

BOARD OF APPEAL AND EQUALIZATION MEETING

Monday, April 13, 2020

Brooklyn Park Council Chambers
Via Telephone
5200 85th Avenue North

7:00 p.m.

CALL TO ORDER - Chair Jeffrey Lunde

PRESENT: Chair Jeffrey Lunde; City Assessor Tracy Bauer-Anderson; Appraiser Christian Huskey; Appraiser Christina Johnson; Program Assistant Laurie Goodman.

VIA TELEPHONE: Board Members Tonja West-Hafner, Susan Pha, Terry Parks, Mark Mata, Wynfred Russell and Lisa Jacobson; City Manager Jay Stroebel; City Attorney Jim Thomson; Finance Director LaTonia Green; Assistant Hennepin County Assessor Tamara Doolittle; and City Clerk Devin Montero.

ABSENT: None.

B. ASSESSOR'S REPORT

City Assessor Tracy Bauer-Anderson briefed on the purpose of the Board of Appeal and Equalization and gave the Assessor's report. She stated there were individuals signed up to address the Board and contest the value of their properties.

C. PROPERTY OWNERS TESTIMONY WITH DOCUMENTATION

City Assessor Bauer-Anderson read into record the property owners' contesting values via letters, emails, and the online appeal form. She stated she would announce if the owners would be addressing the Board.

Appeal #1) 3927 Globeflower Cir N., 9749 Thomas Ave N., 7200 90th Ave N., 6409 88th Ave N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board.

Appeal #2) 2824/2828 79th Ave N. City Assessor Bauer-Anderson stated the owner would address the Board.

- Carl Johnson addressed the board to contest the property values. Concerns with the comparables that were looked at. He stated on his analysis, the two closest to his property in price range were 7909 Kyle Ave, and 2816 79th Ave. He stated those properties were significantly better than his property and requested his value lowered by \$28,900.

Appeal #3) 8301 93rd Ave N. City Assessor Bauer-Anderson stated the owner would be addressing the Board.

- Reed Frizell addressed the Board. He stated he sent comparables for the property, sent 8 or 9 buildings similar in classification build, the age was a little different. He stated the most notable was 6201 Noble Avenue. That building was built in similar time, sold in 2018 for \$6,791, and asked to look at that value and his values to adjusted accordingly.

Appeal #4) 9020 Dunbar Knoll Ct. N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board. She stated the owner provided information and it would be provided to the Board after the meeting.

Appeal #5) 7714 Brooklyn Blvd/7710 Brooklyn Blvd. City Assessor Bauer-Anderson stated the owner would not be addressing the Board. She stated the owner provided information and it would be provided to the Board after the meeting.

Appeal #6) 9301 Winnetka Ave N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board. She stated the owner provided information and it would be provided to the Board after the meeting.

Appeal #7) 7212 72nd Ln N, #217. City Assessor Bauer-Anderson stated the owner would be addressing the Board.

- Property owner Yelena Kurdyumova addressed the board to contest the value on her property. She stated she disagreed with the market value on her condo determined to be \$63,500. Her property was located on Strawberry Commons Association and had not gained market value and lost its value. Facts to lower the market value: the conditions of the buildings, garages, and territory in Strawberry Commons had declined during the past year. Stated the property of Strawberry Commons was constantly full of trash and abandoned cars. The insurance premiums had increased, and the insurance company had determined her property to be a high-risk property. She asked her property valuation to be reduced.

Appeal #8) 8801 Stratford Crossing N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board.

Appeal #9) 4517/4521 83rd Cir N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board.

Appeal #10) 8931 Stratford Crossing N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board.

Appeal #11) 8931 Ashley Ter N. City Assessor Bauer-Anderson stated the owner would not be addressing the Board.

D. APPROVAL OF VALUATION AGREEMENTS

City Assessor Bauer-Anderson stated staff continued to work with property owners that had concerns with their valuations and any changes made 10 days before the Local Board of Appeal and Equalization Meeting need to be approved by the Board. She stated staff had reviewed property records and other information provided by property owners and came to an agreement on the valuation with the property owner(s).

City Assessor Bauer-Anderson read the properties and reductions for the record as follows:

- #1) 2500 Pearson Parkway, valuation at \$322,600 and reduced to \$294,600.
- #2) 8008 64th Avenue N., valuation at \$203,300 and reduced to \$187,400.
- #3) 8870 Zealand Avenue N., valuation at \$366,100, and reduced to \$318,000.
- #4) 7030 Winnetka Avenue, valuation at \$455,000 and reduced to \$428,000.
- #5) 6032 71st Avenue N., valuation at \$230,000, and reduced to \$220,000.
- #6) 9013 Windsor Terrace, valuation at \$402,100 and reduced to \$382,300.
- #7) 8988 Stratford Court N. valuation at \$444,200 and reduced to \$408,900.

