



~ Agenda ~

Final

**For a meeting of the  
Board of County  
Commissioners  
sitting as the  
Board of Equalization**

**1101 East 2nd Ave  
Durango, CO 81301  
<http://co.laplata.co.us>**

---

Monday, January 8, 2018

10:00 AM

Board Room

---

[The Board reserves the right to hold Executive Session per CRS 24-6-402(4)]

**I. Call to Order**

**II. Approval of Agenda**

**III. Disclosure of Conflicts of Interest**

**IV. Approval of Minutes**

**V. Consent Agenda**

1. (ID # 4075) Approval of Agreement and Stipulation as to Actual Value for Tax Year 2017 between the La Plata County Board of Equalization and GAHC3 Durango Medical Center LLC

**VI. Decision Agenda**

**VII. Adjournment:**

La Plata County provides reasonable accommodation to persons with disabilities to enable their full participation in public meetings. For special assistance, call the La Plata County Information Desk, 970-382-6200 or TDD 970-382-6218.



ITEM NO. (ID # 4075)

DATE: 01/8/2018

## AGENDA REQUEST

\*STIPULATIONS

**MEETING GROUP:** Board of Equalization**STAFF RESOURCE:** Kathleen Lyon,  
Carrie Woodson, Assessor's Office**REQUESTING DEPT:** Attorney's Office**TYPE:** Agreement**SUBJECT:** Approval of Agreement and Stipulation as to Actual Value for Tax Year 2017 between the La Plata County Board of Equalization and GAHC3 Durango Medical Center LLC**BACKGROUND:**

GAHC3 Durango CO Medical Center, LLC ("GAHC3") is the owner of real property subject to this Stipulation (the "Subject Property" ), which is described as follows:

Situs Address: 575 Rivergate Ln #B, Durango, CO 81301  
Assessor's Account No. R428362 / Parcel No. 5667-321-06-097

For tax year 2017, the La Plata County Assessor assigned an actual value to the Subject Property of \$15,168,820.00. GAHC3 protested this valuation and filed an appeal with the Board of Equalization in July 2017. Based on GAHC3's request for an administrative denial, the Petition was denied. On or about August 16, 2017, GAHC3 filed a Petition to the State Board of Assessment Appeals, appealing the Board of Equalization's denial.

Based on information presented to the Assessor's Office by GAHC3's tax agent at this time, and completion of a more detailed review of the cost, market and income approaches to value in an appraisal completed by Carrie Woodson, Chief Appraiser, the Assessor's Office now believes that \$11,780,000.00 is a more accurate and reasonable valuation of the Subject Property for tax year 2017.

Rather than appear at a hearing scheduled before the Board of Assessment Appeals (BAA) on January 22, 2018, staff and the Assessor's Office desire to settle this matter. A proposed Agreement and Stipulation as to Actual Value for Tax Year 2017 is being presented to the Board of Equalization for its consideration. If approved by the Board

and GAHC3, the actual valuation of the Subject Property for tax year 2017 will be reduced to \$11,780,000.00, and the scheduled hearing before the BAA will be vacated.

**FISCAL IMPACT:**

**RECOMMENDED ACTION:**

Approve the Agreement and Stipulation, in a form substantially the same as the one presented to the Board of Equalization, with signature authority to the Chair.

**MEETING NARATIVE:**

**REVIEWED BY:**

**Sheryl Rogers**

Sheryl Rogers, County Attorney 1/3/2018

**ATTACHMENTS:**

- 2018\_0109\_BAA\_Stipulation\_GAHC3 (PDF)

Board of Assessment Appeals State of Colorado 1313 Sherman Street, Room 315 Denver, CO 80203	
<b>Petitioner:</b>  <b>GAHC3 DURANGO CO MEDICAL CENTER LLC</b>  <b>Respondent:</b>  <b>LA PLATA COUNTY BOARD OF EQUALIZATION</b>	▲ BAA USE ONLY ▲
<i>Attorneys for Respondent BoE:</i> Kathleen Lyon, #35988 La Plata County Attorney's Office 1060 East Second Ave., Suite 140 Durango, CO 81301 Phone No.: (970) 382-8600 Email: <a href="mailto:lyon@lpcattorney.org">lyon@lpcattorney.org</a>	<b>Docket No. 70278</b>  <b>Tax Year(s): 2017</b>
<b>AGREEMENT AND STIPULATION AS TO ACTUAL VALUE FOR TAX YEAR 2017</b>	

Petitioner, GAHC3 Durango CO Medical Center LLC, and Respondent, the La Plata County Board of Equalization, hereby enter into this Agreement and Stipulation as to Actual Value for Tax Year 2017 ("Stipulation").

