

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

Friday, September 26, 2003

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 Baron, Mr. Kem Weber and Chairperson Jenele Buttery

ABSENT: None

Mr. Jim Orton and Mr. Wyatt Cash, Deputy County Counsels, are present and represent the Assessment Appeals Board. Mr. Warren Jensen, Deputy County Counsel, is present and represents the Assessor.

Mr. Tom Bordonaro, County Assessor, Ms. Linda Trahey, Ms. Lesa Silva, Mr. Cory Powell and Mr. Jack Gatz, Deputy Assessors, are present and sworn.

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.

Application No. 2003-8, APN 076,081,020, Angelo P. Morabito, is presented for determination as to whether it was timely filed.

Mr. David Pereira is present, sworn and representing Mr. Morabito; presents a packet of information and outlines his belief that he began the process of applying for an application in a timely manner based on the documents he has presented.

Mr. Bordonaro indicates that all the time stamps, from his office, on the documents Mr. Pereira has presented are from 2002 and this application should have been filed in 2001.

Thereafter, on motion of Mr. Baron, seconded by Mr. Weber and unanimously carried, the Board denies Application No. 2003-8 as untimely filed.

Application Nos. 2001-37 and 2002-34, APN 052,181,034, Sierra Vista Hospital Inc., are brought back on for hearing (continued from July 21, 2003).

The Court Reporter is sworn.

Mr. Cris O'Neill, attorney for Sierra Vista Hospital, presents a packet of information for the Board.

Mr. Bordonaro addresses his concern to the potential of new evidence being included in this documentation.

Mr. O'Neill indicates he doesn't believe he had included any new information.

Mr. Orton states this information should be included as "argument" and not as evidence/exhibits.

Mr. Bordonaro asks for time to review the information before the Board hears closing arguments.

Chairperson Buttery continues this item to later in the morning.

Application Nos. 2002-98 and 2002-99, APN 910,004,530, Harold T. Byrd, are presented.

Mr. Harold Byrd is present and sworn.

Mr. Gatz describes the property and presents **Assessor's Exhibit A - Description of the Property, Site Map, Manufactured Housing and Accessory Worksheet, Accessory Valuation, Manufactured Housing Square-Foot Area Cost Table, Accessory and Component Cost** and photographs of the subject mobile home and addresses each of the items; presents **Assessor's Exhibit B - Manufactured Housing Building Specifications for Quality Class 6, 7 and 8.**

Mr. Byrd states that his dispute is the Class Code this mobile home has been assigned by the Assessor; he believes it is a Class 6 not 8 and presents **Applicant's Exhibit #1 - Tax Appeal Meeting Mobile Home, Attachment to Application for Tax Appeal, NADA Guide, Photographs of the mobile home, Assessor's Handbook Section 501 - Basic Appraisal, Assessor's Handbook Section 511 - Assessment of Manufactured Homes and Parks, Assessor's Handbook Section 531 - Residential Building Costs, Property Taxes Law Guide, Property Taxes Suggestion No. 1-5, Assessment Information from Sacramento County Assessor's web page;** presents information to support his claim that this is a Class 6 mobile home.

Mr. Gatz presents **Assessor's Exhibit C - State of California Department of Housing and Community Development - San Luis Obispo County New Registrations and cost information from the Agent.**

Mr. Powell summarizes the Assessor's case.

Mr. Byrd gives his closing arguments.

Matter is fully discussed and thereafter, on motion of Mr. Baron, seconded by Mr. Weber and unanimously carried, on Application No. 2002-98, APN 910,005,530, Supplemental Year 2001-02, the full value of the Personal Property is fixed at \$78,900; on Application No. 2002-99, APN 910,005,530, Regular Roll Year 2002-03, the full value of the Personal Property is fixed at \$78,000. The Applicant waives Findings of Fact.

Application Nos. 2001-37 and 2002-34, APN 052,181,034, Sierra Vista Hospital Inc., are brought back on for hearing.

Mr. Cris O'Neill, attorney for Sierra Vista, states the Assessor has reviewed the documents they will be presenting; presents **Closing Argument Document #1 - Applicant's Closing Argument - Excerpts from Hearing Record and Closing Argument Document #2 - Transcript of Proceedings for the July 21, 2003 Assessment Appeals Board Hearing;** highlights the closing argument document, commenting on the testimony given by Mr. Evangelista, on behalf of the Assessor, with respect to value; highlights the four issues in the document: **Issue #1** - both Applicant and Assessor relied on the Cost Approach to value the hospital facility; **Issue #2** - Assessor's \$30 per square foot "seismic allowance" is not replacement cost and must be deleted; **Issue #3** - Assessor's Entrepreneurial Profit lacks any evidentiary support and must be removed; and, **Issue #4 - Part A** - Assessor's Assumption that the multi-story section would continue in acute care service after 2030 is contrary to Senate Bill 1953's requirements, overstates the Economic Life of the multi-story section and must be corrected and **Part B** - Applicant presented ample evidence of the hospitals significant physical deterioration and obsolescence, Assessor did not directly contradict (and in some instances supported) Applicant's evidence of physical deterioration and obsolescence and Applicant's remaining economic life and effective age are correct, while the Assessor's figures for remaining economic life and effective age are understated; presents **Closing Argument Document #3 - Original and Recalculation Hospital Replacement Costs;** believes they produced evidence to dispute the Assessor's Roll values and they have overcome the burden of proof; asks that all the exhibits they presented at the July 21st hearing be accepted into the record; indicates they object to the Assessor's book value exhibits and attachment #4 of Evangelista's appraisal.

Mr. Bordonaro presents the **Assessor's Closing Argument Document A - Outline of Proposed Findings and Conclusions**; indicates these are basically Prop 8 applications which suggests there is a reduced value on this hospital; presents **Assessor's Closing Argument Document B - Cost Analysis for Sierra Vista by Evangelista and CPAC**; states they are not recommending the values found in Mr. Evangelista's appraisal, which are higher than the Roll values; addresses the land value; presents **Assessor's Closing Argument Document C - Final Cost Approach Analysis for Sierra Vista Regional Medical Center**; suggests the main differences were on the assumption on the future of the facility; asks that the Roll values be held as he believes this is a conservative value.

Thereafter, on motion of Mr. Baron, seconded by Mr. Weber and unanimously carried, the Board continues said hearing to November 14, 2003.

Thereafter, on motion of Mr. Baron, seconded by Mr. Weber and unanimously carried, the Board sets October 3, 2003 as the date to meet for deliberations on these appeals and will meet in the Office of County Counsel.

Application No. 2002-23, APN 005,381,031, Robert Eskay, is presented for consideration of a request for a second continuance.

The Clerk states that the applicant is requesting a second continuance on this application for health reasons.

Thereafter, on motion of Mr. Weber, seconded by Mr. Baron and unanimously carried, the Board grants the request for a second continuance for Application No. 2002-23, Robert Eskay.

This is the time set for consideration of the approval of the minutes from the July 21, 2003 hearing. Thereafter, on motion of Mr. Weber, seconded by Mr. Baron and unanimously carried, the minutes of the July 21, 2003 Assessment Appeals Board Hearing are approved as presented and the Chairperson is instructed to sign the same.

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