

**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): Swauk Wind, LLC

Mailing Address: 5005 Third Ave S
 Seattle, WA 98134

Tax Parcel No(s): 958363

Assessment Year: 2024 (Taxes Payable in 2025)

Petition Number: BE-240059

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

Assessor's Determination

Assessor's Personal Property: \$4,481,355
TOTAL: \$4,481,355

Board of Equalization (BOE) Determination


BOE Personal Property: \$961,500
TOTAL: \$961,500

Those in attendance at the hearing and findings:

See attached Recommendation and Proposed Decision of the Hearing Examiner.

Hearing Held On : February 6, 2025
Decision Entered On: March 27, 2025
Hearing Examiner: Ann Shaw

Date Mailed: 3/31/25


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: Swauk Wind, LLC

Petition: BE-240059

Parcel: 958363

Address: 18511 HWY 10

Hearing: February 6, 2025 10:07 A.M.

Present at hearing:

Todd Heinrichs and Charlie Balter, Petitioner

Mike Hougardy, Assessor

Jessica Miller, Clerk

Documents in evidence:

Taxpayer Petition, Filed November 12 , 2024

Assessor's Answer, Filed January 7, 2025

Testimony given:

Todd Heinrichs, Petitioner

Charlie Balter, Petitioner

Mike Hougardy, Assessor

Assessor's determination:

Personal Property: \$4,481,355

Improvements: \$0

Total: \$4,481,355

Taxpayer's estimate:

Personal Property: \$2,000,000

Improvements: \$0

Total: \$2,000,000

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject property is a 5 turban wind farm on the Swauk Ranch. The turbans are 13 years old and have a 20 year life expectancy. The 2024 purchase agreement for power has made these turbans inefficient to run and therefore they have been decommissioned. The petitioner supplied a graph of income produced since construction of these wind turbines. The assessors representative acknowledged the usefulness of this graph and pointed out that possibly these were under valued the past 6 of 9 years. Currently these wind turbines only hold a scrap value with today's power purchase offers. To have them running would be losing money instead of producing income.

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 met the burden of proof to overturn the Assessed Value of the property with clear, cogent, and convincing evidence.


The value for these wind turbines is directly proportional to their usefulness and the power purchase being offered. The power purchase rate is so low that the wind turbines have been shut off and are just sitting, generating no income.

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 to \$961,500.

DATED 3/11/25


Ann Shaw, Hearing Examiner