

**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): Suncadia Social LLC

Mailing Address: 777 Suncadia Trail
Cle Elum, WA 98922

Tax Parcel No(s): 963836

Assessment Year: 2024 (Taxes Payable in 2025)

Petition Number: BE-240057

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: \$1,329,420
Assessor's Improvement: \$0
TOTAL: \$1,329,420

Board of Equalization (BOE) Determination

BOE Land: \$1,329,420
BOE Improvement: \$0
TOTAL: \$1,329,420

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: 1/6/2025


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: Suncadia Resort LLC

Petition: BE-240057

Parcel: 963836

Address: Riverbend LP

Hearing: December 18, 2024 10:24 A.M.

Present at hearing:

Gary Kittleson, Petitioner

Dana Glenn, Appraiser

Jessica Miller, Clerk

Testimony given:

Gary Kittleson

Dana Glenn

Assessor's determination:

Land: \$1,329,400

Improvements: \$0

Total: \$1,329,400

Taxpayer's estimate:

Land: \$440,000

Improvements: \$0

Total: \$440,000

SUMMATION OF EVIDENCE PRESENTED AND FINDING OF FACT:

The subject property is a 3.1 acre parcel of land platted for commercial development in Suncadia Resort in Cle Elum.

Mr. Kittleson stated that the subject parcel was platted in June of 2024. It was part of a larger parcel that was split for residential and commercial use. The plan includes five commercial buildings totalling about 16,000 square feet with a restaurant, coffee shop, retail, and grocery market planned for groundbreaking in Spring 2025. He stated that the Assessed Value of \$9.83 is much higher than the \$3.33 per square foot in an appraisal done in June 2024 for development financing. He stated that resort retail is a risky undertaking in the beginning but value will increase with time. He stated that the Assessor's sales 3,4,5 and 7 are not very good comparables as they are residential or commercial with established businesses. Assessor sales 1,6 and 8 are much better locations near Interstate 90. Mr. Kittleson also stated that the Assessed Value of the land for the Swiftwater Cellars parcel (also within Suncadia) is most comparable at \$8.7 per square foot.

Mr. Glen stated that the subject parcel was recently split from a larger parcel, the remainder of which was converted to residential lots and sold to a developer to build homes. That sale took place in September 2024 for \$2.6 million for .57 acres. Mr. Glen clarified with Mr. Kittleson that the purchase price includes the infrastructure completion to the lots (Water, sewer, etc.). Mr. Glen went on to state that there are no exact comparable sales inside Suncadia Resort. The subject parcel is located next to the Lodge and Spa and has been in the resort plan for a long period of time. The resort is finally at a reasonable occupancy level to financially support the project. Mr. Glen stated that the subject property is considered superior to the comparable because of its location next to the Lodge and other residential properties, which provides built in clientele for the market. Mr. Glen went on to detail the comparable sales used by the Assessor's Office and questioned the sales used by the Appellant's appraiser, noting that many of the sales are not in the county and are far inferior to the subject property.

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 location of the subject property inside Suncadia resort is far superior to those comparables used by the independent appraiser. The local commercial sales used by the Assessor's Office are far better indicators of the value of commercial property in the area, and the subject property's Assessed price per square foot falls in an appropriate range compared to those sales.


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 uphold the Assessed Value.

DATED

12/20/24



Jessica Hutchinson, Hearing Examiner