

Minutes for the Board of Appeal & Equalization
April 1, 2010

TOWN of BIG LAKE
“Sherburne County’s First 5-Member Township Board”
P.O. Box 75, Big Lake, Minnesota 55309

On Thursday, April 1, 2010, the Big Lake Board of Supervisors met at the Big Lake Town Hall located in the Big Lake Lions Park at 21960 County Road #5, Big Lake Township, Sherburne County, State of Minnesota.

Chairman Hofer called the meeting to order at 9:00 a.m. There were 12 people in the audience at the start of the meeting. Roll call was taken by the Chairperson.

Board Members Present:

	Bob Hofer, Chairman
	Mike Hayes, Supervisor
	Norm Leslie, Supervisor
	Jim Stahlmann, Supervisor
	Laura Hayes, Clerk

Gerald Kritzeck, Sherburne County Assessor advised all in attendance that the purpose of the Board of Appeal and Equalization is to review the 2010 market valuation of property. Taxes of which, are payable in 2011. It was noted that the Town Board has the authority to change estimated market value of a property, but not the taxes on the property. The Town Board will be acting as the Board of Equalization. Gerald Kritzeck, Sherburne County Assessor will be acting in an advisory capacity. Staff present included John Cullen, Chief Deputy Assessor and Comm./Ind./Apartment Appraiser; Beth Kautz, Residential Appraiser; Jeanne Henderson, Agricultural Appraiser; Shelly Murschel, Residential Appraiser. Gerald Kritzeck advised that sales ratio studies compare the Assessor’s estimated market value to the sale price of the property. Sales from October 1, 2008, through September 30, 2009 were used to determine the 2010 assessor’s estimated market value. Minnesota Department of Revenue requires the assessor to maintain a 90 to 105% ratio. 22 residential improved property sales in Big Lake Township were reviewed. A sales ratio study of these properties demonstrated a median ratio of 98%. The study of 5 residential land sales indicated a median ratio of 133.1%. The house and garage square foot values were lowered by 4% in the 2010 Computer Aided Mass Appraisal (CAMA) county wide residential building schedule. The land values were adjusted on some parcels to reflect changes in the market. After making these changes and including the reappraisal work done for the 2010 assessment, the adjusted sales ratio for Big Lake Township is 92.29%. There were a total of 187 building permits issued for Big Lake Township in 2009. This included 6 permits for single-family homes. In 2008 there were 4 permits for new homes. In 2007 there were 17 permits for new homes. Areas of Big Lake township reappraised for the 2010 assessment were: Metes and bounds parcels in Sections 5,6 & 7; twp 33; range 27; Metes and bounds parcels in Sections 1,12,35, and 36; twp 33; range 28; Roseacres, Kregel Estates; T-Bone Acres; Eagle Corner; Griffey Acres; Gates Addition; Stephens Point; The Cedars; Shorewood Acres; Shorewood Acres 2nd Addition; Sleepy Hollow South.

Chief Deputy Assessor, John Cullen advised nine (9) Commercial/Industrial building permits were issued in Big Lake Township in 2009.

Robert Gramsey
20440 US Highway 10
Big Lake, MN 55309

PID# 10-324-3205
Physical Address: N/A
104.25 acres

Robert Gramsey appeared before the Board of Appeal and Equalization to state his concern regarding the 189% property tax increase on this parcel. He noted this parcel has a homestead/agricultural classification. After brief discussion Supervisor Leslie motioned no change. Supervisor Stahlmann seconded. All present were in favor. The motion carried.

Stephen Miller
PO Box 766
Elk River, MN 55309

PID# 10-519-0515
Physical Address: 15006 204th Avenue NW
.75 acres

Stephen Miller appeared before the Board of Appeal and Equalization to review the assessed value of his property. Stephen Miller presented an appraisal received from an outside appraiser as comparable properties. Residential appraiser, Beth Kautz advised the Board that the property was in its seventh, and final year of the plat law deferral; which phases in the taxable value for un-built lots. Beth reviewed comparable, arms-length sales; and, advised that all land in Big Lake Township was lowered 10%. She further advised that due to the issues facing residents in Aspen Hills, lot values were further reduced. Supervisor Hofer motioned no change. Supervisor Stahlmann seconded. All present were in favor. The motion carried.

Bruce Jacobsen
18885 218th Avenue
Big Lake, MN 55309

PID# 10-401-1930
Physical Address: N/A
2.14 acres

Bruce Jacobsen appeared before the Board of Appeal and Equalization to inquire about flood designations on properties. He advised he had been notified by the Sherburne County Planning and Zoning Department about an open house to view and discuss the proposed new floodplain boundaries on Tuesday, April 6, 2010. He inquired about flood insurance and requirements to have it on property located in the floodplain. It was noted insurance is only required if there is third party interest in the property, such as a bank or other lending institution. Supervisor Stahlmann motioned no change. Supervisor Leslie seconded. All present were in favor. The motion carried.

