KITTITAS COUNTY
BOARD OF EQUALIZATION

411 N Ruby St, Ste 2, Ellensburg, WA 98926
(509) 962-7506

ORDER OF THE KITTITAS COUNTY BOARD OF EQUALIZATION

Property Owner(s): Vernon Ahlf

Mailing Address: PO BOX 241
S Cle Elum, WA 98943

Tax Parcel No(s): 624335

Assessment Year: 2023 (Taxes Payable in 2024)

Petition Number: BE-23-0015

Having considered the evidence presented by the parties in this appeal, the Board hereby:
Sustained
the determination of the Assessor.

Assessor's Determination		Board of Equalization (BOE) Determination	
Assessor's Land:	$95,000	BOE Land:	$95,000
Assessor's Improvement:	$17,650	BOE Improvement:	$17,650
TOTAL:	$112,650	TOTAL:	$112,650

Those in attendance at the hearing and findings:
See Recommendation and Proposed Decision of the Hearing Examiner

Hearing Held On : November 1, 2023
Decision Entered On: January 11, 2024
Hearing Examiner: Jessica Hutchinson Date Mailed: 1/14/24

Chairperson (of Authorized Designee)

Clerk of the Board of Equalization

NOTICE OF APPEAL

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 on this Order (RCW 84.08.130). The Notice of Appeal form is available from the Washington State Board of Tax Appeals or the Kittitas County Board of Equalization Clerk.

KITTITAS COUNTY BOARD OF EQUALIZATION- PROPOSED RECOMMENDATION

Appellants: Vernon Ahlf
Petition: BE-23-0015
Parcel: 624335
Address: 415 Washington Ave

Hearing: November 1, 2023 1:58 P.M.

Present at hearing: Vernon Ahlf, Petitioner, Mike Hougardy, Appraiser; Jessica Miller, BOE Clerk; Jessica Hutchinson, Hearing Examiner

Testimony given: Vernon Ahlf, Mike Hougardy

Assessor's determination:
Land: $95,000
Improvements: $17,650
Total: $112,650

Taxpayer's estimate:
Land: $50,000
Improvements: $17,220
Total: $67,220

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject properties are parcels located in South Cle Elum. Board cases BE 23-0015, 0016, 0017, 0018, and 0019 were heard together.

Mr. Ahlf stated that the land value for 0015 increased again by $45,000 since he purchased it in 2022 even though it is under review by the State Board of Tax Appeals. He stated that he cannot build on the property without tearing down the shop because of setback requirements from the City of South Cle Elum. He noted that the land is valued around $15 per square foot on the land, which is much higher than the other properties he owns in South Cle Elum, even though those parcels are larger. For the other board cases, the homes are single wide mobile homes built in the 1970s and the values have increased greatly. The City of S. Cle Elum will only allow replacement of a single wide with another single wide, or a stick built home using the same footprint of the existing home. He also stated that the City of S. Cle Elum requires a flood elevation certificate and land survey to be filed to even consider any building opportunities, which would cost $5,000-$7,000, with no guarantee that the building would be approved.

Mr. Hougardy addressed the value of the land by explaining that the model is based on a first homesite value with depreciating values as square foot increases. He provided a list of land sales in S. Cle Elum shows an average of $13-$15 per square foot. He noted that one sale (#7) appeared to be an outlier, and if that sale were discluded, the average of the sales would be $15.78 per square foot. The subject

properties are assessed at an average of $13.09 per square foot. He also provided a list of improved mobile home sales, singling out three sales within S. Cle Elum. Those homes sold for $248, $291, and $311 per square foot, which shows that mobile home values are being driven up by the overall increase in market activity. He noted the assessed value of Board case 0017 has only increased by a few thousand from the sale in 2022. He noted that the sales the subject property is being compared to all have the same challenges and the Assessor's Office is tasked with valuing properties at their highest and best use. Choosing not to use the property at its highest and best use does not negate the value of the highest and best use.

CONCLUSIONS OF LAW:

"Upon review by any court, or appellate body, of a determination of the valuation of property for purposes of taxation, it shall be presumed that the determination of the public official charged with the duty of establishing such value is correct, but this presumption shall not be a defense against any correction indicated by clear, cogent and convincing evidence." RCW 81.40.0301

In other words, the assessor's determination of property value shall be presumed correct. The petitioner can overcome this presumption that the assessor's value is correct only by presenting clear, cogent and convincing evidence otherwise.

"All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed..."
RCW 84.40.020

"The true and fair value of real property for taxation purposes...must be based upon the following criteria:

(a) Any sales of the property being appraised or similar properties with respect to sales made within the past five years...
(b) In addition to sales as defined in subsection (3)(a) of this section, consideration may be given to cost, cost less depreciation, reconstruction cost less depreciation, or capitalization of income that would be derived from prudent use of the property, as limited by law or ordinance..."

RCW 84.40.030(3)

"(1) In making its decision with respect to the value of property, the board shall use the criteria set forth in RCW 84.40.030.
(2) Parties may submit and boards may consider any sales of the subject property or similar properties which occurred prior to the hearing date so long as the requirements of RCW 84.40.030, 84.48.150, and WAC 458-14-066 are complied with. Only sales made within five years of the date of the petition shall be considered.
(3) Any sale of property prior to or after January 1st of the year of revaluation shall be adjusted to its value as of January 1 of the year of evaluation, reflecting market activity and using generally accepted appraisal methods...
(4) More weight shall be given to similar sales occurring closest to the assessment date which require the fewest adjustments for characteristics."

WAC 458-14-087

RECOMMENDATION:

The Hearing Examiner has determined that the appellant has not met the burden of proof to overturn the Assessed Value of the property with clear, cogent, and convincing evidence.

Considering the sales of properties in the surrounding market area, the Assessor's Value is supported. While there are challenges for the subject properties, the challenges are shared by other properties that have sold in the area.

Every finding of fact this is a conclusion of law shall be deemed as such. Every conclusion of law that contains a finding of fact shall be deemed as a finding of fact.

PROPOSED DECISION:

The Examiner proposes that the Kittitas County Board of Equalization sustain the Assessed Value.

DATED 1/11/24

Jessica Hutchinson, Hearing Examiner