

RECONVENED BOARD OF APPEAL AND EQUALIZATION MEETING

Monday, April 22, 2019
8:26 p.m.

Brooklyn Park Council Chambers
5200 85th Avenue North

CALL TO ORDER – Chair Jeffrey Lunde

PRESENT: Chair Jeffrey Lunde; Board Members Tonja West-Hafner, Susan Pha, Terry Parks, Wynfred Russell, Mark Mata, and Lisa Jacobson; City Manager Jay Stroebel; City Assessor Tracy Bauer-Anderson; City Attorney Jim Thomson; Police Chief Craig Enevoldsen and City Clerk Devin Montero.

ABSENT: None.

B. ASSESSORS REPORT

Chair Lunde stated that he looked at how other Councils of other cities did their process to see if that was something the Council might do differently. He asked the Council if the Council was not going to make a motion to lower or raise that other Councils of other cities tended to not talk. He stated if the Council wanted to lower or raise the valuation asked the Council member to talk on that specific issue and make the motion and then they could speak to the motion. He stated he would see how that worked because they had the potential for 20 plus people that could address the Board.

City Assessor Bauer-Anderson stated they were reconvening the local Board of Appeals and Equalization which was held on April 8, 2019. She stated the staff has re-inspected and re-appraised all the properties that appealed their value and or classification at the local Board.

She stated all pertinent information provided to their office by the property owners had been reviewed, analyzed and their job was to investigate and use valid sales as set by the Department of Revenue in the valuation process. She stated that if additional information was determined during the interior inspection that indicated a value adjustment was needed, a recommendation had been made in the packet provided to the Board.

She stated the packet included all the properties that appealed their values and/or classifications and their recommendations to either lower the value, increase the value or recommend no change. She stated that before the reconvened Board meeting, property owners were notified of the Assessor's recommendation and they may re-address the board.

She stated the Board received the information by the Assessor and the information presented by the property owners. She stated the Board could choose to reduce, increase, abstain, add improvement to the assessment to the assessment roll, change the classification of the property and add properties to the assessment roll.

She stated all property owners would be notified in writing of the final Board decision and the option to continue the appeal process. She stated it would also include the next steps for the appeals if the property owner was not satisfied with the local Board's decision and they could appeal to the County Board and or could appeal to the Tax Court. She stated the property owners must appeal to the local Board to be able to appeal to the County Board and must contact or notify the County by May 22 to appeal at the County level. She stated the County Board of Appeal and Equalization meeting was June 17, 2019.

She stated they had five additional properties that were inspected and were included in the Board's packet and read them into the record.

1. PID 10-119-21-31-0010, 4013 Hollyhock Circle North. After inspection the property owner agreed to no change.
2. PID 21-119-21-22-0114, 8300 Brunswick Avenue North. After the inspection the property owner has agreed to no change.
3. PID 28-119-21-32-0141, 7277 Zane Court North. After the inspection the property owner has agreed to no change.
4. PID 05-119-21-31-0019, 10420 Maryland Avenue North. The recommendation was a value reduction from \$593,400 to \$546,100.
5. PID 03-119-21-23-0047, 10546 Noble Avenue North. The recommendation was a value reduction from \$522,000 to \$504,100.

C. PUBLIC PRESENTATIONS

City Assessor Bauer-Anderson invited property owners who wanted to address the Board.

1. Brian and Rebecca Wong, 7043 103rd Avenue North. Contested the valuation recommendation.
2. Julius Thomas, 10039 Hampshire Terrace. Contested the valuation recommendation.
3. Yelena Kurdyumova, 7212 72nd Avenue North, #217. Contested the valuation recommendation.

Mayor Lunde asked if there were other property owners who wanted to address the Board.

D. BOARD ACTION

Chair Lunde stated he would put the motion on the table as presented and if a Board Member wanted to make a motion to amend to allow the Board to keep track of the amendments.

D. MOTION LUNDE, SECOND JACOBSON TO ACCEPT THE CITY ASSESSOR'S VALUATION RECOMMENDATIONS.

Board Member Jacobson asked if there was a consensus of why the owners had withdrawn. She asked if they felt after talking to staff that they were incorrect in their initial thoughts around their values.

City Assessor Bauer-Anderson stated that often when the owner asked questions and staff showed them what the market was indicating for their value that a lot of times it was just the knowledge they were looking for to understand the process better. She stated it was also possible that during the inspection that it was going to show an increase in their value and they were given the opportunity to withdraw at that time.

Chair Lunde stated there was a motion to accept the Assessor's recommendation.

