

2016 Local Board of Appeal & Equalization PARK RAPIDS CITY

MINUTES

APRIL 14TH, 2016

9:00 AM

HUBBARD CO. GOVT CENTER
301 COURT AVE. – PARK RAPIDS

ATTENDEES: City Council members – Pat Mikesh, Paul Utke, Rod Nordberg; City Clerk – Margie Vik; City Assessor– Loren Tolkkinen; County Assessor – Ginger Woodrum & Deputy Assessor – Carice Golberg-Cummins.

MEETING INTRO: The meeting was called to order at 9:02 AM. The City Assessor shared sales information with the board and audience, gave a brief overview of changes made, and answered general questions. The County Assessor also gave a brief summary and shared the sales summary report for the city. Discussion followed. Appeals were then heard in the order of signup.

APPEALS

1. **PID # 32.75.01900** **NAME: STEVE BADE** **CLASS: RES HSTD**

DISCUSSION: Appealing value increase from \$133,400 to \$159,200; Mr. Bade's property is in the Green Acres subdivision. He stated he had visited with neighbors whose values had not increased as much as his did. He asked if there was a limit to how much the value may increase. Mr. Tolkkinen answered the assessor is charged with valuing property at market value, so there is no limit to how much it can change, so long as it follows the market. Mr. Bade stated his property value increased roughly 21%. The assessors stated buildings in this neighborhood increased by roughly 16%. Mr. Bade's land value increased roughly 15%, which is typical of that neighborhood.

RECOMMENDATIONS: **No change.**

M/S/P: UTKE/NORDBERG/MOTION CARRIED TO MAKE NO CHANGE.

2. **PID # 32.86.00100** **NAME: KATELYNNE & RANDY DUSOSKI** **CLASS: RES HSTD**

DISCUSSION: Appealing value; submitted appraisal. This is a single unit in a duplex structure. Mr. Dusoski stated they purchased the property in 2015 for \$82,500; It appraised at \$92,000 and the current assessed value is \$114,700. Mr. Tolkkinen has reviewed the appraisal and stated he found no faults in the appraisal. He told the Board it is possible the value may be too high on this particular property. He noted sales of other duplexes in the city show the assessed values to be reflective of the market on such structures in general. He suggested changes that would reduce the value of this unit and the adjoining unit (Unit 1 and 2).

RECOMMENDATIONS: **Reduce value from \$114,700 to \$102,200 as follows: Change bldg grade from D5.5 to D5 and add Functional depreciation of 5% w/ a note "FUNC=SLAB". (also apply same changes to the adjoining unit on 32.86.00200).**

M/S/P: UTKE/NORDBERG/MOTION CARRIED TO ACCEPT THE ASSESSOR'S RECOMMENDED REVISIONS ABOVE.

3. **PID # 32.75.02500** **NAME: TONY YERKES** **CLASS: RES HSTD**

DISCUSSION: Appealing value of \$110,400; Mr. Yerkes bought this property a few years ago in the Green Acres subdivision. It was listed approximately 4 years. He noted the potential cost of future special assessments impacted the sale. Plans for city water and sewer utilities have not been finalized yet. Mr. Yerkes stated he is lucky his current septic system is compliant and functional. He stated his property has not been updated other than replacing the old deck and adding plastic gutters to resolve water pooling around the foundation. The interior and appliances are original. The house was resided and windows updated in 2002, prior to Mr. Yerkes purchasing the property. Mr. Tolkkinen explained that in previous years, sales in this neighborhood seemed to reflect the uncertainty of the potential city utility projects here, but recent sales no longer appear to reflect that. This property's value increased by just under 20%. Mr. Tolkkinen noted a particular sale (seller was Wood) that is comparable to Mr. Yerkes' home and sold for \$123,000. Mr. Yerkes stated they are similar in size and lot, but the sold home had been updated.

RECOMMENDATIONS: No change.

M/S/P: NORDBERG/MIKESH/MOTION CARRIED TO MAKE NO CHANGE.

4. PID # 32.44.04200 NAME: DAVID SPENGLER CLASS: RES HSTD

DISCUSSION: Appealing value; purchased October 16, 2015 for \$160,000. It will be in next year's sales study. Mr. Tolkkinen conducted an interior inspection at the request of the owner. The home was built in 1951. It was updated by a previous owner, but there are still issues, such as old plaster walls and the original 100-amp electrical wiring & panel. The house is small with small interior rooms. The EMV was reduced to \$186,700 after Mr. Tolkkinen visited the property and the owner was in agreement with the changes. A revised notice was sent to Mr. Spengler.

RECOMMENDATIONS: No change.

M/S/P: MIKESH/NORDBERG/MOTION CARRIED TO MAKE NO CHANGE.

5. PID # 32.40.05700 NAME: DAVID & MARION TOWN CLASS: RES HSTD

DISCUSSION: The Council described the structure as being in tear-down condition. The building value is \$8,000. Mr. Tolkkinen explained it's currently valued as a salvage structure. Mr. Utke recommended it be reviewed and described the building as a detriment to the property. Ms. Woodrum explained the depreciation schedule has a "floor" that doesn't allow the structure to depreciate any further without an override. She recommended Mr. Tolkkinen view the property again before making any changes.

RECOMMENDATIONS: The City Assessor will inspect the property prior to the CBAE meeting and present any recommendations for revision there.

M/S/P: UTKE/NORDBERG/MOTION CARRIED TO MAKE NO CHANGE BUT ASSESSOR WILL REVIEW THE PROPERTY BEFORE THE COUNTY BOARD OF APPEAL AND RECOMMEND ANY CHANGES AT THAT TIME.

Items presented by the Township, Local Township Assessor or County Assessor, for board consideration:

6. PID # 32.86.00200 NAME: VANESSA & CHAD HABEDANK CLASS: RES HSTD

DISCUSSION: This property is Unit 2 of the duplex that includes 32.86.00100 (owned by Katelynne & Randy Dusoski). To maintain equity, the Board recommended revising this property to value it the same as the other half of the duplex appealed by Ms. Dusoski.

RECOMMENDATIONS: Change bldg grade from D5.5 to D5 and add Functional depreciation of 5% w/ a note "FUNC=SLAB".

M/S/P: UTKE/NORDBERG/MOTION CARRIED TO ACCEPT THE ASSESSOR'S RECOMMENDED REVISIONS ABOVE.

ADJOURNMENT

There being no further business or appeals before the board, a motion was made to adjourn.

M/S/P NORDBERG/UTKE/ADJOURNED AT 10:12 AM

Respectfully submitted,

Carice Golberg-Cummins
Deputy Assessor
Hubbard County