Lynn Hendrickson
18262 221st Avenue NW
Elk River, MN 55330

PID# 10-502-0130
Physical Address: 18262 221st Avenue NW
2-Story

Lynn Hendrickson appeared before the Board of Appeal and Equalization to review the assessed value of his property. the assessed value of the property in 2009 was \$340,700., the assessed value in 2010 was 323,600. He advised he had an outside appraisal done in July 2009, which placed the value at \$285,000. Residential Appraiser, Beth Kautz reviewed the comparables provided by Lynn Hendrickson and located other comparable, arms length sales for comparison. After consideration of additional storage buildings, finished basement and a grade of 9.5 for quality and workmanship an assessed value of \$285,000. was determined. Supervisor Stahlmann motioned to reduce the assed value of the property to \$285,000. with the change occurring to the assessed value of the house; and, to make no change to the assessed value of the land. Supervisor Leslie seconded. All present were in favor. The motion carried.

Erv Danielowski
981 Nicollet Avenue
Big Lake, MN 55309

PID# 10-120-3410
Physical Address: N/A
.50 acres mini-storage

Chief Deputy Assessor and Comm./Ind./Apartment Appraiser, John Cullen advised that he met with Erv Danielowski this morning regarding his assessed value. Erv Danielowski will be providing income and expense statements to the Assessors Office for review. Following that review, any recommendation for change to the assessed value will be made to the County Board of Equalization. Supervisor Hayes motioned no action. Supervisor Stahlmann seconded. All present were in favor. The motion carried.

Bradley V. Larson
Hidden Acres LLC
313 West Broadway
PO Box 446
Monticello, MN 56362

PID# 10-118-1101 & 10-117-2200
Physical Address: 21102 County Road 43
61.48 acres/"Hidden River View"

Brad Larson appeared before the Board of Appeal and Equalization to review the assessed value of the property. Brad Larson gave the history of the property, which includes the operation of a municipal dump operated from the mid-1940's to the 1960's; and, his efforts to clean up the property and receive a "No Association" letter from the Minnesota Pollution Control Agency (MPCA). Upon receipt of this letter, the property can continue through the process of being platted and developed for residential living. Brad Larson advised that as part of the MPCA application he needs to state how it will come into benefit for the community. Currently the property has very little to no value according to Brad Larson, because no bank will enter into a mortgage for it and no title insurer will insure it. Residential Appraiser, Beth Kautz reviewed the three classifications and assessed value of parcel 10-117-2200 totaling \$648,000. There was lengthy discussion regarding Brad Larson's costs for clean up of the property ("cost to cure"), a lack of comparable properties and Brad Larson's outside appraisal of the property. Supervisor Hayes motioned to reduce the assessed value of the property to \$410,000. Supervisor Stahlmann seconded. All present were in favor. The motion carried.

Scott Paulson
19704 214th Avenue
Big Lake, MN 55309

PID# 10-456-0115
Physical Address: 19704 214th Avenue
2-Story

Scott Paulson appeared before the Board of Review and Equalization to review the assessed value of his property. Scott Paulson advised the assessed value of his property in 2009 was \$809,000., in 2010 it was reduced to \$770,200. He presented an outside appraisal he had received for the property. He noted that the appraisal he was presenting was not completely accurate because the number of bedrooms and bathrooms listed was lower than what there actually are. Residential Appraiser, Beth Kautz advised the closest comparable property is on a 2.5 acre lot in Black Cherry Preserve, it is a grade 14 on a scale of 15 and is valued at \$514,000. There was discussion regarding how the assessed value is determined when there are no comparable properties. Beth Kautz reviewed the components of Scott Paulson's house, the grade and square footage, and the addition of an attached guest house. She further noted land values on the lake had decreased. Supervisor Hayes motioned no change. Supervisor Leslie seconded. All present were in favor. The motion carried.

Lyle Clemenson
100 74th Way North
Brooklyn Park, MN 55444

PID# 10-113-3100
Physical Address: 14895 209th Avenue NW
10.4 acres & house

Lyle Clemenson appeared before the Board of Review and Equalization to review the assessed value of his property. He advised the house was built in the early 1900's and the property requires a lot of clean up. Residential Appraiser, Beth Kautz reviewed the property noting it is a grade 4.5. She also advised the garage is very old and was considered to have no value. Lyle Clemenson advised the garage would be taken down. Beth Kautz recommended the following decrease:

	2010 Original	2010 Suggested Change
Land	\$112,800	\$92,300.
Building	<u>75,400</u>	<u>39,200</u>
Total	\$188,200	\$131,500

Decrease of \$56,700.

