

City of Columbus
Board of Appeal and Equalization
April 23, 2018

The April 23, 2018 meeting of the Board of Appeal and Equalization for the City of Columbus was called to order at 7:07 p.m. by Mayor Dave Povolny at the City Hall. Present were Board Members Mark Daly, Dennis Peterson, & Bill Krebs. City Administrator Elizabeth Mursko; Assessor Ken Tolzmann and Public Communications Coordinator Jessica Hughes.

Absent: Board Member Jeff Duraine.

Also in attendance: Alex Guggenberger and Diana Stellmach from the Anoka County Assessor's Office, Jesse Preiner, Jim & Leoda Swanson, and Emmy & Rick Robinson.

1. Call to order 7:07 p.m.

2. Approval of Agenda

Motion by Daly to approve the agenda. Second by Peterson. Motion approved unanimously.

The purpose of the meeting is for the public to question or discuss their 2017 property market value assessment for taxes payable in 2019. The Public Notice and an informational sheet regarding the duties of the local board and clerk and the 2018 pay 2019 Assessment Report from the Assessor were included in the agenda packet.

3. Introduction and Presentation

The Assessor reviewed the 2018 Assessment Report. The Assessor said he is available normal working hours during the week and evenings and weekends by appointment.

The Assessment Report includes general information about both the appeals and assessment process, as well as specific information regarding the 2018 assessment.

Minnesota Statutes establish specific requirements for the assessment of property. The law requires that all real property be valued at market value, which is defined as the usual or most likely selling price as of January 2, 2018.

The estimated market values established through the 2017 assessment are based upon actual real estate market trends of City of Columbus properties taking place from October 1, 2016 through September 30, 2017. This is the process state wide. From these trends a mass appraisal system is used to determine individual property values. Property owners who have questions or concerns regarding the market value set for their property were asked to contact the Assessor prior to this meeting.

Statistically, based upon the 53 qualified sales within the City during this sales period, and after value adjustments made accordingly by zone, the result was an assessment that qualifies as

“excellent” in the eyes of the Minnesota Dept. of Revenue with a median of 94.9, a coefficient of dispersion of 7.24, and a Price Related Differential of 101.

4. **General Questions**

No questions were asked by the Board.

5. **Appeals**

Kathleen Lahti PIN# 12-32-22-24-12 (Written)

Lahti owns a vacant property on 170th Avenue NE which is 4.6 acres in size and is roughly half wooded and half swamp. The property is valued on the books for \$69,100, and Tolzmann is recommending a decrease to \$12,100, which was determined by the acreage. Lahti has previously expressed her approval of this measure.

Motion by Peterson to approve decreasing the value of PIN #12-32-22-24-12 from \$69,100 to \$12,100. Seconded by Krebs. Motion carried unanimously.

Emmy and Rick Robinson PIN# 35-33-22-41-0005 (Appearance)

Emmy and Rick Robinson came forward to discuss the parcel behind their existing home located at 18334 Tulane Street NE. The parcel is 2.24 wooded acres, and used to be classified as agricultural. The property could be buildable, however Columbus City Code requires 220 feet of road frontage to develop, and this property has none. City Administrator Elizabeth Mursko noted that to build on the property the Robinson’s would have to build a new improved roadway over the 66-foot easement on the property with contains their home. Emmy replied that there is not enough room for a 66-foot easement, and on top of that they were given an estimate of \$87,000 to build the driveway.

The value of the property went from \$4,200 to \$9,200 in 2018. Emmy Robinson asked why the amount increased so drastically? Tolzmann said that the land was not previously valued by the acre, and the new amount is valuing the property with a base rate applied to acreage. Emmy commented that it does not make sense to her why the property taxes on the east parcel (which has her home) would increase by 9.24% and the vacant parcel would increase by more than that.

