

**OFFICIAL PROCEEDINGS OF THE BOARD OF
COUNTY COMMISSIONERS, TETON COUNTY, WYOMING**

The Board of County Commissioners in Teton County, Wyoming met in special session at 9:07am on **August 13, 2018** in the Commissioners Chambers located at 200 South Willow, Jackson, Wyoming.

The purpose of the meeting was to meet as the Teton County Board of Equalization to hear appeals that had been filed on 2018 property tax assessments.

Present were: Mark Newcomb Chair, Paul Vogelheim, and Smokey Rhea. Natalia Macker and Greg Epstein were absent.

Hearing Officer: Melissa Owens

Court Reporter: Lani Lewis with T&T Reporting, LLC of Idaho Falls, Idaho

Also present were: County Assessor Melissa Shinkle, Chief Deputy County Attorney Keith Gingery, County Clerk Sherry L. Daigle, Chief Deputy Assessor Kristin Williamson, Deputy County Clerk Kassie Hansen, and Deputy Clerk Shelley Fairbanks

Tucker, Wilbur Leo & Joan E. Trustees Parcel R4761

The Tucker hearing began for Red's Auto Glass located at 205 Scott Lane with the Hearing Officer giving an overview of the proceedings. James Tucker, representing the Appellant, presented his argument stating he did not receive much notice to prepare argument. Clerk Daigle stated she sent the notices out on June 6, 2018 and confirmed the address to which the notice was sent. Hearing Officer Owens asked if the Appellant would like some extra time to prepare and they declined.

Discussion between the Board and the Appellant included questioning of the Assessor's Office when tax notice was received, how the Appellant came up with their valuation numbers.

County Assessor Melissa Shinkle addressed the Board regarding the review of commercial valuation.

Discussion between the Board and staff included how the base price was established referencing Exhibit D-3, use of more data but model may be mis-specified making the model biased, no adjustment without sales, stagnant values for 6 years - now 17% increase in property values countywide, attributes based on location, how did the Assessor's Office extend the property that applied to attributes, state staff here when attributes set.

Keith Gingery, Deputy County Attorney, pointed out in Exhibit A-3 the findings (Section 4) and conclusions (Section 5) should be part of the deliberations. Exhibits from the Assessor are A-E and none from the Appellant are admitted with no objection from the Appellant.

Discussion among the Board included dramatic increase in valuation this year,

A motion was made by Commissioner Newcomb and seconded by Commissioner Vogelheim that the County Board of Equalization affirm the Assessor's 2018 Assessment of property located 205 Scott Ln. and owned by Wilbur & Joan Tucker, Trustees totaling \$1,153,851.00 based upon the following seven findings as listed in Exhibit A-3:

1. That the Highest and Best Use of the subject property is Commercial.
2. That there are no provisions in statute or rule that cap the amount of increase.
3. That the Teton County Assessor and Staff faithfully and diligently followed and applied the orders, procedures and formulae of the department of revenue and orders of the state board of equalization for the appraisal and assessment of subject property and used the CAMA system for the appraisal of subject property.
4. That the Teton County Assessor and Staff utilized the Sales Comparison Approach and Cost Approach which are appraisal methods consistent with the DOR and applicable IAAO and USPAP standards.
5. That the Teton County Assessor and Staff applied the same land valuation method (LRA) uniformly across all properties located within LEA TCC and applied the land attribute uniformly across properties that lie within the "core commercial" area of the county.
6. Teton County Assessor and Staff applied the same market adjustment uniformly across NBHD JC-1/JC2/0131 EXT 02.
7. That the appellant did not overcome the presumption that the assessor's valuation was valid, accurate, and correct as the appellant did not provide credible evidence to overturn the valuation.

and the applicable law in Exhibit A-4. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

The meeting was recessed at 10:03am. and reconvened at 10:27am.

Budget Mobile Home Park LLC Parcel R6242

The hearing for Budge Mobile Home Park, LLC located at 750 Cache Creek Drive began with the Hearing Officer giving an overview of the proceedings. Stacy Saunders spoke on behalf of the Appellant, addressing the Board regarding the change in zoning from residential to commercial, the increase is 1100%, affordable housing.

Discussion between the Board and the Appellant included being taxed twice (25 out of 33 assessments), comparison of rentals at Teton Village (referenced as residential), zoning surrounding trailer court, property for non-residential use.

Exhibits from the Assessor are A-E and from the Appellant are 1 – 30 are admitted with no objections from either party.

County Assessor Melissa Shinkle addressed the Board regarding property valuation in the TCC LEA, property not being used as retail, no different than an apartment complex (all apartment complexes with 4 or more units valued as

commercial), mobile homes are taxed as personal property because they are not attached to a foundation.