Petitioner and Respondent agree and stipulate as follows:

1. Petitioner is the record owner of the real property subject to this Stipulation (the "Subject Property"), which is described as follows:

Situs Address: 575 Rivergate Ln #B, Durango, CO 81301  
 Assessor's Account No. R428362 / Parcel No. 5667-321-06-097

2. The Subject Property is classified as commercial property, and the La Plata County Assessor originally assigned the following actual value to the Subject Property for tax year 2017:

Improvements:	\$ 15,168,820.00
<b>TOTAL</b>	<b>\$ 15,168,820.00</b>

3. On or about July 17, 2017, Petitioner filed a Petition with Respondent, appealing the Assessor's Notice of Determination. Petitioner requested administrative denial of the Petition, and no evidence regarding the Subject Property's value was presented at the

Attachment: 2018\_0109\_BAA\_Stipulation\_GAHC3 (4075 : Approval of Agreement and Stipulation with GAHC3)

**STIPULATION**  
**Docket No. 70278**

independent referees' hearing held on July 27, 2017. Based on Petitioner's request, the Petition was denied by Respondent.

4. On or about August 16, 2017, Petitioner's agent filed a Petition to the State Board of Assessment Appeals appealing Respondent's denial.
5. Rather than appear at a hearing, Petitioner and Respondent now wish to settle this matter according to the terms and conditions provided herein.
6. Pursuant to C.R.S. § 30-11-103, all powers of La Plata County, including the power to contract and settle claims, must be exercised by the Board of County Commissioners. Therefore, notwithstanding any other provision in this Stipulation to the contrary, the parties acknowledge, understand and agree that this Stipulation will not bind Respondent or be effective unless and until approved by the Board of County Commissioners, sitting as the Board of Equalization. If the Board of Equalization does not approve this Stipulation, it shall be null and void and of no further effect.
7. Once approved by the La Plata County Board of Equalization, Petitioner and Respondent agree that this Stipulation shall constitute a full and final settlement of this matter for tax year 2017, and that the following provisions shall apply:
  - a. Based on information presented by Petitioner to Respondent regarding this matter, the parties agree that the actual value of the Subject Property for tax year 2017 shall be reduced to the following actual value:
 

Improvements:	\$ 11,780,000.00
TOTAL	\$ 11,780,000.00
  - b. The Subject Property's actual value is being reduced for the following reasons: During re-appraisal for tax year 2017, the initial value of the Subject Property was based on the Subject Property's 2015 sale (dollar per square foot), as backed up by sales of other medical use condos in the 2016 level of value sales. However, after the Assessor's Office completed a more detailed review of the cost, market and income approaches to value in an appraisal done by Carrie Woodson, Chief Appraiser, which was partially based on the allocation of value to the Subject Property during its sale in 2013 and in 2015, Respondent now believes that \$11,780,000 is a more accurate and reasonable valuation for tax year 2017.
8. The parties agree that this matter shall be dismissed with prejudice and that the hearing scheduled before the Board of Assessment Appeals on January 22, 2018, at 8:30 am shall be vacated. A copy of this Stipulation may be forwarded to the Board of Assessment Appeals to effectuate this dismissal.

STIPULATION  
Docket No. 70278

9. Each person signing this Stipulation directly and expressly warrants and represents that he/she has been given and has received and accepted authority to sign and execute the documents on behalf of the party for whom it is indicated he/she has signed, and further has been expressly given and received and accepted authority to enter into a binding agreement on behalf of such party with respect to the matters concerned herein and as stated herein.

10. This Stipulation may be executed in counterparts. Facsimile and emailed signatures shall be binding as originals.

DATED this 2nd day of January, 2018.

GAHC3 DURANGO CO  
MEDICAL CENTER LLC

LA PLATA COUNTY BOARD  
OF EQUALIZATION

By: Ethan Horn  
Name: Ethan Horn  
Its (title): Representative - Rym, LLC  
*On behalf of Petitioner*

\_\_\_\_\_  
Gwen Lachelt, Chair

Attest: \_\_\_\_\_  
Clerk to Board

Approved as to form:

LA PLATA COUNTY  
ATTORNEY'S OFFICE

\_\_\_\_\_  
Kathleen Lyon, #35988  
Assistant County Attorney  
1060 East Second Ave., Suite 140  
Durango, CO 81301  
*Attorneys for Respondent*

Attachment: 2018\_0109\_BAA\_Stipulation\_GAHC3 (4075 : Approval of Agreement and Stipulation with GAHC3)

**STIPULATION**  
**Docket No. 70278**

**CERTIFICATE OF SERVICE**

I certify that on the \_\_\_\_\_ day of January, 2018, a true and correct copy of the foregoing **AGREEMENT AND STIPULATION AS TO ACTUAL VALUE FOR TAX YEAR 2017** was served upon Petitioner and Petitioner's agent as indicated below, as follows:

Ethan Horn  
 Ryan, LLC  
 7979 E. Tufts Ave., Suite 1500  
 Denver, CO 80237  
 (via email and U.S. Mail)

GAHC3 Durango CO Medical Center LLC  
 18191 Von Karman Ave., #300  
 Irvine, CA 92612  
 (via U.S. mail)

and was served upon the Board of Assessment Appeals as follows:

Board of Assessment Appeals  
 1313 Sherman Street, Room 315  
 Denver, CO 80203  
[baa@state.co.us](mailto:baa@state.co.us)  
 (via Fed-ex\* and email)

\* 4 copies fed-exed

\_\_\_\_\_  
 Tessa Schmitzer

Attachment: 2018\_0109\_BAA\_Stipulation\_GAHC3 (4075 : Approval of Agreement and Stipulation with GAHC3)