

**Order of the           Kittitas           County**  
**Board of Equalization**

Property Owner:   R & R Heights Land Co.    
Parcel Number(s):   18399    
Assessment Year:   2014   Petition Number:   BE-140073  

Having considered the evidence presented by the parties in this appeal, the Board hereby:  
 sustains       overrules      the determination of the assessor.

**Assessor's True and Fair Value**

<input checked="" type="checkbox"/> Land	\$	<u>          94460          </u>
<input checked="" type="checkbox"/> Improvements	\$	<u>          16900          </u>
<input type="checkbox"/> Minerals	\$	<u>                          </u>
<input type="checkbox"/> Personal Property	\$	<u>                          </u>
Total Value	\$	<u>          111,360          </u>

**BOE True and Fair Value Determination**

<input type="checkbox"/> Land	\$	<u>                          </u>
<input type="checkbox"/> Improvements	\$	<u>                          </u>
<input type="checkbox"/> Minerals	\$	<u>                          </u>
<input type="checkbox"/> Personal Property	\$	<u>                          </u>
Total Value	\$	<u>                          </u>

This decision is based on our finding that:

The issue before the Board is the assessed value of land/improvements.

A hearing was held on November 19, 2014. Those present: Chairman Ann Shaw, Reta Hutchinson, Clerk Debbie Myers, Appraiser Dana Glenn, and Appellant's Representative Anne Watanabe.

Appellant's Representative Anne Watanabe said now is the time to address water valuing; mitigation water rights vs. value improvements. She said water to the property increases value, but she doesn't agree with the way the county values water. She discussed the 50% water reduction during the moratorium and how it affected property values. She suggested if a parcel has mitigated water and they didn't take the 50% reduction, then the land value should stay the same, but if someone had the 50% reduction and they had mitigation then the land should increase in value. She reviewed the exhibits submitted and discussed different mitigation water banks and the costs associated with water rights.

Appraiser Dana Glenn said the 50% water reduction was dependant on the taxpayer making a claim and only for a few years, then valuation reverted back to previous value. He discussed the exhibits submitted, wells, exempt wells and beneficial use. He said it is a new market related to water. He said the reason the water is not attached to land is there are so many variables: how to value the land, with and without a well, no water right, and how many feet or yards of water. He said it would be confusing and not uniform. In the interest of uniformity, they chose to value the water separate. He reviewed costs associated with drilling wells and water rights and comparable sales.

Pursuant to RCW 84.40.0301, the value placed on the property by the Assessor is presumed to be correct, and can only be overcome by clear cogent and convincing evidence. This means the appellant is required to provide enough information to convince this Board that it is highly probable the assessed value is incorrect.


The cost data for a mitigated water right provided by the appellant for the water to these particular parcels cannot be used for the valuation because this is just one of several water banks and not reflective of the total water bank market. The \$9,400 is the value the county assessor has used to assess the value for these parcels that have mitigated water rights. This is the flat rate that they have for the parcels with this type of improvement.

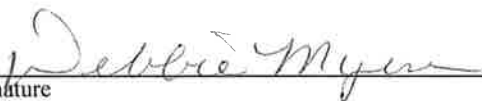
The reason the county has assessed the water as an improvement to the land is because of the water moratorium issues in Kittitas County. The

Assessor's office had to come up with a formula to assess the value of water rights to a property when the water bank concept was established and this is the way they have chosen to deal with this issue.

Based on this information, the Board has determined that the Assessor's valuation for this parcel be sustained.

Dated this 24 day of November, (year) 2014

  
Chairperson's Signature

  
Clerk's Signature

**NOTICE**

This order can be appealed to the State Board of Tax Appeals by filing a notice of appeal with them at PO Box 40915, Olympia, WA 98504-0915, within thirty days of the date of mailing of this order. The Notice of Appeal form is available from either your county assessor or the State Board.

To ask about the availability of this publication in an alternate format for the visually impaired, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711. For tax assistance, call (360) 534-1400.

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