Tamara Doolittle, County Assessor's Office, stated that as a matter of procedure, it was recommended the Board make individual motions on each property and that was the process

recommended by the Department of Revenue. To walk through each appeal and present their findings and approve them individually. She stated that was the process to be recommended and encouraged the Council to consider that.

City Attorney Thomson stated that it had come up before and the last time the Board did it by one motion. He asked if the County was concerned and just wanted it recited on record with respect to each decision.

Ms. Doolittle stated that statement came from the Department of Revenue and was just wanting to make sure every property owner felt they had been heard and their property had been individually considered. She stated it was not her position and was just trying to bring forward the recommendations from the Department of Revenue.

City Attorney Thomson stated the easiest way to accommodate that, and didn't think they needed to make separate motions, that the City Assessor just list results of each one and one motion would be sufficient once they stated on the record each conclusion.

Board Member Mata asked what the punishment was for the recommendations. He stated that if he had 2,000 people come forward and wanted to talk about taxes, asked if they were going to sit there and read 2,000 into the record. He stated that was his time but also staff's time and asked what grants the Department of Revenue had to pay to help to facilitate all of it because it was just one city, the 6th largest in the State, and wondered what the State process was because it was a lot of time and effort.

Ms. Doolittle stated her role was to transfer the information to the Department of Revenue and if they didn't feel they were not in agreement with process, they could bring the recommendations back to the County Board or State Board for review. She stated that outside of that, she was not aware of any other repercussions they could take. She stated she was not sure they would go as far as the recommendations not being valid, but that would be something in their purview.

Chair Lunde asked the Board Members if there were any motions to amend any of the Assessor's recommendations.

Board Member Mata stated he didn't agree with the methodology of the process. He stated people who were living in their houses and chose to stay got penalized where people were selling their houses for a higher value around them. He stated the housing stock was low and it became a bidding war or someone would present a bid for \$10,000 to \$20,000 more. He stated that was one part of the two headed monster of taxation, one was their value and the other one was if everyone paid attention between October and December, the City Council had to vote on a tax increase.

He stated if their property went up but, yet the Council reduced the budget, their taxes would go down. He stated that no matter how they looked at their property and what the Board did, he had not voted to raise taxes but what he had was 31 owners who came forward and 7 owners withdrew. He stated that over half had their values reduced and again he said if they did not come forward and say something they had zero opportunity to reduce their value of their house.

He stated that the five individuals who spoke, four had their values reduced, and again if they did not come forward to ask, they got nothing, which told him they were asking all the residents

to come forward to say something. He stated there was a broken methodology in the system and he didn't create it, it was created by a different entity and they even said the Board could reduce it but couldn't go beyond 10 percent.

He stated the Board could start saying to take every house that came to appeal and reduced all by 5% until they got to the 10%. He stated it was a difficult thing to deal with, and tonight he would be voting no because he believed the methodology was incorrect and what they were using for examples were incorrect. He stated that until four Board Members voted no and pushed it back and said something had to change and that was another entity which said how they must deal with property values. He stated with the explanation of his no vote, he would be voting no.

City Attorney Thomson suggested an alternative, so the Board didn't have to do that process, was to change the motion to add the phrase, "including the 31 parcels for which the Board received appeals as reflected on the summary sheet provided by the city assessor, a copy of which should be transmitted to the county assessor and Department of Revenue if necessary."

Chair Lunde accepted it as a friendly amendment to the motion and accepted by seconder Board Member Jacobson.

Chair Lunde called for a roll call vote on the following amended motion.

D. TO ACCEPT THE CITY ASSESSOR'S VALUATION RECOMMENDATIONS INCLUDING THE 31 PARCELS FOR WHICH THE BOARD RECEIVED APPEALS AS REFLECTED ON THE SUMMARY SHEET PROVIDED BY THE CITY ASSESSOR, A COPY OF WHICH SHOULD BE TRANSMITTED TO THE COUNTY ASSESSOR AND DEPARTMENT OF REVENUE IF NECESSARY.

D. THE MOTION PASSED ON A ROLL CALL VOTE AS FOLLOWS: YES – PHA, WEST-HAFNER, RUSSELL, JACOBSON, LUNDE; NO – MATA.

Chair Lunde stated the motion passed and that was the final action of the Board of Appeal and Equalization.

E. ADJOURNMENT

At 9:02 p.m., Chair Lunde adjourned the Reconvened Board of Appeal and Equalization meeting and reconvened the regular Council meeting.

JEFFREY JONEAL LUNDE, CHAIR

DEVIN MONTERO, CITY CLERK