

**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): Ronald Rogalski

Mailing Address: PO BOX 652
Cle Elum, WA 98922

Tax Parcel No(s): 422136

Assessment Year: 2023 (Taxes Payable in 2024)

Petition Number: BE-23-0041

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

Assessor's Determination

Assessor's Land: \$229,240
Assessor's Improvement: \$0
TOTAL: \$229,240

Board of Equalization (BOE) Determination

BOE Land: \$219,240
BOE Improvement: \$0
TOTAL: \$219,240

Those in attendance at the hearing and findings:

Ronald Rogalski and Bunny Rogalski, Petitioners and Mike Hougardy, Appraiser of the Assessor's Office, were present at the hearing. The decision of the Board is based on the attached Proposed Recommendation by Jessica Hutchinson-Leavitt, Hearing Examiner.

Hearing Held On : November 1, 2023

Decision Entered On: November 9, 2023

Hearing Examiner: Jessica Hutchinson-Leavitt

Date Mailed: 12/18/23


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: Ronald Rogalski
Petition: BE23-0041
Parcel: 422136
Address: Dunnagan Avenue, Cle Elum WA

Hearing: November 1, 2023, 1:00 p.m.

Present at hearing: Ronald Rogalski, appellant; Bunny Rogalski, appellant; Mike Hougardy, Kittitas County Assessor; Jessica Miller, BOE clerk; Jessica Hutchinson, Hearing Examiner

Testimony given: Ronald Rogalski, Bunny Rogalski, Mike Hougardy

Assessor's determination:

Land: \$229,240
Improvements: \$0
Total: \$229,240

Taxpayer's estimate:

Land: \$145,610
Improvements: \$0
Total: \$145,610

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

Hearings for BE 23-0040 and BE 23-0041 were held together. The subject property of BE 23-0040 is a single family residence on 4.39 acres built in 2011 with an additional dwelling unit located near the city of South Cle Elum. BE 23-0041 is a 4.39 acre property adjacent to the main home parcel.

The arguments and testimony pertaining to BE 23-0040 are left out of this recommendation.

The appellant stated that the increase in value to the property since the last assessment is too excessive. Mr. Rogalski stated that he had a willing buyer ready to purchase the property for \$150,000, but through their research into getting water to the property discovered that it may be impossible. The parcel is in the boundaries of the City of South Cle Elum and the city council has stated that a water hookup may not be available and that if it was available that the size of the water line that would be required would not hook up to the existing line. The interested party has spoken with several lawyers and engineers to try to resolve the water issue.

Mr. Hougardy started by asking if there would be an option for a shared well with Mr. Rogalski's neighboring parcel. Mr. Rogalski stated that he does not think it would be possible.

Mr. Hougardy stated that the Assessor's Office is aware that there are many hurdles to overcome on this property. There are currently adjustments on the value for topography and development costs, but perhaps not enough of an adjustment to account for the water issue. Since the property is located within the City of S. Cle Elum but is much larger in size than most of the lots, the land sales in the market report are poor comparisons. Mr. Hougardy asked Mr. and Mrs. Rogalski if they had thought about combining the two parcels together, which would significantly reduce the value as additional acreage. A discussion followed in which both parties agreed that may also be difficult to achieve because the subject parcel is in the city limits of S. Cle Elum while the adjacent parcel is not.

Mr. Hougardy continued by stating that the Assessor's Office is reluctant to value the parcel as recreational property or additional acreage without documentary proof that there is no water available to the property. No water vs. difficult water is a significant difference in value, and they would need conclusive evidence that it is truly not possible to get water to the property for a building site.

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 (HE) has determined that the appellant has met the burden of proof to overturn the Assessed Value of the property with clear, cogent, and convincing evidence.

The HE acknowledges that the Assessor’s Office has made adjustments to the property for topography and development costs, however the water situation is more complicated than other parcels in the area are facing. The location of the parcel in the City of S. Cle Elum causes additional hardships on the availability of water. The reduction suggested is minor, and would be considerably more if the appellant had documentation to suggest that the water is truly unavailable.

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 reduce the value of the land by \$10,000 for a total of \$219,240.

DATED 6/9/23



Jessica Hutchinson-Leavitt, Hearing Examiner