Decrease in value of land for clean up. Decrease in building value for depreciation. Supervisor Hayes motioned to reduce the assessed value of the land and buildings as recommended. Supervisor Stahlmann seconded. All present were in favor. The motion carried.

Jeff Krischano
14971 203rd Avenue NW
Elk River, MN 55309

PID# 10-519-1220
Physical Address: 14971 203rd Avenue NW
2-Story

Jeff Krischano appeared before the Board of Review and Equalization to review the assessed value of his property. He advised he purchased the property in 2005 for

\$329,000. and the 2010 assessed value is \$349,400. He further advised he had an outside assessment done on the property, which gave a value of \$81. per sq. foot for a total value of \$254,000. Comparable properties with assessed values of \$246,000. and \$330,800. were reviewed. It was noted that this house is a grade 12. Supervisor Leslie motioned to reduce the assessed value of the house by \$14,000. to \$335,400. Supervisor Hayes seconded. All present were in favor. The motion carried.

Leander Schlosser
15945 227th Avenue NW
Elk River, MN 55330

PID# 10-102-2320
Physical Address: 15945 227th Avenue NW
11.14 acres & house total

Lee Schlosser appeared before the Board of Review and Equalization to discuss the change in classification from residential to commercial and to note the encroachment of a township road on his property. He understood he was grandfathered in because he had an existing business. He advised his business has been in operation at this site for approximately 40 years. Chief Deputy Assessor and Comm./Ind./Apartment Appraiser, John Cullen advised that the property has been classified commercial with homestead since 1987. It was noted there are no comparable properties available for review. Lee Schlosser advised that he would like all competing businesses to be reviewed to see if commercial is operating on residential property. John Cullen advised that if the addresses are provided, the assessor's staff will review. There was brief discussion regarding an arbitrary appraisal done in 2005. At that time, Lee Schlosser opted to not have a walk through and reappraisal conducted. He advised he will make an appointment to have Beth Kautz walk through the house. Motion by Hayes for no action. Seconded by Stahlmann. All present were in favor. The motion carried.

Residential Appraiser, Beth Kautz reviewed the following letter received requesting adjustment to the assessed value of the properties.

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| 1.) | Craig D. McAdams
18482 218 th Avenue NW
Big Lake, MN 55309 | PID# 10-492-0120

2-Story |
|-----|---|---------------------------------|

Craig McAdams submitted a request for a reduction to the assessed value of his property. He advised the house was purchased in 2009 for \$290,000. The properties he included as comparable were foreclosure sales and therefore can't be considered. Supervisor Leslie motioned no action. Supervisor Hayes seconded. All present were in favor. The motion carried.

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| 2.) | Michael & Jennifer Plombon
20466 150 th Street
Elk River, MN 55330 | PD# 10-519-0310

2-Story |
|-----|---|--------------------------------|

Michael & Jennifer Plombon submitted a request for a reduction to the assessed value of their property. It was built in December 2009 with a pre-construction appraisal for \$230,000. The assess value is \$257,000. The Plombon's determined a more accurate value would be \$232,000. based on private appraisals. Supervisor Stahlmann motioned to reduce the assessed value of the house/building by \$10,000. Supervisor Hayes seconded. All present were in favor. The motion carried.

Residential Appraiser, Beth Kautz reviewed the following 2010 property assessment change recommendations. Supervisor Hayes motioned to approve the 2010 assessment changes as recommended. Supervisor Stahlmann seconded. All present were in favor. The motion carried.

1.) LASTAVICH, NICHOLAS & NATALIE P.I.N. 10-106-3104
22447 COUNTY RD 5
BIG LAKE MN 55309

Description: Sec/twp/rge: 6/33/27 Acres: 5.86
E 209FT OF NE 1-4 OF SW 1-4 LYING S OF CR 5

An arbitrary appraisal was done for the 2010 assessment because the assessor did not gain access to the property. On March 23, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 91,500	\$ 91,500
Building	<u>322,200</u>	<u>240,600</u>
Total	\$413,700	\$332,100

Decrease of \$81,600.

Value decreased after reassessment. Remove arbitrary appraisal.

2.) HALL, KEVIN A
17131 COUNTY RD 83
BIG LAKE MN 55309

P.I.N. 10-109-4201

Description: Sec/twp/rge: 9/33/27 Acres: 14.81
W 1-2 OF W 1-2 OF SW 1-4 OF SE 1-4. & W 1/2 OF SW 1/4 OF NW 1/4
OF SE 1/4 PLUS EASE ACROSS W 2 RODS OF S 1-2 OF NE 1-4

After the taxpayer received his Notice of Valuation and Classification, he contacted the Assessors office regarding his value. On March 23, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$130,500	\$109,500
Building	<u>89,800</u>	<u>77,800</u>
Total	\$220,300	\$187,300

Decrease of \$33,000.

Decrease in value of land for acres that are low. Decrease in building value for depreciation.

