

**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): BFP Holdings LLC

Mailing Address: 1890 Nelson Siding Rd
 Cle Elum, WA 98922

Tax Parcel No(s): 662534

Assessment Year: 2023 (Taxes Payable in 2024)

Petition Number: BE-23-0191

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

Assessor's Determination

Assessor's Land: \$746,550
Assessor's Improvement: \$89,520
TOTAL: \$836,070

Board of Equalization (BOE) Determination

BOE Land: \$746,550
BOE Improvement: \$89,520
TOTAL: \$836,070

Those in attendance at the hearing and findings:

See attached Recommendation and Proposed Decision of the Hearing Examiner

Hearing Held On : December 8, 2023
Decision Entered On: February 8, 2024
Hearing Examiner: Jessica Hutchinson

Date Mailed: 3/11/24


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: BFP Holdings LLC

Petition: BE-23-0191

Parcel: 662534

Address: 150 Ridgecrest Rd

Hearing: December 8, 2023 9:25 A.M.

Present at hearing: Pat Deneen, Appellant; Dana Glenn, Appraiser; Anthony Clayton, Appraiser; Jessica Miller, BOE Clerk; Jessica Hutchinson, Hearing Examiner

Testimony given: Pat Deneen, Dana Glenn and Anthony Clayton

Assessor's determination:

Land: \$746,550

Improvements: \$89,520

Total: \$836,070

Taxpayer's estimate:

Land: \$50,000

Improvements: 0

Total: \$50,000

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject property is a 25.39 acre parcel in Ronald with an approximately 24,000 square foot abandoned warehouse.

Mr. Deneen stated that the parcel is the site of the operations of the Patrick Mine that closed in 1968. Much of the land is affected by mine waste and hazardous coal piles. The abandoned warehouse building is currently under code enforcement—blocked off, no entry. Mr. Deneen estimates that the building would cost about \$175,000 to demolish. When the property was purchased, the Department of Ecology had removed leaking waste with the understanding that the concrete floor of the building was never to be removed or disturbed in order to contain the remaining contamination. Value should be around \$100,000 because of the complications with the cleanup.

Mr. Glen stated that the building was valued using the cost approach with 50% depreciation and 80% functionality adjustment. The replacement cost of the building came to \$895,000 and is currently valued at about 10% of that value. The land is zoned for future development, which carries a lot of value. Mr. Glen provided sales of development land across the county.

Mr. Deneen stated that those developments did not have the encumbrances of coal piles and a dilapidated building to contend with.

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.

The appellant has made a good case for a reduction in value to account for the hazardous state of the building and land directly affected by the contamination. However, without more specific information, such as a written bid to demolish the building and specific number of acres affected, a suggested

reduction is difficult to ascertain. It is strongly recommended the appellant bring this information to the Assessor's Office before the next assessment to avoid the need for an appeal next year.

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 12/8/23



Jessica Hutchinson, Hearing Examiner