- #8) 8501 Jefferson Lane, valuation at \$2,529,700 and reduced \$2,455,000.
- #9) 7624 Boone Avenue N., valuation at \$4,749,900 and reduce to \$4,650,000.
- #10) 6900 Winnetka Circle, valuation at \$1,222,800 and reduced to \$1,194,000.
- #11) 3108/3112 84th Avenue N., valuation at \$333,100 and reduced to \$292,400.

Chair Lunde stated he would be making a motion for the items read into the record by City Assessor Bauer-Anderson. He stated at the reconvened meeting, the Board would have individual items for each owner to be discussed by the Board. He stated tonight was to listen to the appeals.

D.1 MOTION LUNDE, SECOND JACOBSON TO ACCEPT THE CITY ASSESSOR'S VALUATION AGREEMENTS BETWEEN APRIL 4, 2020 AND APRIL 13, 2020.

Board Member Mata asked what the was the total dollar value in reductions for those properties.

City Assessor Bauer-Anderson stated she would provide the information to the Board via email.

Board Member Jacobson asked about #5. She stated the owner asked her questions and didn't know the answer. She stated that in the packet it talked about the value percent change on the type of property, a commercial property, and was listed on average at a 2.3% change. She stated the owner said, and she didn't have backup documentation to see, that his increase was 8%. She stated he was not denying it should go up, but more like the rate of inflation and not at that rate he got. She stated he claimed that no improvements were made, nothing had changed, same building, same people were there renting and was not sure why it was a significant jump. She stated he talked about comps sold down the street at 7420 Unity where the buyer paid \$30 per square foot for 25,000 square foot building for \$850,000. She stated his two buildings at 7710/7714 Brooklyn Blvd. were 20,000 square foot, valued at \$1.5 million, which came out to \$60 per square foot. She stated she was not sure what to say and was looking for information on it.

She stated the owner was being asked for backup data and what triggered that type of information being asked. She thought of some of the ones that came up in past, gas station, Target Corporation, and when asking for P&L statements, asked if every commercial property was asked for it. She asked if every commercial property produced it and if there was a trigger that made that request take place.

City Assessor Bauer-Anderson stated all commercial, industrial and apartments (CIA) which were income producing properties, there was a list of information sent to the property owner to send, which would include, i.e., rent rolls, income and expense so they were able to look at their individual situations, values just like residential properties. She stated CIAs were based on market sales that are qualified sales and they looked at what market indicated to be vacancy rates, rents, etc. She stated a CIA did appeal their value, their value was based on the market and sometimes their individual situations indicated that maybe their rents were below market or maybe their vacancies were higher than market. She stated they would like to take that into consideration and that was why they asked them to submit their individual information. She stated the property owner at 7710/7714 Brooklyn Boulevard chose not to submit that information. She stated the sale he was referencing was not a qualified sale per the Department of Revenue's guidelines. He was informed that if they were to choose to use that disqualified sale, which they were not allowed to do, they would be looking at an increase in the areas of vacancy, property condition and rents in place. She stated she would be submitting information he provided regarding the sale he was referencing and they could include that in their sales just to show the Board areas that would show an increase on what they had for a cost per square foot at the time of sale.

City Assessor Bauer-Anderson stated they would put together an analysis on each property, sales grid, reconciliation for review for all board members prior to the reconvened meeting.

Chair Lunde called for a roll call vote.

D.1 THE MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE AS FOLLOWS: YES – PHA, WEST-HAFNER, RUSSELL, JACOBSON, PARKS, MATA, LUNDE. NO – NONE.

E. SET DATE FOR RECONVENED BOARD OF APPEAL AND EQUALIZATION MEETING.

City Assessor Bauer-Anderson stated the Board would reconvene within 20 days and the decisions on all appeals would be made at that time based on staff reports and information submitted by the property owner.

E.1 MOTION LUNDE, SECOND PARKS TO RECONVENE THE BOARD OF APPEAL AND EQUALIZATION MEETING ON APRIL 27, 2020.

Chair Lunde called for a roll call vote.

E.1 THE MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE AS FOLLOWS: YES – WEST-HAFNER, RUSSELL, JACOBSON, PARKS, MATA, LUNDE. NO – NONE.

ADJOURNMENT – At 7:43 p.m., with consensus of the Board, Chair Lunde recessed the meeting to the reconvened date of April 27, 2020, at 7:00 p.m.

JEFFREY JONEAL LUNDE, CHAIR

DEVIN MONTERO, CITY CLERK