

## COUNTY ATTORNEY'S OFFICE



### MEMORANDUM

**TO:** BOARD OF COUNTY COMMISSIONERS

**APPROVED BY:** ANDREW C. STEERS,  
DEPUTY COUNTY ATTORNEY

**DATE:** MARCH 25, 2025

**RE:** PROPOSED SETTLEMENT AGREEMENTS

The Assessor's Office has requested a reduction in value for the following properties. The values of the subject properties have been appealed from the Board of County Commissioners ("BOCC") sitting as the Douglas County Board of Equalization ("BOE") to the State Board of Assessment Appeals ("BAA"). These cases may not be settled without approval of the BOCC. The Attorney's Office will need settlement authority from the BOCC before signing the stipulations with the taxpayer. The information in this memo is a summary of the settlement justifications offered by the Assessor's Office.

***SPT PRAIRIE 10670 CB DRIVE LLC v. Douglas County BOE,***  
**BAA Docket No. 2023BAA3022**

*BOE Decision:* November 1, 2023

*BOE Action:* Petition denied

*Current Status:* Protest Tax Year 2023; Scheduled at BAA

*Property Profile:* Address: 10670 Cabela Drive, Lone Tree, CO 80124

*Type:* Commercial Big Box Retail

The subject property is a 1-story commercial structure built for Cabela's in 2012. The building includes 103,788 SF. A second account includes a portion of the parking lot associated with the development and in total, the store is situated on a combined lot of 10.680 acres. The property is located near the Ridgeway Parkway/I-25 interchange and is accessed off Cabela Drive. For mass

appraisal purposes the subject was valued via the Cost Approach due to the lack of sales similar to the subject during the study period.

For the de novo BAA appeal, the appeals appraiser re-examined the Cost Approach and also developed the Sales and Income Approaches as tests of reasonableness. While the retailer is considered a tenant, the lease is not considered arm's length and was not considered in this valuation. The appraiser found that sales and income assumptions from the marketplace, given the limited data available for properties of this size, did not support the original Cost Approach valuation and further, supported the concept that the market would not recognize the level of exterior and interior finish common to a Cabela's and also required by the City of Lone Tree. Therefore, a significant functional obsolescence adjustment would be merited in order for the valuation to reflect current market conditions. The appraiser also found that the LEA land value applied at modeling of \$15.20 PSF should be adjusted downward (to \$10.75 PSF) given the size of the combined subject lot when compared to the LEA model sales. Please note: This property went to BAA Hearing for its TY 2021 valuation and the BAA adjusted the combined value downward from \$15,981,089 to \$9,670,000.

After discussions with the petitioner's representative and upon approval of the property owner, a stipulation was reached to adjust the TY 2023 value from \$17,598,411 to \$12,100,000. This stipulation more closely aligns the subject's value with other big box retailers of similar size and age in Douglas County than the previous BAA decision.

The difference between the Douglas County rebate for Tax Year 2023 paid and the adjusted rebate amount based on this stipulation will be deducted from the final settlement refund amount.

***SPT PRAIRIE 10670 CB DRIVE LLC v. Douglas County BOE,***  
**BAA Docket No. 2024BAA2566**

*BOE Decision:* October 29, 2024

*BOE Action:* Petition denied

*Current Status:* Protest Tax Year 2024; Scheduled at BAA

*Property Profile:* Address: 10670 Cabela Drive, Lone Tree, CO 80124

*Type:* Commercial Big Box Retail

The subject property is a one-story commercial structure built for Cabela's in 2012. The single-tenant improvement includes 103,788 SF. A second account includes a portion of the parking lot associated with the development and in total, the store is situated on a combined lot of 10.680 acres. The property is located near the Ridgeway Parkway/I-25 interchange and is accessed off Cabela Drive. For mass appraisal purposes the subject was valued via the Cost Approach. For the de novo BAA appeal, the appeals appraiser re-examined the Cost Approach and expanded the scope of the analysis to include the Sales and Income Approaches as tests of

reasonableness. Upon further inspection, analysis of the petitioner's arguments and market data related to the Sales and Income approaches a reduction in value was supported.

Analysis of the land as one economic unit versus two distinct lots supported a downward adjustment as there is an inverse relationship of lot size and value per square foot. Further, the petitioner provided compelling data at the BAA appeal level that the market does not recognize the super adequacy of the interior and exterior finishes present in the subject property therefore reconciling the improvement value downward as well. The final value conclusion is a blend of all three approaches to value.

Please note: This property went to BAA Hearing for its TY 2021 valuation and the BAA adjusted the combined value downward from \$15,981,089 to \$9,670,000. After discussions with the petitioner's representative, and upon approval of the property owner, a stipulation was reached to adjust the combined TY 2024 value from \$17,598,411 to \$12,100,000. This stipulation more closely aligns the subject's value with other big box retailers of similar size and age in Douglas County than the previous BAA decision.

***PARKER ROAD AUTO PLAZA LLC v. Douglas County BOE,***  
**BAA Docket No. 2024BAA2785**

*BOE Decision:* October 29, 2024

*BOE Action:* Petition denied

*Current Status:* Protest Tax Year 2024; Scheduled at BAA

*Property Profile:* Address: 9078 S Woodman Way, Parker, CO 80134

*Type:* Auto Service Condominiums

The subject consists of four industrial auto service condominium units located in the Parker Crossing Auto Plaza Condominium subdivision in the Town of Parker. Combined, the units equate to 20,867 SF and the units were originally constructed in 2009. They are situated on a combined site of 2.001-acres. The petitioner provided study period rent rolls for consideration. For the BAA analysis, the appeals appraiser reconsidered the Sales Comparison and Income Approaches to value. While the current value is supported by the Sales Comparison Approach, market assumptions and actual rental rates for the unit supported an adjustment to value. Blending the conclusions of both approaches, the TY 2024 combined value should be adjusted from a combined \$5,846,401 to \$4,500,000