

**Credit River Township
2014 Local Board of Appeal & Equalization (LBAE)
April 24, 2014**

Call to Order:

Chairman Brent Lawrence called the meeting to order at 3:00 pm.

Present:

Board Members: Chairman Brent Lawrence, Vice Chairman Tom Kraft, Supervisor Leroy Schommer, Supervisor Chris Kostik

Others Present: Dell Sanko, Scott County Taxation Assessor; Thomas Wermerskirchen, Scott County Taxation Assessor; Township Clerk Quinn

Absent:

Board Members: Supervisor Al Novak

Chairman Lawrence read the Board Statement that explained that the meeting is about valuation for 2015 and not tax levels for 2015.

Scott County Tax Appraiser Dell Sanko opened the meeting by explaining that Scott County went through a county-wide process that resulted in an increase in the valuations of most properties. This process took into account individual property features and comparable sale information. Mr. Sanko also stated that Scott County, in aiming for a 100% valuation ratio, and is currently around a median of 95% valuation.

Scott County Assessor Mr. Dell Sanko read the Consent agenda. The consent agenda contained one property, 19191 Highview Court, PID #040860070. PID# 040860070 is discussed and motioned below.

A motion was made by Vice Chair Tom Kraft to approve the Consent agenda. A second was made by Supervisor Leroy Schommer. Motion passed 4-0.

Appearances:

- 1) **C. Helgeson, 9401 Birch Lane, Prior Lake, PID #040330170.** Resident has a new home on approx. 2.5 acres and the property was assessed when it was “9/10th” complete. Resident is concerned that the property increased in tax assessed value over \$100,000.00, and she feels it is too high of an increase in valuation. Assessor will visit the property at the Board’s request to evaluate the property value. Assessor Sanko will contact the resident, evaluate the property, and report his findings to the Credit River Board at the May 5, 2014 Credit River Reconvene of the Local Board of Appeal & Equalization (LBAE).

- 2) **Steve Schmidt, 7175 169th St E., PID#041090010-** Resident asked if Credit River and New Market Township were hit the hardest with increased tax valuations. Assessor Sanko said that increases in valuation are correlated to land values in those two named Townships being the highest. Resident did not formally appeal and stated that he just wanted to ask the question.

- 3) **Laverne Soll, 7211 Creekwood Lane, PID #049050330-**Resident stated that his question had been answered and did not want to formally appeal his valuation.

- 4) **Ron Enright, 9721 Frontier Lane, Multiple PID #'s including PID #040710131-** Resident owns several lots in the Township. The various lots that the resident owns have increased in value to approx. \$171,000. 00/ ea. Resident also was assigned an increase in his home value. He disputes both. The tax assessor explained that the situation may be that they were undervalued for many years and were adjusted. Resident continues to strongly dispute the value assigned to his lots.

Assessor Dell Sanko invited the Resident to come to the Scott County Government Center and look at the valuation and valuation increases of comparable neighborhoods. Chairman Lawrence encouraged the resident to do that in between now and the Reconvene of the Local Board and Equalization on May 5, 2014; and recommended that Resident look at nearby lots and see what happened to their property valuation.

5) David Clemens, 19425 Foxfield Drive, PID # 040860280- Resident stated that this winter the Assessor came to visit his home unannounced and resident's wife would not let him in. Resident wants to know why the County goal is to tax assess at 95%, since taxable value has very little to do with sales value. Assessor answered that it is a state mandate. Resident wants to know if his tax value is based upon a finished basement, and his basement is not finished. Chairman Lawrence recommends a walk through assessment and the Board will revisit the issue at the Reconvene of the LBAE. Assessor Sanko will contact the resident, evaluate the property, and report his findings to the Credit River Board at the Reconvene of the LBAE which will be held during the May 5, 2014 Credit River Board Meeting.