Discussion between the Board and the Assessor included comparison to residential in same area, uniform approach within mobile home parks, commercial values for property only zoned for residential, generating income for owner, income approach to value property would require uniformity across all the mobile home parks in the county.

Closing remarks were made by Stacy Saunders on behalf of the Appellant.

Closing remarks were made by Keith Gingery, Chief Deputy County Attorney, on behalf of the Assessor.

A motion was made by Commissioner Vogelheim and seconded by Commissioner Rhea to take this item under advisement. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

This item is continued to September 13, 2018 at 1:00pm.

Cedar Canyons Inc. began at 11:30am.

Mr. Gingery stated under the rules of Section 20, Chapter 7 Department of Revenue the appeal may be dismissed by the county board if any person willfully neglects or refuses to attend the meeting of the county board and be examined or answer any material questions.

A motion was made by Chairman Newcomb and seconded by Commissioner Rhea to dismiss Cedar Canyons Inc. aka Old West Cabins, 5755 South Highway 89 appeal to the Teton County Assessor based on the fact that they are not here for their hearing. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

G6 Hospitality Property LLC began at 11:32am

Mr. Gingery stated under the rules of Section 20, Chapter 7 Department of Revenue the appeal may be dismissed by the county board if any person willfully neglects or refuses to attend the meeting of the county board and be examined or answer any material questions.

A motion was made by Commissioner Vogelheim and seconded by Commissioner Rhea to dismiss G6 Hospitality Property LLC aka Motel 6 and affirm the Assessor's valuation. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

Grand Teton Investments Inc. began at 11:33am.

A request was made by Keith Gingery, Chief Deputy County Attorney, to combine the three hearings as one hearing.

The hearing for Grand Teton Investments Inc. located at 1055 Gregory Lane #8, 10, and 11 began with the Hearing Officer giving an overview of the proceedings.

Scott Shepherd, Appellant and President of Grant Teton Investments Inc., addressed the Board regarding base value starting point. There was no discussion between the Board and the Appellant.

Exhibits from the Assessor are A-E in each of the cases and none from the Appellant are admitted with no objection from the Appellant.

County Assessor Melissa Shinkle addressed the Board regarding smaller properties and beginning base starting point, square footage and overall value of each unit, quality of building, linear regression (land square footage).

Mr. Shepherd presented the Board with a map of the property, Exhibit 1, that was admitted for evidence with no objection from the Assessor.

Discussion between the Board, staff, and Appellant included base cost of land, method required to use to figure valuation of land, three separate land values (not condominiumized), each unit is a townhouse and is allowed to be sold, linear regression does not value property correctly, explanation of how the Assessor arrived at the base rate, negative attributes, may require an abstraction study for the next tax year.

There were no closing remarks were made by the Appellant.

Closing remarks were made by Keith Gingery, Chief Deputy County Attorney, on behalf of the Assessor.

A motion was made by Chairman Newcomb and seconded by Commissioner Vogelheim t to affirm the Assessor's 2018 Assessment of property located at 1055 Gregory Lane #8, 10, and 11 and owned by Grand Teton Investments totaling \$221, 424.00 based upon the findings in Exhibit A-3 and the applicable law in Exhibit A-4. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

Frederick Hyde Hibberd Jr. began at 12:12pm.

The hearing for Frederick Hyde Hibberd Jr. Living Trust located at 1130 Maple Way began with the Hearing Officer giving an overview of the proceedings.

Frederick H. Hibberd Jr., Appellant, addressed the Board regarding the disparity in current and previous years taxes and other properties in neighborhood, equalizer to bring Teton County up to state standards, should be done on a graduated scale, smaller properties see a difference vs. larger properties (example: Kmart, Hoke Building in the Aspens), would like to be taxed as an office, across the board attributes.

Discussion between the Board and the Appellant included appellant's estimated values, fair market value of property.

Exhibits from the Assessor are A-E and none from the Appellant are admitted with no objection from the Appellant.

County Assessor Melissa Shinkle addressed the Board regarding valued in LEA TCC, attribute applied to land value,

presented Exhibits F-1 and F-2, finding the “sweet spot” on where attribute goes, different value for being condominiumized.

Closing remarks were made by Frederick H. Hibberd Jr. as the Appellant.

Closing remarks were made by Keith Gingery, Chief Deputy County Attorney, on behalf of the Assessor.

A motion was made by Chairman Newcomb and seconded by Commissioner Rhea to affirm the Assessor’s 2018 Assessment of property located at 1130 Maple Way and owned by Frederick Hyde Hibberd Jr. totaling \$2,343,378.000 based upon the findings in Exhibit A-3 and the applicable law in Exhibit A-4. This motion came off the table when the hearing was reopened.

