

**ASSESSMENT APPEALS BOARD MINUTES  
COUNTY OF SAN LUIS OBISPO  
STATE OF CALIFORNIA**

Friday, January 23, 2004

The Assessment Appeals Board of the County of San Luis Obispo, State of California, met in regular session at 9:00 a.m., in the Board of Supervisors Chambers, County Government Center, San Luis Obispo, California.

**PRESENT: Appeals Board Members** Mr. Tom Neve (Alternate), Tom Baron, Chairperson Jenele Buttery

**ABSENT: Appeals Board Member** Mr. Kem Weber

Mr. Wyatt Cash, Deputy County Counsel, is present and represent the Assessment Appeals Board.

Mr. Tom Bordonaro, County Assessor and Ms. Linda Trahey, Mr. Jay Sechrist, Mr. Roland Portillo, Mr. Rod Hallin, Ms. Sara Sylvester, Ms. Barbara Edington and Mr. Jeff Stranlund, Deputy Assessors, are present and sworn.

- (1) This is the time set for members of the public wishing to address the Board on items not set on the Agenda.

**Chairperson Buttery:** opens the floor to public comment without response.

- (2) **Application Nos. 2002-1 APN 005,052.002, 005,171,030 and 005,171,033 and 2002-2, APN 005,171,031, Harker Wade, are presented.**

**Mr. Vincent Martinez:** attorney representing Mr. Wade, addresses the recent court hearing on these parcels and requests that this matter be continued and they are agreeable to signing a waiver if that is needed.

**Mr. Cash:** confirms what Mr. Martinez has indicated about the court hearing and that the judge has this issue under submission.

**Thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, the Board continues Application Nos. 2002-1 and 2002-2 to a date to be set with the provision that the Waiver of Time for Hearing is signed by the Applicant.**

- (3) **Application Nos. 2002-77 and 2003-55, APN 800.019.012, Mesa Air Group, are presented.**

**Mr. Harold John Corum:** Deloitte & Touche LLP, representing Mesa Air Group, is present and sworn.

**Mr. Hallin:** indicates there was a formal exchange completed on this and the Assessor's staff does have rebuttal information they will want to provide to the Board.

**Mr. Corum:** states they are now requesting Findings of Fact; presents **Applicant's Exhibit #1 - a book titled Mesa Airlines, Inc. San Luis Obispo County, California - Valuation of Aircraft January 1, 2002 and January 1, 2003**; defines what fleet aircraft are; comments on value and believes there was a change with the events of 9-11 with respect to flying and reduced the demand on aviation services.

**Mr. Hallin:** objects, for the record, to 9-11 being the cause of obsolescence.

**Mr. Corum:** presents **Applicant's Exhibit #2 - Worksheet titled 2002** and **Applicant's Exhibit #3 - two page document titled 2002 Aircraft Subcommittee Recommended Valuation Worksheet** and **Applicant's Exhibit #4 - a book titled Capitalization Rate Study for Domestic Air Transportation Industry.**

**Mr. Hallin:** questions the difference in values in the information presented today versus what is on the application and which is correct; states the Assessor did an audit on this property and are recommending a reduction that has not been enrolled.

**Mr. Corum:** continues presenting **Applicant's Exhibit #5 - worksheet titled 2003 and Applicant's Exhibit #6 - a book titled Capitalization Rate Study for the Domestic Air Transportation Industry Major and Non-Major Airlines.**

**Mr. Hallin:** indicates that Line 14 of Exhibit #5 is incorrect and they will correct that figure when they make their presentation.

**Mr. Baron:** questions the different values from the application and what is on the spreadsheets.

**Mr. Corum:** responds that the figures on the two spreadsheets are the correct values.

**Mr. Hallin:** questions the difference in values between Exhibit #1 and #5.

**Chairperson Buttery:** questions if the values the Applicant wants considered are: \$4,787,812 for 2003-04 and \$3,466,911 for 2002-03, with Mr. Corum responding those are the correct values.