6) Eric Barke, 19761 Oak Grove Avenue, PID #040770180- Resident is concerned that his value has steadily increased with no changes to his home. Resident would like to finish his basement but feels that he would be priced out of his home tax-wise if he does so. Resident states that his valuation is about the highest at about \$211 per square foot of finished space. Tax Assessor Sanko and Chairman Lawrence recommend a walk through assessment and the Board will revisit the issue at the reconvene of the LBAE. Assessor Sanko will contact the resident, evaluate the property, and report his findings to the Credit River Board at the May 5, 2014 Credit River Board Meeting.

7) John Kane, 6905 217th St E, PID#049310121- Resident's brother, Joe Kane attended the LBAE on his behalf. Parcel in question increased in valuation 730%. Assessor Sanko stated that the reason was that the parcel is required to be valued as its "highest and best use," and in this case that value would be residential. The Scott County Tax Assessor's Office states it was previously classified Ag but because it is not contiguous to his farm, its highest use is residential. Accordingly, it has been valued at \$140,000.00 per acre. But because it will still be classified for Ag use, it will still qualify for a 50% reduction in tax fees.

The Credit River Board invites Mr. Kane to the May 5, 2014 Town Meeting and LBAE Reconvene on May 5, 2014. They will take the information presented under consideration.

8) Sean Lake, 20840 Prairie Hills Lane, PID #040820020- Property owner has a lot that has increased in tax valuation from \$80,000.00 to \$125,000.00 this year. Not only does he feel that that large of an increase is unreasonable, but he also states that he doesn't feel his lot is worth that. Property owner presented a comp that sold for \$120,000. Resident feels a fairer valuation would be around \$100,000.00.

Assessor Sanko replied that all the other lots in the neighborhood were comparably valued, so he could not see a reason to single this one out. The Board looked at comparable sales and noted that they were roughly similar. After discussion, the Board decided, based upon the calculation factors presented, that the valuation seemed fair and therefore they will not be taking any corrective action on this tax assessment.

Supervisor Chris Kostik made a motion to affirm the 2015 tax valuation of PID #0408200020 at \$125,000. Supervisor Schommer seconded the motion. Motion passed 4-0.

9) Mr. Pudwill, 19191 Highview Court, PID #040860070. Assessor Sanko has been working with the resident to adjust the valuation of his property, based upon the property being assessed a value for a pond on his property both for view and for acreage. The Tax Assessor requests a reduction of resident's property valuation "so as to not double dip the value of the pond for both view and acreage" in the amount of -\$16,000.00, giving the property an overall valuation of \$663,600.00.

Supervisor Schommer made a motion to affirm the valuation adjustment of PID # 040860070 as recommended by the Scott County Taxation Department to a \$16,000.00 reduction in valuation, to set a total property value of PID # 040860070 for 2015 of \$663,600.00. Supervisor Kostik seconded the motion. Motion passed 4-0.

The following Residents indicated, either through contact with the Tax Assessor, or by letter to the Township, that although they would be unable to attend the Credit River Township LBAE, that they would like to inquire into the valuation of their property:

10) Mr. & Mrs. Weidner, 21185 Ridgewood Trail, PID #040890170.

11) Michael Blanchard, 7255 165th Street East, PID# 040530130.

12) Steven Hatch, PID #040620100.

13) David Miller, PID #040840170

To the best of our knowledge, no other residents appeared or contacted the Township or County to inquire about the Tax Valuation of their property. For the Residents who could not attend this session of the Credit River Township LBAE, the tax assessor will follow up with the individual residents and present his findings at the Reconvene of the

2014 Local Board of Appeal & Equalization. That will be held at the May 5, 2014 Credit River Township Board Meeting.

Continue Meeting. There being no further business before the Board, a motion was made to recess the 2014 LBAE.

Vice Chair Kraft made a motion to recess the 2014 Local Board of Appeal & Equalization until the May 5, 2014, 6 PM Credit River Township Board Meeting. Supervisor Schommer seconded the motion. Motion passed 4-0.

Meeting was recessed at 4:35.

