

NOVEMBER 6, 1998

The Special Master of the Value Adjustment Board, Manatee County, Florida, convened a REGULAR session in the Courthouse Jury Room, 1115 Manatee Avenue West, Bradenton, Florida, Wednesday, November 6, 1998, at 9:05 a.m.

Presiding was: Anthony Comparetto, Esquire

Also present was:

Robin L. Liberty, Deputy Clerk,  
representing R. B. Shore, Clerk of Circuit Court

All witnesses and staff giving testimony were duly sworn.

98-145 LAWRENCE J. PUYANIC - DENIED

Petitioner not present; determination based on petition.

Bill Kersey, Property Appraiser's Office, stated he considered all factors under Florida Statute 193.011 and the three approaches to the real property value. He concluded the assessment is not in excess of the fair market value.

Mr. Comparatto stated that no additional information has been provided by the petitioner and he will recommend denial.

98-135 360 NORTH CONDOMINIUM ASSOCIATION, INC. - DENIED

Steven Judd, representing the petitioner, submitted the following exhibits: letter from Hans Hollinsworth (11/3/98), F.S. §718.120, Warranty Deed from Longboat Key Resort Realty, closing statement, plat, and 1998 TRIM notice.

He advised that §718.120.1, Florida Statutes, states that no ad valorem taxes or special assessments shall be separately assessed against recreational facilities or other common elements, if owned by the condominium association, or owned jointly by the owners of the condominium parcels. He stated this property is owned by 360 North Condominium Association, Inc., and the value should be assessed to the nine condominium units. He advised that the subject property is the sand between 360 North and the Gulf of Mexico and should be considered recreational.

He referred to the closing statement showing the developer transferred this property to the Association for \$32,156.83, the amount of the outstanding tax certificate, in 1987.

Hans Hollinsworth, Property Appraiser's Office, stated the property is outside the condominium plat. He reviewed the condominium documents and found no mention of the land in the bylaws or declaration. He stated the petitioners must file an amendment to the declaration for exemption.

Robin Tardiff, Property Appraiser's Office, advised there is no legal description that attaches this property to the condominium land. He reported on the zoning of the property and noted a portion is platted for residential lots. He advised that it is not a recreational facility and it has development rights. He presented comparable sales.

Mr. Judd contended that all of Longboat Key had platted lots. He maintained that §718.120 states that a recreational facility or common element may be owned by the condo association, and does not have to be submitted to condo ownership.

Charles Hackney, Property Appraiser, outlined his objections to the argument of the petitioner. He advised that he would have no argument if the property was incorporated into the condominium and restricted to recreational use.

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(Continued)

Mr. Comparetto stated he will review this case and will accept case law or legislative intent, if submitted within five days. A recommendation will be made to the VAB.

**Recess/Reconvene.**

**98-123 FLOWERS BAKING CO. OF BRADENTON - DENIED**

Chris Hines, representing the petitioner, stated that it is the contention of the petitioner that the County used a longer economic life on the equipment than what is acceptable.

Debbie Lentz, Property Appraiser's Office, confirmed that the only issue with the petitioner is the 12-year economic life required by Department of Revenue guidelines. She advised that no evidence has been provided contrary to these guidelines.

Mr. Comparetto will make a recommendation to the VAB.

**98-121 and 98-122 COLONIAL REALTY LIMITED PARTNERSHIP - DENIED**

Chris Hines, representing the petitioner, spoke in regard to Colonial Grand at Bayshore I and II, stating that the issue is the performance of the property. He submitted a 1997 rent roll and income approach for Phase I. He reported that the complex is new and has not stabilized as intended, and that occupancy was at 91 percent at the beginning of the year. He reviewed the figures from the rent roll and stated the indicated value is \$7,210,720 for Phase I (98-121).

Toby Richardson, Property Appraiser's Office, stated that he considered the two phases as one apartment complex. He submitted a value summary and comparable sales. He pointed out that Sale 2 is also a new complex incurring the same "lease up" as Phase II. He based the actual value of the property on the income approach for an assessment of \$44,333 per unit, adding both phases together. The petitioner is requesting approximately \$34,000 per unit.

Discussion: Phase II 45 percent vacant as of first of year; expenses; expense ratio.

Mr. Comparetto stated he will review the income approach; however, he believed the Property Appraiser prevailed through the clear and convincing standard.

**98-127 SUMMIT HAMPTON - DENIED**

Chris Hines, representing the petitioner, reviewed 1997 income information for the 352-unit apartment complex and stated the value of the property by this approach is \$12,150,000, rounded.

Mr. Richardson submitted a market analysis, reviewed Comparable Sale 1, and discussed how he arrived at an assessment of \$12,903,422. He noted the difference in his NOI (net operating income) from the petitioner's. Mr. Comparetto will make a recommendation to the VAB.

**98-124 HOLIDAY INN-LONGBOAT KEY - DENIED**

Chris Hines, representing the petitioner, submitted an income analysis and stated this property was considered on its ability to generate income. He discussed how he arrived at an indicated value of \$11,010,597. The cost and market approaches were not considered.

Mr. Richardson submitted a market analysis and advised that all factors under F.S. §193.011 were considered. He referred to comparable sales, stated he considered all three approaches to value, and relied on the income approach for a market value of \$11,881,603.

Mr. Comparetto will make a recommendation to the VAB.

**98-125 SARASOTA HOTEL OWNERS - DENIED**

Chris Hines, representing the petitioner, presented 26 photographs of the Holiday Inn Sarasota (Airport) Hotel & Marina and stated the property was purchased in 1997, however, has gone back to the lender.

Scheduled renovations have not been completed. He submitted a letter from Sheila Bjornstad of Lehman Brothers to Bill Kersey of the Property Appraiser's office, and expense and income information.

He reported 60 units in the south wing have been out of service for renovation (as seen in photographs), and requested an assessment of \$20,000 per unit total for all the rooms, \$19,000 for the boat slips (\$1,140,000), for a total value of \$4,745,182. He noted the cost to bring the rooms up to standards has been revised to \$2,450,788. He advised of assessments of other properties in the area, which do not have water access and range from \$11,640 to \$17,827 per unit.

Mr. Richardson submitted a value summary and comparable sales, etc. He verified that 60 units are gutted at this time; that legal issues exist as to the actual lien date of the property; noted the property sold in 1997 for \$7,670,000; that the date the remodeling commenced is unknown; and that the petitioners are the ones who financed the project.

Mr. Hines spoke regarding the acquisition of this property in September of this year, \$900,000 of inherited construction costs, and \$300,000 worth of liens for trade services.

Mr. Richardson advised that these types of projects do not run 100 percent occupied and having 30-40 units vacant may not affect the income except during peak periods. He reviewed the comparable sales. He advised that he is willing to reduce the assessed value to \$6 million.

Mr. Comparetto will make a recommendation to the VAB.

**98-024 HIGHLAND ASSOCIATES, LTD. - DENIED**

Mr. Richardson reported that he considered all factors under §193.011, the three approaches to value, and does not feel that the assessment is in excess of the fair market value.

**98-108 MANATEE WOODS APARTMENTS - DENIED**

Mr. Richardson advised that all factors under §193.011 and the three approaches to value were considered and the assessment is not in excess of the market value.

**MEETING ADJOURNED**

There being no further business, the meeting was adjourned.

Attest:



Clerk

APPROVED:



Special Master (Date signed 1/2/99)

Adj: 11:00 a.m.  
/apm