

IAC Litigation Fund

Members Present:

Dan Anderson, Nez Perce County Assessor, Chair
Brian Stender, Canyon County Assessor
Bryan Taylor, Canyon County Prosecuting Attorney
Jack Johnsons, Twin Falls County Commissioner
Dwight Davis, Cassia County Assessor
IAC Staff Contact: Kelli Brassfield

Members Not Present:

Dave Radford, Bonneville County Commissioner
Barry McHugh, Kootenai County Prosecuting Attorney

February 6, 2020 | 8:00 am - 10:00 am MT
IAC Washington Office

MEETING MINUTES

Call to Order

Consideration of Approval of September 2019 Meeting Minutes (Action)

Davis made a motion to approve the minutes from September 2019. Taylor seconded. Motion carried.

CTI v. Canyon County (Action)

CTI appealed their value in the FY2016-17 cycle and this case went to the Idaho Supreme Court and the county decision was upheld. For FY18, CTI found a different appraiser and they came up with \$7.5M and the county assessed at \$17.7M. For FY19, the county appraised at \$19M and CTI assessed at \$8.7M. CTI offered up a settlement in October 2019 of \$10.8M for 2018 and 2019. The county sent a counter offer of \$17M for 2018, 2019, and 2020. CTI denied the counter offer.

The prosecutor's office has been doing the legal work so far. That office is very busy and the county needs outside legal assistance. The original settlement offer is off the table for now; however, if they came back and agreed, the county would take it.

The county is requesting \$50K for outside counsel. The facts are the same as the case before that went to the supreme court. The board discussed that because the facts are the same and the fund balance isn't as high as they would like, they would recommend half of the request and that the county has the ability to come back after assessments start coming in for additional funding.

Johnson made a motion to recommend approval by the LAC Board for up to \$25K in the CTI-SSI v. Canyon County case. Davis seconded. Motion carried. Taylor and Stender abstained.

City Development Inc. & U-save v. Canyon County (Action)

U-Save has mini storage facilities in Ada and Canyon counties. U-Save is unhappy with their FY18 and FY19 appraisals. The appraiser they hired used the cost approach. The appraisals are pretty close together. The county has hired an outside appraiser with a lot of knowledge. The appraiser hired by U-Save and City Development does not have the same experience. The county made an offer at the assessed value which was lower than the independent expert appraiser. The developer has not yet responded to the settlement offer.

If the developer is successful in this appeal, there will be affects all over the state. The income approach is the best way to appraise this type of property. It is hard to know what the actual cost is going to be and the attorneys will ask for a fee to even start.

Canyon County is requesting up to \$50,000 for outside legal fees.

Davis made a motion to recommend approval by the LAC Board for up to \$50K in the U-Save & City Development v. Canyon County case. Johnson seconded. Motion carried. Taylor and Stender abstained.

Twin Islands v. Canyon County (Action)

Twin Islands is owned by the dad of the U-Save and City Development facilities. Twin Island would like to see a reduction based on the cost approach. There is no business value if there are no tangibles in these storage units. There are three facilities. Their appraiser is only using the cost approach. County has paid for the fee appraisals and plans to make a settlement offer once the appraisals and appraisal reviews are finalized.

Canyon County is requesting up to \$50,000 for outside legal fees.

Johnson made a motion to recommend approval by the LAC Board for up to \$50K in the Twin Island v. Canyon County case. Davis seconded. Motion carried. Taylor and Stender abstained.

Meeting adjourned at 10:00 am.
