

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
WORKSHOP
Tuesday, March 29, 2016

7:00 P.M.
Cloverleaf Farm Room
10801 Town Square Drive

CALL TO ORDER/ROLL CALL

The meeting was called to order by Mayor Ryan at 6:30 p.m.

PRESENT: Mayor Tom Ryan; Councilmembers Russ Herbst; Wes Hovland; and Jason King.

ABSENT: Councilmembers Mike Bourke, Dave Clark, and Dick Swanson.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; City Clerk Cathy Sorensen; and Recording Secretary Linda Dahlquist.

Anoka County Assessor's Office: Assessment Compliance Coordinator Alex Guggenberger; Commercial Appraiser Dan Eischens; Residential Appraisers Ted Anderson, Ron Foster, Shawn Halligan, and Jack Purkis.

Board of Review Members: Randi Erickson, Chair; Patrick Grengs, Vice Chair; Maisa Olson; Lynda Riley, Mary Wells.

Review of City of Blaine Assessment Trends 2015 Payable 2016

Assessment Compliance Coordinator Guggenberger stated there is a correction on page 12 in the Market Value Statistics section that he will forward. He gave an overview of the Median Assessed Value as it relates to the median chart that illustrates the relationship between assessed values and actual sale prices. He noted Blaine's market values were higher than the median. He stated the sales period was October 1, 2014 to September 30, 2015 except for Blaine where the assessor decided to use January 1, 2015 to December 31, 2015. He noted the assessor's office reviewed 5,883 properties in 2015. He stated that during the 2015 sales period the total number of transactions increased by 1,120 or 12.60%; residential market values are up 5% and commercial market values are up 3% with 33 commercial/industrial qualified sales.

Assessment Compliance Coordinator Guggenberger gave an overview of the Market Value Effect of New Improvements with new construction on residential 6.3%, commercial 16.7%, and apartment 19.9% for an overall total of 8.3%. He gave an overview of the Residential Sales Ratio Statistics of median ratio 93.54%, coefficient of dispersion on median 7.07%, and price related differential 1.01%. He gave an overview of Sales Study by Neighborhood, which are groupings of like properties. He gave an overview of Ratio Study by city.

Councilmember Herbst commented Blaine's growth is just under 2.8%. Assessment Compliance Coordinator Guggenberger replied Blaine's median is higher than the County's. and commented the County received two years of time trends at once.

Mayor Ryan commented residents are looking to downsize to single level living.

Residential Appraiser Purkis commented lot values are high in Blaine.

Councilmember Herbst asked if staff has received any calls regarding the upcoming Board of Review meeting. City Manager Arneson replied staff has received no calls.

Assessment Compliance Coordinator Guggenberger commented commercial and industrial is harder to rate. He stated the Department of Revenue will not drop the commercial/industrial from 19%. He noted there are inequities between counties. He commented the Department of Revenue is looking to develop regional time trends.

Board of Review Chair Erickson asked if the county uses code star to break down rates. Assessment Compliance Coordinator Guggenberger replied code star needs to align to industry standards.

Mayor Ryan asked how tax delinquencies are handled. Assessment Compliance Coordinator Guggenberger replied that letters are sent to property owners and the process takes three years for non-homestead and five to seven years for homestead. Residential Appraiser Foster stated the residential appraisers go out to the properties after multiple letters are sent.

Board of Review Chair Erickson asked about adjusting conservation easements. Assessment Compliance Coordinator Guggenberger replied the County cannot adjust conservation easements.

Assessment Compliance Coordinator Guggenberger commented the County is changing over to a new tax system from Tyler Technologies to do tax information electronically.

Councilmember Hovland asked for clarification on upgrades to properties. Assessment Compliance Coordinator Guggenberger replied changes or add-ons in use shows up as new construction.

City Manager Arneson commented 2016 will be a busy new construction year.

Assessment Compliance Coordinator Guggenberger stated the County received a call from a tax representative of an owner that owns multiple properties in the County. City Manager Arneson requested the County notify the City of all rental properties they discover in Blaine for follow-up with rental licensing.

Board of Review Chair Erickson asked about This Old House tax exemption program. Assessment Compliance Coordinator Guggenberger replied that program will run out in 2017 or 2018.

Board of Review Chair Erickson clarified that Blaine had a quarter of the County's sales. Assessment Compliance Coordinator Guggenberger replied yes and that is the reason why the County has four staff members for Blaine.

Board of Review Member Wells asked for clarification on the Board of Review meeting process. Assessment Compliance Coordinator Guggenberger replied residents can either contact the City or County or just appear at the meeting.

Board of Review Chair Erickson commented residents come unprepared to the Board of Review meeting and shared an outline that she would like to see given to those residents planning to appeal with suggested information to bring, including photographs and comparisons from Zillow.

Councilmember Hovland suggested posting instructions on the City's website for the residents to know what items to bring to the Board of Review meeting. Assessment Compliance Coordinator Guggenberger commented a link to the County could be added to Blaine's website.

Board of Review Chair Erickson commented residents could hire a realtor to bring to the meeting to help with their appeal.

Councilmember Hovland commented that agriculture is categorized as tillable or untillable land to determine value.

Mayor Ryan asked if there is a limit to how many values the Board of Review can change. Residential Appraiser Purkis replied no and values cannot be changed until the appraiser views the property.

Councilmember Hovland commented residents are not home during the day to let the appraiser into their homes. Residential Appraiser Purkis replied he has done early morning and evening appointments and that they will work with the property owner.

Assessment Compliance Coordinator Guggenberger commented tax court volume has gone down each year. He also noted that billboards in Anoka County are taxed lower than other counties.

The Board of Review meeting is scheduled for April 18, 2016, at 7:00 p.m.

The workshop was adjourned at 7:35 p.m.

Tom Ryan, Mayor

ATTEST:

Cathy Sorensen, City Clerk