3.) BLOOMSTROM, KIRK R
20193 COUNTY RD 73
BIG LAKE MN 55309

P.I.N. 10-302-1100

Description: Sec/twp/rge: 2/33/28 Acres: 14.01
W 1-2 OF W 1-2 OF NE 1-4 OF NE 1-4 & E 190 FT
OF NW 1-4 OF NE 1-4.

After the taxpayer received his Notice of Valuation and Classification, he contacted the Assessors office regarding his value. On March 23, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$118,500	\$ 95,500
Building	<u>124,500</u>	<u>129,000</u>
Total	\$243,000	\$224,500

Decrease of \$18,500.

Decrease the value of the land for acres that are low and with limited access. Increase in the building value is the correction of the square footage of the pole building and the attached garage.

4.) EDENS, PATRICK M & ROMA M
20276 COUNTY ROAD 14
BIG LAKE MN 55309

P.I.N. 10-335-1301

Description: Sec/twp/rge: 35/33/28 Acres: 1.25
ALL THAT PT OF GOVT LOT 2 DES AS COM AT NE
CORNER OR OF GOVT LOT 2; THENCE N 89 DEG 28
MIN W ASSUMED BEARING ALONG THE N LINE THER +

An arbitrary appraisal was done for the 2010 assessment because the assessor did not gain access to the property. On March 22, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 59,300	\$ 59,300
Building	<u>211,700</u>	<u>150,300</u>
Total	\$271,000	\$209,600

Decrease of \$61,400.

Value decreased after reassessment. Remove arbitrary appraisal.

5.) NAFSTAD, RICHARD D & RHONDA
20097 COUNTY RD 14
BIG LAKE MN 55309

P.I.N. 10-405-0080

Plat: The Cedars
Description: Lot 8

An arbitrary appraisal was done for the 2010 assessment because the assessor did not gain access to the property. On March 24, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 92,200	\$ 92,200
Building	<u>456,600</u>	<u>304,500</u>
Total	\$548,800	\$396,700

Decrease of \$152,100.

Value decreased after reassessment. Remove arbitrary appraisal.

6.) MARTIN, LEANN
14504 145TH CIRCLE NW
ELK RIVER MN 55330

P.I.N. 10-412-0140

Plat: TWIN PINES SECOND ADDITION
Description: LOT 8, BLK 1

An arbitrary appraisal was done for the 2008 assessment because the assessor did not gain access to the property. On March 24, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 59,500	\$ 59,500
Building	<u>168,500</u>	<u>118,900</u>
Total	\$228,000	\$178,400

Decrease of \$49,600.

Value decreased after reassessment. Remove arbitrary appraisal.

7.) NEI, PATRICK E & KRISTI K
19767 183RD AVE
BIG LAKE MN 55309-9522

P.I.N. 10-417-0350

Plat: SHOREWOOD ACRES SECOND ADDITION
Description: LOT 10, BLK 3

An arbitrary appraisal was done for the 2010 assessment because the assessor did not gain access to the property. On March 25, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 57,500	\$ 57,500
Building	<u>247,100</u>	<u>170,100</u>
Total	\$304,600	\$227,600

Decrease of \$77,000.

Value decreased after reassessment. Remove arbitrary appraisal.

8.) PETERSON, ARTHUR R & BEVERLY A P.I.N. 10-417-0510
19993 182ND AVE
BIG LAKE MN 55309-9549

Plat: SHOREWOOD ACRES SECOND ADDITION
Description: LOT 1, BLK 5 & PT OF VACATED SERVICE RD.

An arbitrary appraisal was done for the 2010 assessment because the assessor did not gain access to the property. On March 24, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 98,100	\$ 98,100
Building	<u>349,000</u>	<u>239,800</u>
Total	\$447,100	\$337,900

Decrease of \$109,200.

Value decreased after reassessment. Remove arbitrary appraisal.

9.) MORTENSON, MARK ALLAN P.I.N. 10-419-0650
19390 181ST AVE
BIG LAKE MN 55309

Plat: SLEEPY HOLLOW SOUTH
Description: LOT 10, BLK 6

An arbitrary appraisal was done for the 2010 assessment because the assessor did not gain access to the property. On March 31, 2010, the property was viewed. After reappraising the property, the value should be corrected as follows:

	2010 Original	2010 Suggested Change
Land	\$ 57,500	\$ 57,500
Building	<u>203,600</u>	<u>126,600</u>
Total	\$261,100	\$184,100

Decrease of \$77,000.

Value decreased after reassessment. Remove arbitrary appraisal.

A motion was made by Supervisor Hayes to adjourn the 2010 Board of Appeal and Equalization. Supervisor Leslie seconded. All present were in favor. The motion carried. The meeting adjourned at 12:15 p.m.

Respectfully Submitted,

Laura Hayes, Clerk
Town of Big Lake