

# MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL OF THE CITY OF NORTH BRANCH IN THE COUNTY OF CHISAGO AND IN THE STATE OF MINNESOTA

## BOARD OF EQUALIZATION APRIL 20, 2016

CALL TO ORDER: The North Branch City Council met as the Board of Equalization and Mayor Hagen-Kennedy called the meeting to order at 6:00p.m.

ROLL CALL: Councilmembers present were: Theresa Furman, Joyce Borchardt, Robert Canada, Kristen Hagen-Kennedy and Kathy Blomquist. Staff members present were City Administrator Konrad, County Assessor Chase Peloquin, and County Assessor Rich Koons.

Konrad noted that the meeting was to only address the 20165 property value for taxes payable in 2017. The meeting is not to discuss budgets or taxes. The meeting is to give residents an opportunity to be heard and to make sure that all property owners have been treated fairly with regard to their established value of their property.

The following individuals addressed the Council:

Ryan Carlson - Parcel 11.00970.52 –Expressed concern about the \$21,000 increase to his value because he made no improvements to his property. He stated that houses in his neighborhood with fewer amenities sold for less than his assessed value. He stated that 12 of the 17 homes in his neighborhood had value decreases. He stated he bought the house for \$320,000 in 2015 but felt based on other sales in the neighborhood that his home should be valued in the area of \$175,000. Peloquin noted that the purchase for \$320,000 was a qualified sale. He noted the County has the value at \$295,700. He also noted that other sales on Chain Lake were not arm's length transactions so can't be used.

Peloquin noted that values on the lake are up based on sales. During the study period there were 117 qualified sales. The County has value properties within 90-105% of sales. With the qualified sales they were at 89.77% so values rose 6% bringing values to 95%. He noted that the market is rebounding and there was a lot of sales activity in North Branch and median sales were up.

Cory Petrick – Parcel 11.00170.46 – Felt the value of \$291,000 was extremely high. He stated he had an appraisal done last year for a refinance at it came in at \$240,000. He was excited that there is new building again but felt his property should be valued around \$260,000. Peloquin stated that appraisals for refinancing tend to be conservative, but he was willing to review the appraisal but felt \$291,000 was appropriate based on sales.

Travis Roy – Parcel 11.00970.58 - Closed on his house in December for \$325,000 and the appraisal is \$363,000 but the County has it assessed at \$447,000. Peloquin noted

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that the \$447,000 was last year's appraised value. The 2016 value is \$420,900. He also noted that the purchase was a short-sale. He informed Council that distressed transactions are usually 20-40% less than qualified sales.

Motion by Furman, seconded by Borchardt, to maintain the value of \$295,700 on parcel 11.00970.52. Members voted: Aye-2 and Nay-3 (Blomquist, Canada and Hagen-Kennedy). Motion failed.

Peloquin recommend the value of this property be raised based on area sales and based on the real estate listing more of the basement was finished than the County showed.

Motion by Blomquist, to request a field call. Motion withdrawn

Motion by Furman, seconded by Borchardt, to maintain the value of \$295,700 on parcel 11.00970.52. All voted Aye. Motion carried

Motion by Borchardt, seconded by Canada, to reduce the value of parcel 11.00170.46 to \$279,000. Members voted: Aye-4 and Nay-1 (Blomquist). Motion carried.

Motion by Furman to reduce the value of parcel 11.00970.58 to \$325,000. Motion died for lack of a second.

Motion by Borchardt, seconded by Blomquist to recued the value of parcel 11.00970.58 to \$375,000. Members voted: Aye-4 and Nay-1 (Furman). Motion carried.

It was noted that Dave Jensen was present but had no appeal.

Peloquin noted that there were several parcels that contacted their office prior to the meeting and were reviewed. A list of recommendations was provided to the Council.

Motion by Furman, seconded by Borchardt, to accept the following recommendations of the County Assessor:

- Parcel 16.00505.94 reduced to \$131,300 because of condition of the buildings
- Parcel 16.00236.00 reduced to \$118,600 because of condition of the buildings
- Parcel 16.00595.00 reduced to \$113,600 because of the condition of the land
- Parcel 11.00594.00 reduced to \$97,200 because of the condition of the land
- Parcel 11.00862.61 reduced to \$285,600 because of corrections to building data
- Parcel 11.00355.15 reduced to \$20,000 because of lot location.

All voted aye. Motion carried.

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Motion by Furman, seconded by Canada to adjourn the meeting.

ADJOURNED at 7:07 p.m.

Respectfully submitted,

Bridgitte Konrad, City Administrator