**Reconvene of the 2014 Credit River Township Local Board of Appeal
& Equalization
May 5, 2014, 6 PM**

At 6:00 PM on May 5, 2014, Supervisor Kostik made a motion to reconvene the 2014 Local Board of Appeal & Equalization. Vice Chair Kraft seconded the motion. Motion passed 4-0, with Supervisor Novak abstaining.

Board Members Present: Chairman Brent Lawrence, Vice Chair Tom Kraft, Supervisor Leroy Schommer, Supervisor Chris Kostik.

Supervisor Novak was present, however, did not vote or participate due to his absence at the initial 2014 Local Board of Appeal and Equalization.

Others Present: Scott County Tax Assessor Dell Sanko, Township Clerk Lisa Quinn.

The following properties were discussed at the Reconvene and Board decisions noted:

- 1) **Steven Hatch, PID #040620100.** Tax Assessor Dell Sanko reports to the Board that he believes that an agreement has been reached with the property owner in this case. Following an interior inspection and comparison of the findings on a sales comparison grid, the tax assessor decided to lower this owner's construction grade, and thus the property value was adjusted from \$723,900.00 to \$670,500.00.

Supervisor Kostik made a motion to approve the adjusted valuation for PID # 040620100 of \$670,500.00. Supervisor Schommer seconded the motion. All in favor, motion passed 4-0.

- 2) **Eric Barke, PID #040770180.** Upon review of the particulars of this property, it was determined by the Tax Assessor that the property was tax valued a little lower than other comparable properties. The Property owner was notified that it was Scott County Taxation's recommendation that no adjustment be made. The resident acknowledged receiving the notification.

Supervisor Schommer made a motion that no adjustment be made to the current tax valuation of PID #040770180. Supervisor Kostik seconded the motion. All in favor, motion carried 4-0.

- 3) **David Miller, PID #040840170-** Property was inspected on May 28, 2014 and a comparables grid was worked up. Quality of construction was high, however the square footage was considered small for that quality of construction. Therefore, Tax Assessor Sanko recommends adjusting the value of this property from \$715,900.00, down \$56,500.00 to an adjusted tax value of \$659,400.00.

Vice Chair Kraft made a motion to accept the adjusted tax value for PID# 040840170 to \$659,400.00. Supervisor Schommer seconded the motion. All in favor, motion carried 4-0.

- 4) **Ron Enright, 9721 Frontier Lane, Multiple PID's** - Assessor Sanko has reached a tentative decision regarding the properties. After comparing these tax valuations in a comparable neighborhood in Credit River, Assessor Sanko is recommending a reduction in the tax valuation of the following parcels in the amounts listed below:

A) PID# 040710020: \$152,400 to \$121,900, a reduction of \$30,500;

B) PID#040710030: \$84,200 to \$67,400, a reduction of \$16,800.

C) PID#040710100 : \$177,200 to \$141,800, a reduction of 35,400;

D) PID#040710120: \$186,100 to \$148,900, a reduction of \$37,200.

This reflects an overall reduction of 20%.

Vice Chair Kraft made a motion to accept the recommended tax valuation reductions for PID# 040710020, PID#040710030, PID#040710100 and PID#040710120. Supervisor Kostik seconded the motion. All in favor, motion carried 4-0.

- 5) **C. Helgeson, 9401 Birch Lane, PID# PID #040330170-** Assessor Sanko used comparable sale information of homes of a similar size and age. Resident would have preferred to use nearby homes as comparison. Assessor states that Ms. Helgeson's house is much newer than the nearby houses. Therefore, Assessor Sanko finds that Ms. Helgeson's home is fairly valued and recommends that no change be made to the tax valuation of the property.

Vice Chair Kraft made a motion that no change be made to the tax valuation of PID# PID #040330170. Supervisor Schommer seconded the motion. Motion passed 4-0.

