

## **Greenwood City Council Acting as the Local Board of Appeal & Equalization**

Thursday, April 24, 2014 - 6:00 PM

Council Chambers 20225 Cottagewood Road Deephaven, MN 55331

### **MINUTES**

#### **1. Call to Order/Roll Call/Approval of Agenda**

Mayor Kind reconvened the meeting at 6:00 PM

Councilmembers present: Cook, Kind, Fletcher, Quam and Roy

Councilmembers absent: None

Staff present: Clerk Karpas

Hennepin County Assessors: Mike Smerdon, Rob Winge and Earl Zent

Mayor Kind explained tonight's meeting was a reconvene of the April 10 Local Board of Appeal & Equalization (LBAE) meeting. The Council will hear the recommendation of the Assessor on those who previously appealed their valuation, then the residents who disagree with the determination will have the opportunity to make their case on what they believe a fair valuation would be for their property and the Council, acting as the LBAE will make a final determination at the end of the meeting.

#### **2. Roster of Property Valuation Appeals**

Mayor Kind reviewed the appeals process. She said there were a number of appeals before the LBAE.

The Council discussed the appeals and Assessor recommendations on the following properties; 21100 Excelsior Boulevard, 21230 Excelsior Boulevard, 21350 Excelsior Boulevard, 21580 Fairview Street, 21630 Fairview Street, 21670 Fairview Street, 21885 Fairview Street, 5170 Greenwood Circle, 5050 Kings Court, 4860 Lodge Lane, 5100 Manor Road, 5150 Meadville Street, 5200 Meadville Street, PID 26-117 23 24 0022 (Meadville Street vacant land), 21900 Minnetonka Boulevard, Units 1, 4, 5, 6, 9, 10 of 21955 Minnetonka Boulevard and Units 12, 14, 16, 17 and 19 of 21957 Minnetonka Boulevard.

It was noted that the LBAE could not take official action on Unit 12, 21957 Minnetonka Boulevard or 21630 Fairview Street since the Assessor was not able to gain access to the homes.

Mark Setterholm, 5250 Meadville Street, said he was unable to attend the first meeting but wanted to appeal the 35% increase in his land value. Mayor Kind said the Board could not take any action on his request tonight but could add him to the appeal list to reserve his right to appeal to the County Board.

The Council discussed the amount of value available to reduce the impact the new valuations put on the Villas. Councilmember Fletcher noted some of the increases were already reduced by the Assessor and the concept of providing a blanket reduction of the Villas is not the same as it was when the Board made a change for the properties along Fairview Street in 2013. He said those were based on what the Board felt was an error on the valuation increased due to an unusual sale. He was not supportive of a

reduction for those Villa owners who did not approach the Board or specifically contact the Assessor for a reduction.

Earl Zent, Hennepin County Assessor's Office, discussed the Council's intent on using its authority to reduce assessments by 1%, concerned that there is a perception that his office is doing "something wrong" in their assessment of the city. He questioned reduction for taxpayers who were not seeking reductions stating that only shifts the burden onto other taxpayers and magnifies the increases for 2015. Mr. Zent understands the issues involved with the valuation with the Villas and they will work on a better understanding on them next year, but if the two units currently for sale sell for their asking price, the prices will increase as they did this year. He said reductions by the Council will set the tone for future reductions and asked the Council to reconsider mass reductions for parcels that didn't seek reductions since it could cause ramifications in the future.

Councilmember Quam stated it's not the Board's job to fix assessments for people who didn't appeal their valuation. Mr. Zent noted that nearly ten percent of the properties in Greenwood were appealing their valuation. He said either his office was doing a bad job or there was something else at play. Councilmember Fletcher noted if the Villa properties were removed from the equation, most of the appeals were worked out prior to tonight's meeting. Councilmember Roy noted that some of the valuation adjustments were significant so it shows the process works. He commented the city has had three different assessors from Hennepin County since in recent years which he believes leads to a lack of familiarity with the city.

The Council discussed a change for the Villas. Mayor Kind supported a change for all the Villas since it was implied at the first LBAE meeting, when more of the Villa residents were present that the Council would consider a Villa-wide adjustment. She believes this is why more of them did not submit formal appeals. Councilmember Quam supports the idea, but doesn't believe those who didn't show up should get a bigger advantage over those who did. Councilmember Fletcher was not supportive of a change for all Villa owners.