The hearing was reopened to question the income approach – the income approach is used for every like use properties so each property is based on its income. It is not a uniform way to value property. Mr. Hibberd asked that the Assessor look at neighborhoods to base it on neighborhoods.

Discussion among the Board included frustration of tax payer for large increase, process by the Assessor,

A motion was made by Chairman Newcomb and seconded by Commissioner Rhea to affirm the Assessor’s 2018 Assessment of property located at 1130 Maple Way and owned by Frederick Hyde Hibberd Jr. totaling \$2,343,378.000 based upon the findings in Exhibit A-3 and the applicable law in Exhibit A-4. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

The meeting was recessed at 12:56pm and reconvened at 1:16pm.

Jackson Shopping Village LLP c/o Maury Abrams

The hearing for Jackson Shopping Village, LLLP aka Kmart Shopping Plaza located at 510 S. Hwy 89 began with the Hearing Officer giving an overview of the proceedings

Exhibits from the Assessor are A-E are admitted with no objection from the Appellant. Exhibits from the Appellant were questioned by the County Attorney. Andy Cornish answered questions about Exhibit 3 produced by Mr. Cornish and there were no issues with that exhibit. Mr. Gingery objected to Exhibits 4, 5, and 6 – comps from different areas of the United States due to non-relevance. Relevance is it is a market-based property and the need may not be at this level of hearing but may be needed is appealed to the state. Exhibits 1-3 and 7 are admitted. Exhibits 4,5, and 6 will be considered at a later time.

Mr. Cornish addressed the Board on behalf of the Appellant regarding a value increase of 175%, the Assessor has not valued the property correctly, income approach, cap rates, arbitrary delineation of in town vs. out of town. Mr. Cornish gave the Board his credentials to certified as an expert. Stephen Preston, Preston Property Tax Consultants, Inc., spoke of expert witness not available to be questioned. Mr. Gingery asked that the statement be stricken from the record without a sworn affidavit or availability to be cross-examined.

County Assessor Melissa Shinkle addressed the Board regarding valuation with all other models in the LEA TCC and contains the locational attribute, Albertson’s location, mean and median not applied where it shouldn’t be, no vacant properties on the Town Square were included, incomer approach, TY Pickett is used for large resort valuations – not based on income, improvement values from CAMA systems loaded by Department of Revenue.

Discussion between the Board and the Assessor included different methods of valuation, procedure for determining fair market value, positive and negative attributes based on uniqueness, attributes must be sales based.

Closing remarks were made by Andy Cornish on behalf of the Appellant.

Closing remarks were made by Keith Gingery, Chief Deputy County Attorney, on behalf of the Assessor.

Discussion among the Board included using T.Y. Pickett to look at the income approach as prescribed by the state, when does reconciliation apply based on Department of Revenue policy.

A motion was made by Commissioner Rhea and seconded by Commissioner Newcomb to affirm Assessor’s 2018 Assessment of property located at 510 S. Hwy 89 and owned by Jackson Shopping Village, LLLP totaling \$21,016.905.00 based upon the following six findings in Exhibit A-3 and the applicable law in Exhibit A-4. Hearing Officer Owens called for a vote. The vote showed 2-1 in favor with Commissioner Vogelheim opposed and the motion carried.

The meeting was recessed at 2:39pm and reconvened at 2:51pm.

Johnson Family Properties LLC

The hearing for Johnson Family Properties, LLC located at Lot 2B and 6F, north side of Broadway began with the Hearing Officer giving an overview of the proceedings. The hearing on the two properties will be combined.

Scott Garland on behalf of the Appellant, Johnson Family Properties, LLC, addressed to the Board regarding objection to only being allowed 10 minutes to present evidence.

Exhibits from the Assessor are A-E and 1-12 from the Appellant are admitted with no objection from the Assessor or the Appellant.

Mr. Garland continued to address the Board regarding the appeal of 2 of 6 parcels, zoning for parcels, difficult to develop due to high slopes, did not adjust multiplier appropriately. Betty Johnson, owner, read a statement regarding their tax bill of \$30,000.00. Tessa Johnson answered questions from Mr. Garland. She prepared the packets the Board of Equalization have, Lot 2B has a studio, computer business, and three residential units, Lot 2B is zoned commercial and they are charged by the square foot. Lot 6F is 1.6 acres, review of exhibits submitted by the appellant,

Discussion between the Board and the Appellant included structures on Lot 2B and what the use is, how discussions with Assessor went, charged at the commercial rate per square foot and not all are buildable, easement for road on lot 2B.

County Assessor Melissa Shinkle addressed the Board regarding vacant land is valued based on highest and best used potential, dual zoning.

