

LOCAL BOARD OF APPEAL AND EQUALIZATION MEETING
(BOARD OF REVIEW)
CITY OF CROSSLAKE
FRIDAY, APRIL 11, 2014
10:00 A.M. – CITY HALL

The Local Board of Appeal and Equalization Meeting (Board of Review) for the City of Crosslake, Minnesota was held in the Council Chambers of City Hall on Friday, April 11, 2014 at 10:00 A.M. The following Council Members were present: Mayor Darrell Schneider, Gary Heacox, John Moengen and Mark Wessels. Steve Roe was absent. Also in attendance were City Clerk Char Nelson, Finance Director/Treasurer Mike Lyonais, and Gary Griffin, Sam Bedard and Sandra Ehrich of the Crow Wing County Property Valuation & Classification Department. There were twelve individuals in the audience. (Sign in sheet attached as a permanent record.)

Mayor Schneider called the meeting to order at 10:00 A.M. and stated that the purpose of the meeting was to review property value assessments and classifications for the current assessment year 2014 which will be reflected in taxes payable in 2015.

Gary Griffin introduced himself and noted that today's discussion will not pertain to property tax issues or prior year's valuations. The 2014 Estimated Market Value (EMV) for Residential/Seasonal properties increased 1.5%, Commercial decreased 3.1%, and Agricultural decreased 10.5%, bringing an increase to the Total Estimated Market Value for the City of Crosslake to 1.2%. A total of 81 sales were used in determining the valuations. The County's overall median ratio for all classifications was at 94.39% of market value. Mr. Griffin noted that all decisions made by the Council today should be adopted by a formal vote. Council options include: 1.) no change, 2.) lower the value, 3.) raise the value, 4.) change the classification, or 5.) have the assessor inspect the property and report to the local board.

Scott Madison of 12865 Anchor Point Road addressed the Council and stated that he was told by the Property Valuation & Classification Department of Crow Wing County that the 17% increase to his Estimated Market Value was due to a Quality Lakeshore Adjustment. The County had determined that the properties on Anchor Point Road had very low market values and made adjustments across the board to these property owners to "catch up" to what the values should be. Mr. Madison requested that the Council reduce the market value to a 1% or 2% increase. Gary Griffin stated that the County has the property valued at \$89,700 less than what Mr. Madison paid for the property and stated he considered the EMV to be fair. A lengthy discussion ensued regarding neighboring properties and the quality of the lakeshore in front of his property. MOTION 04S2-01-14 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCEL 120082204K00009. MOTION CARRIED WITH ALL AYES. Mr. Griffin stated that Mr. Madison would be sent a letter regarding the decision made by the Council today and information on appealing the decision to the Crow Wing County Board.

Jim Cotten of Judy's House of Gifts at 35494 County Road 3 addressed the Council to request that future sales of property as well as current sales of property be used to determine market values. Last year Mr. Cotten's value increased 47% and this year it decreased approximately 3%. Gary Griffin suggested that the Council consider an additional decrease in the EMV from \$468,900 to \$456,300 due to unusable swamp land on the site. MOTION 04S2-02-14 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO REDUCE THE ESTIMATED MARKET VALUE FROM \$468,900 TO \$456,300 FOR PARCEL 120212400LBA889. MOTION CARRIED WITH ALL AYES.

Richard Rammer of 14366 Big Pine Trail addressed the Council and stated that property values on Big Pine Lake should not have seen an increase because the dam is in need of repairs and many properties were recently flooded due to a break in the dam. There is no imminent plan to fix the dam. Mr. Rammer argued that the recent buyers of property on the lake were not aware of the problems with the dam and those sales should not be considered to determine the market values. Gary Griffin stated that the County is not allowed to deviate from the information supplied from recent sales. MOTION 04S2-03-14 WAS MADE BY JOHN MOENGEN AND SECONDED BY GARY HEACOX TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCEL 141050000290889. MOTION CARRIED WITH ALL AYES. Mayor Schneider encouraged Mr. Rammer to take the information regarding the faulty dam to the County Board for appeal.

Helen Fraser of 13053 Anchor Point Road addressed the Council and stated that the EMV of her property increased \$228,800. Mrs. Fraser questioned what the value of the lakeshore was per foot and asked for an explanation of the value of her second lot. Mrs. Fraser did not request an adjustment. MOTION 04S2-04-14 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCEL 120053400EAD009. MOTION CARRIED WITH ALL AYES.

Jon Gennaro of 35910 Robert Street addressed the Council and stated that he purchased this property for \$321,000 even though the market value was \$416,600. The estimated market value for 2015 increased to \$450,200. Mr. Gennaro requested that the market value reflect the price he paid for the lot. Gary Griffin explained that the County must consider all of the sales on Cross Lake and stated that his sale was the only sale out of seven that sold for less than the estimated market value. Mark Wessels stated that he is familiar with the property and that the neighboring homes were built many years ago and are close to the lot lines. MOTION 04S2-05-14 WAS MADE BY MARK WESSELS AND SECONDED BY DARRELL SCHNEIDER TO REDUCE THE ESTIMATED MARKET VALUE FROM \$450,200 TO \$414,200 FOR PARCEL 141590000070009. MOTION CARRIED WITH ALL AYES. This decision could be appealed to the County Board.

The Council took a five minute recess and reconvened at 12:00 P.M.

