

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

Friday, November 8, 2002

The Assessment Appeal Board of the County of San Luis Obispo, State of California, met in regular session at 9:00 o'clock A.M., in the Board of Supervisors Chambers, County Government Center, San Luis Obispo, California.

PRESENT: Appeals Board Members Mr. Tom Neve - Alternate, Mr. Tom Baron and
Vice-Chairperson Jenele Buttery

ABSENT: Appeals Board Member Chairperson Kem Weber

Mr. Ed Olpin, Deputy County Counsel, is present and represents the Assessment Appeals Board.

Mr. Dick Frank, County Assessor, Ms. Linda Trahey, Ms. Lesa Silva, Mr. Jay Sechrist, Ms. Kathleen Tuscano, Ms. Charron Sparks and Ms. Sarah Sylwester, 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. Vice-Chairperson Buttery opens the floor to the public without response.

Request for approval of indexed values for Application No. 2000-12, Gragg Canyon Ranch, LLC, is presented. Mr. Nick Thiel and Mr. Fred Glick, Attorney, are present. Ms. Sylwester presents values to be enrolled based on the Assessment Appeals Board action on September 25, 2002. Mr. Glick stipulates he agrees with the values to be enrolled. **Thereafter, on motion of Mr. Baron, seconded by Ms. Buttery, with Mr. Neve abstaining and Mr. Weber being absent, motion carries and for Application No. 2000-12, the Board approves the values as presented by the Assessor, establishing April 20, 2000 as the date of value and to read as follows: APN # 079,181,006 full value of the land is fixed at \$1,403, 000, and the water rights are fixed at \$235,000 and the full indexed value for the 2001-2002 Roll, for land is fixed at \$1,431,060; APN # 079,191,001 the full value of the land is fixed at \$1,867, 000, and the water rights are fixed at \$171,000 and the full indexed value, for 2001-2002 Roll for land is fixed at \$1,904,340; APN # 079,181,008, the full value of the land is fixed at \$686,600, and the water rights are fixed at \$171,000 and the full indexed value, for 2001-2002 Roll full value of the land is fixed at \$700,332; and, APN # 079,211,001 the full value of the land is fixed at \$1,097, 000, and the water rights are fixed at \$171,000, and the full indexed value, for 2001-2002 Roll, for land is fixed at \$1,118,940.**

Request for approval of indexed values for Application Nos. 2002-17 and 2002-18, Charles and Judith Darway, is presented. The Applicant is not present. Ms. Trahey presents values to be enrolled based on the Assessment Appeals Board action on October 25, 2002. **Thereafter, on motion of Mr. Baron, seconded by Ms. Buttery, with Mr. Neve abstaining and Mr. Weber being absent, motion carries and on Application No. 2002-17, on APN 044-091-027, Date of Value February 8, 2001, for the 2000-2001 and 2001-2002 Supplemental Roll Years, the full value of the land is fixed at \$307,816, the full value of the improvements is fixed at \$617,184, for a total fixed value of \$925,000; the 2% indexing as of January 1, 2002, brings those values to the full indexed value on the land is fixed at \$313,472, the full indexed value of improvements is fixed at \$617,254, for a total indexed value of \$930,726.**

Application Nos. 2002-22 , Rosalyn Carroll, is presented. The Applicant is not present. **Thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, Application No. 2002-22, Rosalyn Carroll, is denied for non-appearance.**

Application No. 2001-113, Karl T. Stahl, is presented. Mr. Stahl is present and sworn. Mr. Stahl states he is disputing the land value only, his opinion of value for APN 005,139,017 is \$105,000 and for APN 005,139,020 is \$155,000, presents **Applicant's Exhibit 1 - Letter to Linda Trahey, Applicant's Exhibit 2 - Comparables for 005,139,017, Applicant's Exhibit 3 - Comparables for 005,139,020 and Applicant's Exhibit 4 - Grant Deed.** Ms. Tuscano presents the Assessor's case, describes the property and recommends holding the Assessor's value (**Assessor's Exhibit A - Comparable Appraisal, Assessor's Exhibit B - Casa Bella Condo Sales Analysis**). **Thereafter, on motion of Mr. Neve, seconded by Mr. Baron, and unanimously carried, on Application No. 2001-113, Karl T. Stahl, the Board directs the Assessor's values be upheld, Date of Value September 21, 2001, and for APN 005,139,017 the full**

value of the land is fixed at \$157,500, the full value of improvements is fixed at \$170,000 for a total value of \$327,500 and, for APN 005,139,020, the full value of the land is fixed at \$255,000, the full value of improvements is fixed at \$170,000, for a total value of \$425,000. Mr. Stahl requests Findings of Fact and indicates he will pay for the Findings by the end of the business day.

