed with prior testimony that the four parcels were a single entity in terms of use and marketability. Relying on a market approach to derive a value of \$870,000, he presented four comparable sales ranging in sale price from \$1,338,300 to \$2,780,100 and in size from 21.95 to 36.02 acres. He applied a 20% time adjustment for the two 2007 and 2008 transactions and made adjustments for location, the Nucla Street extension, differences in zoning (5%-10%), and for the major road setbacks (20%). With an adjusted range from \$0.64 to \$1.25, Mr. Walter concluded to a value of \$0.80 per square foot.

Respondent's witness, Jesse Bequette, Registered Appraiser, argued that the subject's four parcels are separate legal entities, usable as currently zoned, and should be marketed and valued as such.

Mr. Bequette presented a market approach to derive a value of \$3,370,000. He presented several comparable sales, each one addressing either residential or commercial zoning, and concluded to values for the four parcels to which he applied a 15% discount.

Petitioner presented sufficient probative evidence and testimony to prove that the tax year 2011 valuation of the subject property was incorrect.

The Board is persuaded that single-entity use on the assessment date was physically possible, legally allowable, financially feasible, and maximally productive. Petitioner's witnesses presented convincing testimony that economic, physical, neighborhood, governmental, and developmental influences support single-entity use.

The Board agrees that the subject's zoning restrictions are significant and require master planning, landscaping along the two major roads, landscaping and signage at the intersection, and setbacks. The Board considers a \$300,000 adjustment appropriate and supportive.

The Board is not convinced by Petitioner's after-sale zoning adjustments: traffic overlays and setbacks are not atypical; and incorporation of the Buckley crash zone acreage into development planning is not considered a significant detriment.

The Board is not convinced by Petitioner's Nucla Street extension adjustments but finds that Petitioner's \$250,000 (street-only construction) estimate is reasonable.

The Board weighed Petitioner's sales, placing most reliance on Sale One due to its proximity to the subject and similar exposure.

The Board concludes that the 2011 actual value of the subject property should be reduced to \$1,400,000.

**ORDER:**

Respondent is ordered to reduce the 2011 actual value of the subject property to \$1,400,000.

The Arapahoe County Assessor is directed to change his/her records accordingly.

**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 25th day of September, 2012.

BOARD OF ASSESSMENT APPEALS



Gregg Near

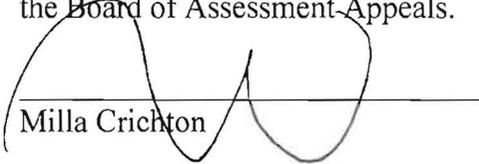


Brooke B. Leer



MaryKay Kelley

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



Milla Crichton

