

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

1313 Sherman Street, Room 315
Denver, Colorado 80203

Docket No.: 65543

Petitioner:

PINE RIDGE RESIDENTIAL LLC,

v.

Respondent :

PARK COUNTY BOARD OF COMMISSIONERS.

ORDER

THIS MATTER is before the Board of Assessment Appeals on remand from the Colorado Court of Appeals. On October 13, 2016, the Court of Appeals reversed the Board's actual value determination and remanded the case for the Board to consider the application of raw land value in the valuation of the subject property. The mandate was issued on December 6, 2016.

On February 17, 2017, the Board ordered the parties to submit written arguments in favor of their methodology for comparison of raw land value to present worth value. The Board's order required the parties to include a spreadsheet indicating the proposed actual value for each lot and the proposed total value of all of the lots based on the proposed methodology. The Board's order also required the parties to use the Board's \$1,500 per acre raw land value, which was upheld by the Court of Appeals and the Board's per lot present worth value determination, which was not challenged by Respondent (\$628 for each of the 258 smaller lots and \$676 for each of the 189 larger lots). The Board's order required the parties to submit these arguments to the Board no later than March 20, 2017. Both parties submitted their written arguments on March 20, 2017.

Petitioner's written argument requested the Board value: (1) 258 of the 447 appealed lots at \$628 per lot (a total of \$162,024 for the 258 lots) based on the Board's finding of present worth value for smaller lots; (2) 130 of the 447 appealed lots at \$676 per lot (a total of \$87,880 for the 130 lots) based on the Board's finding of present worth value for larger lots; and (3) 59 of the 447 appealed lots at various amounts per lot based on the Board's finding of \$1,500 per acre raw land value (a total of \$56,850 for the 59 lots). Based on this methodology, Petitioner argued that the total value for all 447 appealed lots should be \$306,754 (\$162,024+\$87,880+\$56,850).

Respondent provided alternative methods in its written argument for consideration by the Board. Respondent's preferred method requested the Board calculate a per-lot value based on the Board's finding of \$1,500 per acre of raw land value and using 452 buildable lots. This results in a per lot value of \$1,241.48 ($\$1,500 \text{ per acre} \times 374.10 \text{ acres} = \$561,150 \text{ total raw land value}$ divided by 452 buildable lots = \$1,241.48 per buildable lot). Based on this methodology (which apportions the entire raw land value to the buildable lots only), Respondent argued that the total value for the 447 appealed lots should be \$554,941.56 ($447 \times \$1,241.48 = \$554,941.56$).

Alternatively, Respondent argued that the Board could apportion the entire raw land value to all 465 lots in the subdivision, including the lots that are unbuildable. Using the Board's finding of \$1,500 per acre of raw land value and using 465 total lots in the subdivision, the per lot value under this methodology would be \$1,206.77 ($\$1,500 \text{ per acre} \times 374.10 \text{ acres} = \$561,150 \text{ total raw land value}$ divided by 465 lots = \$1,206.77 per lot). Based on this methodology, Respondent argued that the total value for the 447 appealed lots should be \$539,426.19 ($447 \times \$1,206.77 = \$539,426.19$).

After carefully weighing all of the evidence and considering the credibility of the witnesses and the arguments of the parties, the Board is convinced that the present worth value of the subject lots is lower than the actual value of comparable, undeveloped vacant land. In our July 22, 2015 order, we found that the present worth value of the subject lots is \$289,788. This value is less than our finding of \$1,500 per acre raw land value for the subject lots. The raw land value serves as a market value threshold that the present worth value must exceed. Because the present worth value is lower than the raw land value, the raw land value establishes the property's market value and must be used in the assessor's valuation.

The Board is convinced by Respondent's preferred method for assigning raw land value to the 447 lots that are the subject of this appeal. This methodology uses the raw land value of \$561,150 (which is based on the Board's finding of \$1,500 per acre) and the 452 buildable lots to establish a \$1,241.48 buildable lot value. Based on this methodology, the Board agrees with Respondent that the total value for the 447 lots that are the subject of this appeal is \$554,941.56.

ORDER

Respondent is ordered to reduce the 2013 actual value of the subject lots to \$554,941.56. Respondent is ordered to reduce the value of each of the 447 appealed lots to \$1,241.48.

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-nine 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 for assessment of the county wherein the property is located, may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provision 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-nine days after the date of the service of the final order entered).

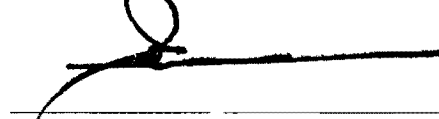
In addition, if the decision of the Board is against Respondent, Respondent may petition the Court of Appeals for judicial review of alleged procedural errors or errors of law when Respondent alleges procedural errors or errors of law by the Board.

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 for assessment of the county in which the property is located, Respondent may petition the Court of Appeals for judicial review of such questions.

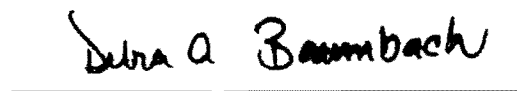
Section 39-10-114.5(2), C.R.S.

DATED and MAILED this 29th day of March, 2017.

BOARD OF ASSESSMENT APPEALS



James Meurer



Debra A. Baumbach

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



Milla Lishchuk