Mayor Povolny asked Tolzmann what the property taxes would look like if the parcels were combined into one? Tolzmann replied that it would likely be in the neighborhood of \$4,200. Mayor Povolny continued by asking the Robinsons if they have interest in combining their lots? Emmy said they thought that if the land behind their vacant parcel is developed, and 183rd Avenue NE is extended, then the back parcel could be developed. In addition, they are happy with their land as it is and are just trying to keep costs in line. She finished by saying she understands an increase in taxes, however she expected the back parcel’s taxes to increase in roughly the same amount as the front.

Tolzmann clarified that the increase in value on the property increases the Robinson's 2018 property tax amount by \$38 a year. He finished by saying that his intention is to continue valuing property in Columbus with the base fee per acre.

Motion by Peterson to increase the value of PIN #35-33-22-41-0005 by 10% for 2018 to \$4,600. Seconded by Daly. Motion carried unanimously.

David Povolny, 16731 Potomac Street NE PIN #10-32-22-31-0004, and 10-32-22-32-0003
(Appearance)

This item was requested to go before the Anoka County Board of Appeals.

James and Leoda Swanson 5107 190th Lane NE PIN #30-33-22-33-0008, 30-33-22-33-0009, and 5117 190th Lane NE PIN #30-33-22-33-0030 (Appearance)

The Swansons own three (3) contiguous lots on Coon Lake in Columbus. All lots are less than three (3) acres in size and are legal non-conforming. PIN #30-33-22-33-0008 has a cabin, PIN #30-33-22-33-0009 is vacant, and PIN #30-33-22-33-0030 has the Swanson's home. The Swansons explained that they came to the City for the same reason the previous year, and was told that the main reason the value of properties had increased were because the lots have not been combined. Mayor Povolny asked if there was any intention to combine the properties? The Swanson's replied that there was not, as they have three (3) children and they would like to give each one their own lot.

Tolzmann said that the previous year the Swansons were instructed that if they were to combine one (1) or two (2) lots, he would revalue the properties. As it stands today, he is valuing the three (3) properties separately, but by using the same formula. He added that all of their neighbor's properties on Coon Lake are being valued by the same process, and that lake front property is quite valuable.

Tolzmann continued to explain that lake front property is valued by the number of feet are on the lake. Mayor Povolny noted that the center vacant property has only 50 feet of lakefront, and recommended the Swanson's consider the practicality of having a 50-foot wide loot. Daly asked how many feet of lakefront all three (3) lots combined is? Leoda replied that it is 200 feet. She continued to say that she is not interested in combining all three lots because they would have to demolish one of the dwellings, since Columbus City Code only allows one (1) dwelling on a single lot.

At this time Mursko suggested the possibility of doing an administrative lot line adjustment. This gives homeowners the ability to move a lot line up to 50 feet. She said the Swanson's could do a lot line adjustment which would decrease their number of lots from three (3) to two (2), and in doing so would decrease the amount that the Swanson's have to pay in property taxes. Leoda expressed interest in this possibility, and asked if Tolzmann could further define what the financial benefit would be to downsize to two (2) lots?

Tolzmann explained that decreasing to two (2) lots would save them some money because instead of three (3) properties with lakefront, it would only be two (125 feet and 75 feet). Mayor Povolny said that performing the lot line adjustment would decrease the value of the property by roughly \$150,000. Mayor Povolny asked Tolzmann if the base fee for lakefront property increased this year? Tolzmann replied that it had increased by 16% based on eight (8) qualified sales on Coon Lake.

James asked what the process was to do a lot line adjustment? Mursko said that she would need a survey completed showing where the lot line will be moved to, as well as new deeds with updated legal descriptions. Tolzmann said that once he receives the information from Mursko, he can update the valuation immediately. Mayor Povolny asked what happens to the third lot after the adjustment is made? Mursko replied that it simply disappears.

Leoda followed up by asking how much time they had to complete the adjustment to change the valuation on their 2018 taxes? Tolzmann replied that if the Swansons can complete their lot line adjustment before the County Board of Appeals meeting on June 11, 2018, their taxes would be adjusted for 2018.

Motion by Daly to adjourn. Seconded by Peterson. Meeting adjourned at 7:59 p.m.

Respectfully Submitted,

Jessica Hughes
Public Communications Coordinator