Discussion between the Board and the Assessor included slopes don't affect a lot of property, recognizing uniqueness and slope a positive attribute were not applied, valuation must be consistent not based on zoning but based on current use.

Closing remarks were made by Scott Garland on behalf of the Appellant.

Closing remarks were made by Keith Gingery, Chief Deputy County Attorney, on behalf of the Assessor.

A motion was made by Commissioner Vogelheim and seconded by Commissioner Rhea to remand the Johnson Family Properties of Lot 2B and 6F to the Assessor with a request to further explore potential to look at the slope and if there could be objective data to provide a negative attribute with the valuation.

There was discussion between the Hearing Officer and the Attorney for the Assessor regarding the findings for the remand. Since the evidentiary hearing was reopened, the motion was pulled and new motion had to be made.

A motion was made by Commissioner Newcomb and seconded by Commissioner Vogelheim to remand the appeal of the commercial property lot 2B for the Johnson Family Properties as well as the Johnson Family Properties 6F back to the Teton County Assessor based on the findings made by the Hearing Officer and specific to these lots: highest and best used of this property may not be commercial, no legal authority was provided that this property cannot be assessed on two different standards – commercial and residential, based on the unique characteristics of the property in that is in the area where there was a major landslide, a building had to be removed, and the town had to spend a lot of taxpayer dollars to fix the area which is adjacent to that area. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

An update on the remaining appellants was given by the County Clerk.

Andy Cornish, on behalf of the Jackson Shopping Village, LLLP aka Kmart Shopping Plaza located at 510 S. Hwy 89 requested that the Board reconsider the inclusion of Exhibits 4, 5, and 6 and to reconsider the decision. Hearing Officer Owens stated that a foundation for the exhibits was not laid during the testimony and would not reconsider the inclusion of the exhibit. Mr. Gingery pointed out that the State Board of Equalization doesn't address the reconsideration of a decision.

A motion was made by Commissioner Newcomb and seconded by Commissioner Rhea reconsider the appeal for Jackson Shopping Village aka Kmart Shopping Plaza 510 S. Highway 89 based on the combination of the recommendation to us that the sales comparison, cost, and income were capitalized during the approach for the three general appraisal methods and that by applying that full array of tools, given the weakness of the linear regression to address properties of 50,000 square feet in size, there's a reasonable presumption that the Assessors valuation is not valid, accurate, and correct. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

A motion was made by Commissioner Newcomb and seconded by Commissioner Vogelheim to remand this back to the Assessor in the appeal of aka Kmart Shopping Plaza 510 S. Highway 89 based on the appellant overcoming presumption that the Assessors valuation was valid, accurate, and correct. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

The meeting was recessed at 4:34pm and reconvened at 4:40pm.

MAM Revocable Trust

The hearing for MAM Revocable Trust aka Westwood Curtis Construction located at 3350 S. Hwy 89 began with the Hearing Officer giving an overview of the proceedings.

Mike Mielke, Appellant, addressed the Board regarding the increased assessment of the property currently leased to Westwood Curtis Construction. With only 50% of the property is unbuildable and being assessed at 100% of the property, Mr. Mielke is asking the Board to look at relief from the portion of property not able to be used.

There was no discussion between the Board and Mr. Mielke.

County Assessor Melissa Shinkle addressed the Board regarding the sloping property, override plus attribute (25% discount), not uniform in attributes given.

Discussion between the Board and the Assessor included attributes are subjective, zoning does matter, using the income approach, very few lots in Teton County that fall into this category, residential vs. commercial, dual zoning vs. all commercial, discussion with State on slopes, appraisal for consideration of an attribute.

Closing remarks were made by Mike Mielke as the Appellant.

Closing remarks were made by Keith Gingery, Chief Deputy County Attorney, on behalf of the Assessor.

A motion was made by Commissioner Newcomb and seconded by Commissioner Vogelheim to remand the appeal by MAM Revocable Trust aka Westwood Curtis at 3350 S. Highway 89 back to the Teton County Assessor based upon the Appellant did overcome the presumption that the Assessor's valuation was valid, accurate, and correct and the Appellant did provide credible evidence to overturn the valuation based on the utilization potential of the lot for commercial income. Hearing Officer Owens called for a vote. The vote showed all in favor and the motion carried.

The hearing was adjourned by Hearing Officer Melissa Owens at 5:34pm.

Respectfully submitted: sdf

TETON COUNTY BOARD OF COMMISSIONERS

Mark Newcomb, Chair

Natalia Macker, Vice-Chair

Greg Epstein

Paul Vogelheim

ATTEST:

Kathleen "Smokey" Rhea

Sherry L. Daigle, County Clerk