Mayor Kind moved to set the land value for PID number 26-117-23 24 0022 at \$21,000, the building value at \$0 for a total valuation of \$21,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 35-117-23 11 0058 at \$563,000, the building value at \$10,000 for a total valuation of \$573,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 35-117-23 12 0004 at \$795,000, the building value at \$75,000 for a total valuation of \$870,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 35-117-23 12 0009 at \$1,154,000, the building value at \$103,000 for a total valuation of \$1,257,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to maintain the land value for PID number 26-117-23 13 0010 at \$1,695,000, the building value at \$506,000 for a total valuation of \$2,201,000 and to reclassify the property from seasonal to residential. Second by Cook. Motion carried 5-0.

Mayor Kind moved to accept the Assessor's recommendation and maintain the land value for PID number 26-117-23 24 0014 at \$1,160,000, the building value at \$252,000 for a total valuation of \$1,412,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 24 0012 at \$1,247,000, the building value at \$167,000 for a total valuation of \$1,414,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to maintain the land value for PID number 26-117-23 31 0002 at \$117,000, the building value at \$254,000 for a total valuation of \$371,000 and to reclassify the property from seasonal to residential. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 42 0047 at \$273,000, the building value at \$200,000 for a total valuation of \$473,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 13 0057 at \$340,000, the building value at \$500,000 for a total valuation of \$840,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 41 0052 at \$342,000, the building value at \$375,000 for a total valuation of \$717,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 32 0010 at \$1,302,000, the building value at \$165,000 for a total valuation of \$1,467,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 32 0006 at \$1,175,000, the building value at \$25,000 for a total valuation of \$1,200,000. Second by Cook. Motion carried 4-1. Councilmember Fletcher voted nay.

Mayor Kind moved to set the land value for PID number 26-117-23 32 0023 at \$854,000, the building value at \$693,000 for a total valuation of \$1,547,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 33 0012 at \$2,963,000, the building value at \$1,698,000 for a total valuation of \$4,661,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0034 at \$354,000, the building value at \$250,000 for a total valuation of \$604,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0035 at \$404,000, the building value at \$273,000 for a total valuation of \$678,000. Second by Cook. Motion carried 4-1. Councilmember Fletcher voted nay.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0036 at \$404,000, the building value at \$273,000 for a total valuation of \$678,000. Second by Cook. Motion carried 4-1. Councilmember Fletcher voted nay.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0037 at \$294,000, the building value at \$245,000 for a total valuation of \$539,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0038 at \$607,000, the building value at \$315,000 for a total valuation of \$922,000. Second by Cook. Motion carried 4-0-1. Councilmember Roy abstained.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0039 at \$642,000, the building value at \$274,000 for a total valuation of \$916,000. Second by Cook. Motion carried 4-1. Councilmember Fletcher voted nay.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0040 at \$555,000, the building value at \$272,000 for a total valuation of \$827,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0041 at \$642,000, the building value at \$311,000 for a total valuation of \$953,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0042 at \$624,000, the building value at \$299,000 for a total valuation of \$923,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0043 at \$620,000, the building value at \$292,000 for a total valuation of \$912,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0045 at \$276,000, the building value at \$257,000 for a total valuation of \$533,000. Second by Cook. Motion carried 4-1. Councilmember Fletcher voted nay.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0047 at \$405,000, the building value at \$289,000 for a total valuation of \$694,000. Second by Cook. Motion carried 4-1. Councilmember Fletcher voted nay.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0048 at \$405,000, the building value at \$272,000 for a total valuation of \$677,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0049 at \$642,000, the building value at \$329,000 for a total valuation of 971,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0050 at \$553,000, the building value at \$285,000 for a total valuation of \$838,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0051 at \$593,000, the building value at \$289,000 for a total valuation of \$882,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0052 at \$642,000, the building value at \$462,000 for a total valuation of \$1,104,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0053 at \$648,000, the building value at \$318,000 for a total valuation of \$966,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to set the land value for PID number 26-117-23 34 0054 at \$753,000, the building value at \$338,000 for a total valuation of \$1,066,000. Second by Cook. Motion carried 5-0.

Mayor Kind moved to take no action on PID number 26-117-23 33 0004 since the property owner was not able to meet with the Assessor. The motion permits the property owner to take their appeal to the County Board. Second by Cook. Motion carried 5-0.

3. Adjourn

Councilmember Cook moved to adjourn the LBAE. Second by Councilmember Roy. Motion carried 5-0. The Board adjourned at 9:20 p.m.

Respectfully submitted,

Gus E. Karpas  
Greenwood City Clerk