- 6) **David Clemens, 19425 Foxfield Drive, PID#040860280-** Resident C. Clemens was present at meeting. Tax Assessor Sanko stated that a comp grid was conducted on this property and the current tax valuation is a bit lower than the current sales value of the property, therefore, he recommends leaving the tax valuation the same. Additionally, this property is by far the lowest valued property in the plat, taking into account the unfinished basement and plainer appearance of the house. Assessor Sanko did do an onsite inspection and confirmed the information.
Resident Clemons states that she has researched nearly her entire neighborhood's tax valuations and has found that her home is valued at \$179/sq. ft., whereas larger, more elaborate homes range closer to the neighborhood of \$100/sq. ft. She states that she does not understand how hers can be so much higher than the more elaborate homes. She feels a fairer valuation would be

closer to the median value- she states that currently, only three houses are valued higher per sq. ft.

Assessor Sanko states that that is not how homes are tax valued; that while contractors may estimate values that way, tax assessors do not. Chairman Lawrence commented that Real Estate agents estimate values in square footage, as well. Resident concerns center upon the worry of what would happen if she put her house on the market for \$179 sq. ft. when other homes are on the market for closer to \$154 sq. ft.

After discussion, Assessor Sanko stated that it was his recommendation that the tax valuation remain the same.

Vice Chair Kraft made a motion to confirm the tax valuation for PID#040860280 as \$478,600, as set by Scott County Taxation, and no local adjustment be made. Supervisor Kostik seconded the motion. Vote was 3-1, with Chairman Lawrence dissenting. Motion carried.

- 7) **John Kane, 6905 217th St. E., PID#049310121-** Resident has received a very large increase in the tax valuation of his 3.36 acre property, mostly attributed to the parcel valuation changing from agricultural to its "highest and best use" of residential. Tax Assessor Sanko states that it is the policy of Scott County Taxation to tax value each parcel at its highest and best use- and in this case the Scott County Tax Assessor's Office assigned a residential value to this parcel, however, the Resident will still have the tax classification of Agricultural, since that is what he is using it for. Resident Kane reminds the Board that the parcel was created in the 50's at the behest of the County- that an easement was granted by his mother then for \$500 to put the road through there and create the pie shaped parcel in the first place, and that he uses it, and has always used it as a part of his farm. He has not platted it and states that he has no intention at this time to develop it.

After discussion, the Board decided to raise the original agricultural use value to \$8000.00 an acre to more closely align it to the agricultural values on other

nearby parcels; therefore reducing the tax assessed valuation of \$41,000 an acre, which was based upon a perceived possible residential use.

Vice Chair Kraft made a motion to reduce the valuation of PID #049310121 from \$140,000 to \$28,500 and keep the classification as agricultural. Supervisor Schommer seconded the motion. All in favor, motion carried 4-0.

- 8) Mr. & Mrs. Weidner, 21185 Ridgewood Trail, PID #040890170-** Comp sales data was presented to resident confirming tax valuation. Resident had no comment other than "OK." Tax Assessor Sanko recommends that the set tax assessment of \$864,700.00 stand.

Supervisor Kostik made a motion to confirm the tax valuation of 21185 Ridgewood Trail at \$864,700. Supervisor Schommer seconded it. All in favor, motion carried 4-0.

- 9) Michael Blanchard, 7255 165th Street East, PID# 040530130-** Property has been inspected and based upon the condition of the home and quality of construction, Assessor Sanko recommends a reduction from \$414,200 to \$378,500, a reduction of \$35,700.

Supervisor Schommer made a motion to reduce the tax assessed value of PID # 040530130 from \$414,200 to \$378,500, a reduction of \$35,700. Supervisor Kostik seconded. All in favor, motion passed 4-0.

Supervisor Schommer made a motion to close the 2014 Reconvene of the Local Board of Appeal & Equalization. Supervisor Kostik seconded the motion. Motion carried 4-0.

**Submitted by: Lisa Quinn
Township Clerk
Credit River Township**

**Approved By: Brent Lawrence
Chairman Board of Supervisors
Credit River Township**