Application Nos. 2001-11, 2001-29, and 2002-7, Pacific Waste Services, Inc., is presented. Mr. James Wyse, Applicant, Mr. Glen Lewis, Attorney, Ms. Roxanne Chang, and Mr. Javier Ramirez are present and sworn. Mr. Baron discusses having previously been the Paso Robles Mayor Pro Tem and a City Council member and ask both sides if there is an objection to him hearing this case, with neither party objecting. Ms. Trahey states the Board's first decision is to determine if a Possessory Interest exists. Mr. Lewis presents his case regarding there not being any Possessory Interest (**Applicant's Exhibit 1 - Argument**), discusses no independent element being present, no durable period and no exclusive rights; gives examples of a court cases: Scott-Free River Expeditions, Inc. v. County of El Dorado, U.S. vs. County of San Diego, and City of San Jose v. Carlson; discusses Revenue and Taxation Code Section 107. Ms. Sparks and Mr. Sechrist present the Assessor's case on Possessory Interest (**Assessor's Exhibit A - Jenkins' Analysis, Assessor's Exhibit B - Property Tax Rule 21, Assessor's Exhibit C - Property Tax Rule 20, Assessor's Exhibit D - Property Tax Rule 107, Assessor's Exhibit E - Technical Element**). Ms. Sparks states Pacific Waste Services, Inc. has an independent element, as they have the ability to manage landfill; states a 20-year contract is durable; states exclusive rights exist, they can allow or refuse customers, control gates, and the income from the gate fee is a private benefit. A discussion regarding State and Federal Regulations for landfills occurs. The Board discusses Revenue and Taxation Code Section 107, with Mr. Olpin responding. Ms. Sparks presents **Assessor's Exhibit F - Agreement between the City of Paso Robles and Pacific Waste Services, Inc. Thereafter, on motion of Mr. Neve, seconded by Mr. Baron, and unanimously carried, the Board finds Pacific Waste Services, Inc. does have a Possessory Interest based on the existence of an independent element, the contract being durable, exclusive rights and private benefit.** Mr. Sechrist describes the property. Mr. Lewis discusses Rule 21; the high risk associated with this property (environmental and regulatory guidelines) a higher discount rate should be used; states the value of the property for 2000 is \$395,000, in 2001 the value is \$896,000, and in 2002 the value is \$860,000. Ms. Chang, Director of Valuation Services for the Western Region of Grant Thornton, LLP, presents and discusses her appraisal; the conclusion of the indicated cost of capital is 35-40%, which translates to a value of 2.5 to 2.9 times the cash flow; therefore, the value of the property for 2000 is \$395,000, in 2001 the value is \$896,000, and in 2002 the value is \$860,000. A discussion regarding the difficulties getting information from the City occurs. Ms. Sparks and Mr. Sechrist presents the Assessor's case (**Assessor's Exhibit G - Appraisal**); states the fair market value for the property, as of September 4, 1999, is \$7,500,000; recommends no change to the value on the Roll; discusses the limited number of comparables and the risk associated with the property. A discussion regarding the limited information provided to the Assessor and the Applicant by the City of Paso Robles and the Board's need for additional information to make a decision occurs. Mr. Wyse states he is willing to continue the matter to allow time to get additional information needed by the Assessor and the Board; asks the Assessor put the requested information needed in writing and he will arrange for a meeting to be set up between the Applicant, Assessor and the City. **Thereafter, on motion of Mr. Baron, seconded by Mr. Neve and unanimously carried, Application Nos. 2001-11, 2001-29, and 2002-7, Pacific Waste Services, Inc., are continued to March 21, 2003 at 9:00 a.m..**

Minutes of the October 25, 2002 hearing, are presented. Thereafter, on motion of Mr. Baron, seconded by Ms. Buttery, with Mr. Weber being absent and Mr. Neve abstaining, motion carries, and the minutes of the September 20, 2002 meeting are approved as submitted and the Vice-Chairperson is instructed to sign the same.

This is the time set for Board Members, Assessor and/or Staff to bring up items to be discussed at the next meeting. Mr. Frank states this is his final Assessment Appeals Board meeting; he has been coming before this Board for 27 years, and the decisions of the Board have been reasonable; the relationship with the Board and the Clerk's office has been excellent; acknowledges the good job the Board has done for the public; his staff has never once picked on an individual taxpayer; hopes in the future, the Board will treat his staff gently; it has been a great pleasure for him to have worked with this and past Board's and considers the Board honest and above reproach. No action taken.

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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

ATTEST:

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

By: Deputy Clerk-Recorder

cmc