**Mr. Hallin:** presents the Assessor's case, indicating this a commercial/regional airline under the name of American West Express; addresses the type and model of aircraft involved for the 2002-03 Roll and the change in aircraft to jets for the 2003-04 Roll; highlights the values on the Roll for 1/1/02 - Personal Property - \$7,100,045, Fixtures - \$3,325 for total of \$7,103,370 and the Assessor is recommending a reduced value as follows: Personal Property - \$6,019,312, Fixtures \$6,068, for a total of \$6,025,380; and for 1/1/03 the values on the Roll are: Personal Property \$7,107,187, Fixtures - \$3,220, for a total value of \$7,110,407 and the Assessor is recommending a reduced value as follows: Personal Property - \$6,619,557, Fixtures - \$5,876, for a total value of \$6,625,433; addresses the new values based on the audit they performed; gives an overview of valuing an aircraft and the requirements for valuing an entire fleet.

**Mr. Portillo:** presents **Assessor's Exhibit #A - Value Information for January 1, 2002 and Assessor's Exhibit #B - Value Information for January 1, 2003** and highlights the information in each exhibit.

**Mr. Hallin:** provides rebuttal information with **Assessor's Exhibit #C - a packet of information titled U.S. Regional Airline Fact Sheet**; highlights the information regarding airline improvements, revenues and changes in aircraft after 9-11; outlines the flaws they believe are in the Applicant's presentation referencing the information on page 6 of Applicant's Exhibit #4 and that these are all long haul carriers and not regional aircraft; presents **Assessor's Exhibit #D - Airliner Price Guide - Year by Year Price Analysis - DeHavilland DHC-8-200, Assessor's Exhibit #E - Airliner Price Guide - Year by Year Price Analysis - Canadair CRJ 200 LR, Assessor's Exhibit #F - Airwise News, Tuesday, March 2, 2004, Assessor's Exhibit #G - Jet Aircraft Values-1st Half 2003** and highlights the information on these exhibits and addresses the value of jets in 2003; presents **Assessor's Exhibit #H - Avmark Inc. - Estimated Jet Transport Values - January 2003, page 3 of 20 through page 5 of 20**; summarizes how they found their values and asks that the Board hold the revised values as were read into the record today.

**Mr. Corum:** addresses their exhibits regarding the airline; clarifies that the correct values for his client are the values outlined in their Exhibit #1.

**Matter is discussed and thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, the Board determines that the Applicant did not overcome the presumption and holds the revised values by the Assessor as follows: Application No. 2002-77, APN 800,019,012, the full value of Personal Property is fixed at \$6,019,312, the full value of the Fixtures is fixed at \$6,068, for a total value of \$6,025,380; for Application No. 2003-55, the full value of the Personal Property is fixed at \$6,619,557, the full value of the Fixtures is fixed at \$5,876, for a total value of \$6,625,433.**

The Applicant has requested Findings of Fact and agrees to continue this matter to the July 19, 2004 meeting for the adoption of the Findings.

**Thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, the Board continues this matter to July 19, 2004 for approval of the Findings of Fact.**

- (4) **Application No. 2003-7, APN 076,081,020, Angelo Morabito, is presented (continued from January 23, 2004).**

**Mr. David Pereira:** is present and previously sworn at the January 23, 2004 hearing.

**Mr. Stranlund:** describes the property and indicates the total value on the Roll is \$1,000,000, for the 2001-02 lien date.

**Mr. Pereira:** presents **Applicant's Exhibit #1 - a packet of information with a cover letter dated January 23, 2004;** addresses a number of errors involved with the land value; comments on the Open Space agreement not being included in the calculations; states the purchase of the property occurred on 12/8/00 and he wants the value corrected back to that date.

**Ms. Trahey:** explains the difference between the Supplemental filing (which the Applicant did not file on) and the Regular (601) Roll.