Cheryl Luttring of 13192 Gladick Lane addressed the Council and requested a decrease in the value of her property because the well had been capped eight years ago and there is no septic on the property. Gary Griffin recommended reducing the value by \$12,000 based on that information and suggested that the County do a site visit to determine if any other adjustments could be made. MOTION 04S2-06-14 WAS MADE BY JOHN MOENGEN AND SECONDED BY GARY HEACOX TO REDUCE THE ESTIMATED MARKET VALUE FROM \$246,600 TO \$234,600 FOR PARCEL 141360010020009. MOTION CARRIED WITH ALL AYES.

Craig Simard of 38001 Anchor Point Road addressed the Council and stated that the value of his property increased \$95,400. Mr. Simard argued that his lakeshore is very weedy and that the elevation is not perfect. Mr. Griffin offered to do a site visit to determine if any reductions would be possible. MOTION 04S2-07-14 WAS MADE BY JOHN MOENGEN AND SECONDED BY GARY HEACOX TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCEL 120053400F00009. MOTION CARRIED WITH ALL AYES.

Gordon Siemers of 35724 and 35740 County Road 3 addressed the Council and stated that the market values of his properties increase by approximately \$30,000 each last year. This year there was a slight decrease. Mr. Siemers only requested information regarding the determination. MOTION 04S2-08-14 WAS MADE BY JOHN MOENGEN AND SECONDED BY GARY HEACOX TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCELS 142020010020009 AND 142020010030009. MOTION CARRIED 3-0 WITH WESSELS ABSTAINING FROM THE VOTE.

Thomas Novak of 16479 Pine lure Drive addressed the Council and stated that the lakeshore of Little Pine Lake is becoming weedy and that the County should do a site evaluation in the near future. Gary Griffin replied that a physical inspection is scheduled for 2014. Mark Wessels noted that there is a large weed bed in the middle of the lake and a bog in the bay near Mr. Novak's property. MOTION 04S2-09-14 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCEL 120024200C00009. MOTION CARRIED WITH ALL AYES.

The Council reviewed a written property value appeal request from Laurence and Nancy Thayer Haggerty of 37502 Forest Lodge Road and a recommendation from the County to make no change to the EMV. The value increased from \$519,700 to \$685,900 due to the Quality Lakeshore Adjustment. MOTION 04S2-10-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCEL 120071101O00009. MOTION CARRIED WITH ALL AYES.

The Council reviewed a written request from Robert and Kathleen Mellas of Manhattan Point Boulevard for an explanation of the valuation of three lots that they own. Mr. Griffin explained that the County is changing the distribution of value of contiguous

properties owned by the same party. The first 100 feet are valued higher than the rest, however the overall value of the three lots remains the same. It is only divided differently. The County mailed a reply to the Mellas'. MOTION 04S2-11-14 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PARCELS 141490350090009, 141490350100009, AND 141490350110009, MOTION CARRIED WITH ALL AYES.

The Council reviewed a written property value appeal request from Kenneth and Sandra Tschannen of 16059 Pine Lure Drive and a recommendation from the County to reduce the EMV of the building. MOTION 04S2-12-14 WAS MADE BY JOHN MOENGEN AND SECONDED BY MARK WESSELS TO APPROVE THE VALUATION DECREASE FROM \$530,900 TO \$492,300 AS PROPOSED BY THE COUNTY FOR PARCEL 120023105000009, MOTION CARRIED WITH ALL AYES.

The Council reviewed a written property value appeal request from Daniel and Anne Novak of 38027 Anchor Point Lane and a recommendation from the County to reduce the EMV. MOTION 04S2-13-14 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO APPROVE THE VALUATION DECREASE FROM \$521,400 TO \$496,000 AS PROPOSED BY THE COUNTY FOR PARCEL 120053400HA0009, MOTION CARRIED WITH ALL AYES.

The Council reviewed a written property value appeal request from Mary DuBois Adamek of 36423 County Road 66 and a recommendation from the County to reduce the EMV. MOTION 04S2-14-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO APPROVE THE VALUATION DECREASE FROM \$484,100 TO \$442,500 AS PROPOSED BY THE COUNTY FOR PARCEL 120163204L00889, MOTION CARRIED WITH ALL AYES.

The Council reviewed a written property value appeal request from the Evergreen Villa Condominiums. The County did an on-site inspection of the property and recommended a reduction in the EMV. MOTION 04S2-15-14 WAS MADE BY JOHN MOENGEN AND SECONDED BY GARY HEACOX TO APPROVE THE VALUATION DECREASE FROM \$2,003,100 TO \$1,327,500 AS PROPOSED BY THE COUNTY FOR THE 20-UNITS AT EVERGREEN VILLAS ON DAGGETT PINE ROAD, MOTION CARRIED WITH ALL AYES.

There being no further comments, MOTION 04S2-16-14 WAS MADE BY MARK WESSELS AND SECONDED BY DARRELL SCHNEIDER TO ADJOURN THE BOARD OF REVIEW MEETING AT 1:03 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,

A handwritten signature in black ink that reads "Charlene Nelson". The signature is written in a cursive style with a large initial "C".

Charlene Nelson
City Clerk

Deputy Clerk/Minutes/4-11-14 Board of Review.doc

CITY OF CROSSLAKE LBAE
FRIDAY, APRIL 11TH 10:00 AM

TIME	NAME	PARCEL NUMBER
10:00	Scott Madison	1200822.04K00009
10:10	Bob Mellas (written appeal)	141490350090009 110009 100009 120009
10:20	Jim Cotten	1202124001BA889
10:30	Larry Haggerty (written appeal)	120071101000009
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