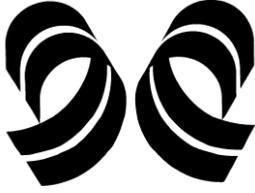


COUNTY ATTORNEY'S OFFICE



MEMORANDUM

TO: BOARD OF COUNTY COMMISSIONERS

APPROVED BY: ANDREW C. STEERS,
DEPUTY COUNTY ATTORNEY

DATE: June 10, 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.

Englewood Two LLC v. Douglas County BOE,
BAA Docket No. 2023BAA2471

BOE Decision: November 01, 2023

BOE Action: Petition denied

Current Status: Protest Tax Year 2023; Scheduled at BAA

Property Profile: Address: 9785 Pyramid Court, Englewood 80112

Type: Office Building

The subject property is a 4-story, multi-tenant office building located in the Meridian Office Park and built in 2001. The 122,068 SF building is situated on a 3.88-acre lot at the south boundary of the office park off Pyramid Court. This property also utilizes parking on a separate lot shared with the Englewood One, LLC property under a separate appeal docket. This property utilizes ~88% of this additional parking parcel which is considered a tie-back parcel for both office parcels. The petitioner provided study period rent rolls and income & expense statements for the

study period. For the BAA analysis, the appraiser re-examined the sales comparison and income approaches. The property has suffered from on-going above-market vacancy since 2019. Further, both approaches to value required the appraiser to consider a lease-up analysis to determine the costs associated with attracting new tenants, completing tenant improvements, and carrying costs during the stabilization period (2 to 3 years). Based upon discussions with the owner's agent, and upon approval of the property owner, a stipulation was accepted to change the Tax Year 2023 appeal value from \$13,427,481 to \$10,986,000. **Entire adjustment applied to account #R0426518.** 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.

Please note: The Exempt Leasehold deduction is related to an exempt tenant which occupied 18% of the space during the entire study period and thus the actual value for tax purposes is adjusted for that portion of the overall value in the current and final value calculations. 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.

Englewood Two LLC v. Douglas County BOE,
BAA Docket No. 2024BAA2494

BOE Decision: October 29, 2024

BOE Action: Petition denied

Current Status: Protest Tax Year 2024; Scheduled at BAA

Property Profile: Address: 9785 Pyramid Court, Englewood 80112

Type: Office Building

The subject property is a 4-story, multi-tenant office building located in the Meridian Office Park and built in 2001. The 122,068 SF building is situated on a 3.88-acre lot at the south boundary of the office park off Pyramid Court. This property also utilizes parking on a separate lot shared with the Englewood One, LLC property under a separate appeal docket. This property utilizes ~88% of this additional parking parcel which is considered a tie-back parcel for both office parcels. The petitioner provided study period rent rolls and income & expense statements for the study period. For the BAA analysis, the appraiser re-examined the sales comparison and income approaches. The property has suffered from on-going above-market vacancy since 2019. Further, both approaches to value required the appraiser to consider a lease-up analysis to determine the costs associated with attracting new tenants, completing tenant improvements, and carrying costs during the stabilization period (2 to 3 years). Based upon discussions with the owner's agent, and upon approval of the property owner, a stipulation was accepted to change the Tax Year 2024 appeal value from \$13,427,481 to \$10,986,000. **Entire adjustment applied to account #R0426518.**

Please note: The Exempt Leasehold deduction is related to an exempt tenant which occupied 18% of the space during the entire study period and thus the actual value for tax purposes is adjusted for that portion of the overall value in the current and final value calculations.

Ochsner Properties LLC & Hilltop Partnership LLC v. Douglas County BOE,
BAA Docket No. 2024BAA2784

BOE Decision: October 29, 2024

BOE Action: Petition denied

Current Status: Protest Tax Year 2024; Scheduled at BAA

Property Profile: Address: 10168 Parkglenn Way, Parker 80138

Type: *Medical Office*

The subject property is a 2-story, medical office building built in 2008 which is 100% occupied by Kaiser Permanente. The property is located off South Parker Road just south of East Lincoln Avenue in the Town of Parker. The improvements are situated on a 1.35-acre site. The petitioner provided study period income and expense statements as well as the most recent amendments to the lease. For the BAA analysis, the appeals appraiser revisited the sales comparison and income approaches to value. The tax year 2023 valuation of the property was adjusted at an abatement hearing in September 2024 based on the single-tenant occupancy of the subject and the lower income expectations based on a single tenant lease. At the hearing, the property was adjusted from \$5,931,750 to \$4,625,000. Given that there are no unusual conditions between the re-appraisal year (2023) and the intervening year (2024) a stipulation was adopted to match the 2023 abatement decision. This stipulation was approved by the petitioner's representative and the ownership of the property.

St Paul Fire & Marine Insurance Company v. Douglas County BOE,
BAA Docket No. 2024BAA1569

BOE Decision: November 1, 2023

BOE Action: Petition denied

Current Status: Protest Tax Year 2023; Scheduled at BAA

Property Profile: Address: 9780 Meridian Blvd., Englewood, 80112

Type: *Office Building*

The subject property consists of a Class A, multi-tenant, 5-story office building with a total of 180,810 SF located in the Meridian Office Park in Englewood. The building was constructed in 1997 and is situated on a 11.5-acre lot. The petitioner provided Study Period rent rolls and profit & loss statements for review. While the property was at stabilized vacancy as of June 30, 2022, it experienced higher vacancy and concession expenditures early in the study period. For the BAA

analysis, the appeals appraiser re-examined the Sales Comparison and Income approaches. While sales generally supported the current value, the income approach reflected the need for adjustment. Given the investment nature of the ownership the income approach was given greater weight. After discussions with the petitioner's representative and upon approval of the property owner, the Tax Year 2023 value was adjusted from \$19,889,100 to \$18,880,000. 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

***St Paul Fire & Marine Insurance Company v. Douglas County BOE,
BAA Docket No. 2024BAA1569***

BOE Decision: October 29, 2024

BOE Action: Petition denied

Current Status: Protest Tax Year 2024; Scheduled at BAA

Property Profile: Address: 9780 Meridian Blvd., Englewood, 80112

Type: *Office Building*

The subject property consists of a Class A, multi-tenant, 5-story office building with a total of 180,810 SF located in the Meridian Office Park in Englewood. The building was constructed in 1997 and is situated on a 11.5-acre lot. The petitioner provided Study Period rent rolls and profit & loss statements for review. While the property was at stabilized vacancy as of June 30, 2022, it experienced higher vacancy and concession expenditures early in the study period. For the BAA analysis, the appeals appraiser re-examined the Sales Comparison and Income approaches. While sales generally supported the current value, the income approach reflected the need for adjustment. Given the investment nature of the ownership the income approach was given greater weight. After discussions with the petitioner's representative and upon approval of the property owner, the Tax Year 2024 value was adjusted from \$19,889,100 to \$18,880,000.