

**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): Alpine Lodge II LLC

Mailing Address: 10754 2nd Ave NW
Seattle, WA 98177-4808

Tax Parcel No(s): 14427

Assessment Year: 2024 (Taxes Payable in 2025)

Petition Number: BE-240056

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: \$760,150
Assessor's Improvement: \$5,615,260
TOTAL: \$6,375,410

Board of Equalization (BOE) Determination

BOE Land: \$760,150
BOE Improvement: \$5,615,260
TOTAL: \$6,375,410

Those in attendance at the hearing and findings:

See attached Recommendation and Proposed Decision of the Hearing Examiner.

Hearing Held On : December 18, 2024

Decision Entered On: December 20, 2024

Hearing Examiner: Jessica Hutchinson

Date Mailed: 1/24/25


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: Alpine Lodge II LLC

Petition: BE-240056

Parcel: 14427

Address: 809 W Davis St

Hearing: December 18, 2024 11:38 A.M.

Present at hearing:

Sanjay Pitroda, Petitioner

Dana Glenn, Appraiser

Jessica Miller, Clerk

Testimony given:

Sanjay Pitroda

Dana Glenn

Assessor's determination:

Land: \$760,150

Improvements: \$5,615,260

Total: \$6,375,410

Taxpayer's estimate:

Land: \$753,710

Improvements: \$3,492,115

Total: \$4,245,825

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject property is a 50 unit Best Western hotel built in 2003 on 1.76 acres located in Cle Elum.

Mr. Pitroda stated that the Assessor's Office should be using only the income approach to value using the actual figures reported by himself, and that an average of the last five years of revenue would be fair. He said that the sales approach should not be allowed because it does not show true value. He noted that if it is used only local hotels and only the same franchise should be used. He also submitted an independent appraisal from 2015.

Mr. Glenn provided a list of sales of other hotels in Kittitas County, Tri Cities area, and Lower Yakima Valley. He included an excerpt from the Board of Equalization Manual stating that "It is acceptable to research and use sales from other counties that may have the same general property characteristics." He stated that Assessor's Office uses information readily available to them for all properties to value them fairly—price per unit, occupancy rate, quality of hotel. The appraiser then takes the comparable sales data along with the potential revenue data to reach a value.

Mr. Glenn also stated that asking all hotels in the county to provide their financial information is not reasonably feasible, as there is no way they would get 100% participation. The subject property is considered to be superior lodging in Cle Elum with an occupancy rate of 65%, but is valued lower than the average.

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.


It is not reasonably feasible to expect the Assessor's Office to value commercial property solely on financial records of each individual property. Using both readily available financial data points in tandem with sales of like properties is the best approach to value.

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 12/20/24

 for Jessica Hutchinson
Jessica Hutchinson, Hearing Examiner