**Mr. Pereira:** continues his case outlining errors and miscalculations in the square footage; presents his comparable sales information; states he did meet with the Assessor, per the Board's direction at the last meeting, and went through the comparable's he has; comments on a letter dated 2/9/04 from the Assessor and his concerns regarding the same; gives his closing comments and indicates he believes he has a refund coming to him.

**Mr. Stranlund:** presents **Assessor's Exhibit #A - Description and Comparable Sales Information;** addresses the size of the property and how it was established; provides a brief history on this property and presents comparable sales information.

**Mr. Pereira:** presents **Applicant's Exhibit #2 - Map of the San Luis Obispo Planning Area (Figure 7-2) and Page 7-1 of Chapter 7 - Planning Area Standards and Applicant's Exhibit #3 - Photo board showing pictures of the site and flooding that has occurred.**

**Matter is fully discussed and thereafter, on motion of Mr. Neve, seconded by Mr. Baron and unanimously carried, on Application No. 2003-7, Angelo Morabito, APN 076,081,020, the Board finds that as of 1/1/01, the full value of the land is fixed at \$675,000 (\$375,000-Unrestricted and \$300,000-Restricted), the Improvements are fixed at \$300,000.**

**Matter is further discussed and thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, the Board directs the Assessor to bring back the indexed values for 2003-04 on this application on April 16, 2004.**

The Applicant requests Findings of Fact.

- (5) **Application No. 2003-35, APN 017,203,036, Darrell Puckett, is presented.**

The Applicant is not present.

**Thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, Application No. 2003-35 is denied for non-appearance.**

March 12, 2004

- (6) **Minutes for the January 23, 2004 Assessment Appeals Board Hearing, are presented.**

**Thereafter, on motion of Mr. Baron, seconded by Mr. Neve, with Mr. Weber being absent, motion carries and the minutes for the January 23, 2004 Appeals Board Hearing are approved as presented and the Chairperson is instructed to sign the same.**

- (7) **Values for Application Nos. 2003-104 and 2003-14, APN 004,292,002, John Cliff, are presented.**

**Ms. Trahey:** reads the values into the record, based on the action taken by the Board on January 23, 2004.

The Applicant is not present.

**Thereafter, on motion of Mr. Baron, seconded by Mr. Neve, with Mr. Weber being absent, motion carries and the Board accepts the values as read by the Assessor and as follows: Application No. 2002-104, 2001-02 Supplemental Roll, the full value of the land is fixed at \$141,282, the full value of the improvements is fixed at \$150,389, for a total value of \$291,671; for the 2002-03 Supplemental Roll, the full value of the land is fixed at \$142,949, the full value of the improvements is fixed at \$152,525, for a total value of \$295,474; for Application No. 2003-14, 2003-04 Regular Roll, the full value of the land is fixed at \$145,808, the full value of the improvements is fixed at \$155,576, for a total value of \$301,384.**

- (8) **Findings of Fact for Application Nos. 2001-37 and 2002-34, Sierra Vista Hospital, Inc., are presented.**

The Clerk indicates the Applicant is requesting a continuance to the April meeting with the understanding that if the Findings are not completed that approval of the Findings will be continued to the July meeting.

**Thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, the Board continues the approval of the Findings of Fact for Application Nos. 2001-37 and 2002-34 to April 16, 2004.**

- (9) **Request for denial of Application Nos. 2003-104, APN 061,012,063, Carl Refuerzo and 2003-110, APN 091,283,065, Stephanie Greene, are presented.**

The Applicants are not present.

**Thereafter, on motion of Mr. Neve, seconded by Mr. Baron and unanimously carried, the Board denies Application Nos. 2003-104, Carl Refuerzo and 2003-110, Stephanie Greene as untimely filed.**

On motion duly made and unanimously carried, the Assessment Appeals Board of the County of San Luis Obispo, State of California, does now adjourn.

Chairperson, Assessment Appeals Board

**ATTEST:**

**JULIE L. RODEWALD**, County Clerk-Recorder and Ex-Officio Clerk of the Assessment Appeals Board

By:

Deputy Clerk-Recorder

vms