Kyle Deming calls the meeting to order at 4:30PM.

The Board has a quorum; four members, four present.

Mr. Deming requests nominations for a Board chair. A motion is made to nominate Kyle Deming and the motion passes unanimously.

The 4:30 appointment was cancelled, so moved on to the 4:45 appointment with Richard & Judy McGaffey. Ms. McGaffey discussed that she is a senior citizen on a fixed income, her home was built in the 20’s and she has lived in the neighborhood for 51 years. Discussed dissatisfaction with the city finances and street repairs, among other items. After she was done speaking the clerk commented to Judy that she should speak with her city councilor to solve some of her neighborhood issues. John Staine, residential appraiser for St Louis County recommends no change due to owners’ refusal to allow entry into the premises to complete an appraisal. Mr. Deming explains to Ms. McGaffey that the board is not allowed to change the valuation unless the appraiser is allowed to enter the property. Board motion, second and passed unanimously for NO CHANGE because board lacks authority due to no appraiser entering property.

Walk in appointment with Justus King. Mr. King discusses his dissatisfaction with the appraisal process and the steady property tax increases. He discusses three comparable property sales in his neighborhood that have more bedrooms than his home and have sold for less than his property valuation. He feels his property should be assessed at 190,000-210,000. Speaks beyond the scope of the hearing and Mr. Deming brings the meeting back. Dave Christianson, residential appraiser for St Louis County recommends no change due to owners’ refusal to allow entry to the premises to complete an appraisal. Board motion, second and passes unanimously for NO CHANGE because board lacks authority due to no appraiser entering property.

Board member reminds all in attendance that the board has no authority to change values to property if access to the property is not granted. Mr. Deming brings the meeting back to order.

Next appointment with Thomas Marczak. Mr. Marczak explained that appraiser wanted to take measurements and he did not realize they wanted to enter the home. Explained how his property values have increased by 50,000 over the past year. Feels he was harassed by the county and is being discriminated against for being a disabled veteran. Also
wants to discuss an additional property and provides pictures for city clerk to display. Mr. Deming asks if he has any comparable sales to present and he does not. Christina Johnson, residential appraiser for St Louis County states that she did visit both of Mr. Marczak’s homes. She was denied entry at 2843 Jean Duluth Rd on two separate occasions in 2018 and in May 2019. Her recommendation is no change due to lack of entry. At 2833 Jean Duluth Rd, there was an interior inspection completed and comparable properties showed values from 38.00 sq ft to 250.00 sq ft. Subject property is assessed at 127,700 which is in the middle of the comparable properties and so her recommendation is no change to the value. The house was built in 1953, and she discussed the comparable properties to the board. She explained that the value of the home is considerably less than the comparable sales due to the condition of the home. Board member Rita Hutchens asked for clarification as to the prior value in 2018 of 75,500 going up to 127,700 in 2019 and it was determined that the property value was reduced in 2017 by the board of appeals. She asked Mr. Marczak’s opinion as to a fair value of the property. He agreed that a fair value would be 80,500. She made a motion that the value be reduced to 80,500, and it was seconded. Motion passed unanimously. The board then returned to the first property at 2843 and passed unanimously that no change be made to value due to lack of entry by appraiser. Board clarified that the reduction in value for 2833 Jean Duluth Rd be to the building, while property remains the same. Board motioned, seconded and passed unanimously.

Board explained to the audience that letting the appraiser enter the property premises allows the option to dispute the valuation, and the board then brings the meeting back to order.

Alexander Whittet was not present so meeting went on to William Gooder next. Mr. Gooder introduced himself and gave a brief history of his family and occupation. He purchased his home at 1208 E 5th St in 2004 and at that time it was assessed at 114,000. The value rose to 123,000, then 150,000 which is where it stayed. In 2018 it went up again so he spoke with appraiser Ben Hanson who walked through in 2018 and assessed the value at $144,050, so he felt he had been overpaying for the past few years. Then in 2019 it increased to 176,400, so he has a walk through scheduled with the new appraiser assigned to his home which is John Staine. Appraiser stated that they had an appointment to walk through the home on Monday 5/20 and so could revisit during the Tuesday 5/21 board meeting. Board motion, seconded and passed unanimously to table until the Tuesday 5/21 board meeting.

James Aird was next with multiple properties. Mr. Aird stated that he attended the appeals process last year with the same properties. Mr. Aird owns 4 1BR units in Morgan Park and they were valued last year at between 54,200 and 52,600. He was awarded a reduction last year to 38,000 each. This year 2 of the units increased to over what they were last year prior to the reduction, and the other 2 are close. He asked how often the property is assessed and how they can increase to what they were prior to the reduction of last year. He also owns other properties in the same building, upper half. Appraiser was difficult to get a hold of he was unable to schedule visits to all his units on such short notice. She told him that there was a 3% increase across all properties in Morgan Park, however, Mr. Aird said his went up much more than 3%. The board asked if there were any recent sales. Christina Johnson, residential appraiser for St. Louis County stated that she did not visit the properties and recommended no change. Rita Hutchens asked if they could be visited before Tuesday. Ms. Johnson says she has time and Mr. Aird agreed to let her in, but still asked for clarification on the valuation process. Ben Hanson, residential lead during the process explained that the values are compared with sales every year, however, the appraiser may only be able to visit the properties once every 5 years. Ms. Hutchens asked why the 3% increase was not accessed on the amount the board lowered the value to last year. Mr. Hanson explained that the valuation may not have been changed in both of their value systems and so may have been a clerical error. The board discussed with the appraisers on whether or not an inspection was done within the required time for the board to act. Ms. Hutchens asked if Mr. Aird would agree with the 3% increase on the reduced amount from last year and he agreed. Bill Hanson clarified that the 3% should only be added to the buildings because the land stayed static. Board motioned, seconded and passed unanimously to add the 3% increase on the reduced values from last year on the buildings only.
The board then discussed the same scenario with a vacant property Mr. Aird owns. A small lot obtained from a tax sale for 1,000 and went up in assessed value from 6,900 to 18,000. Mike Busick, commercial appraiser for the City of Duluth stated that the 2 adjoining properties combined only changed by about 2,000 total. The lot in question did increase, but other lots containing storage units actually went down in value. The board motioned that the 2 properties be set back to last years’ values, so that the lot in question would go back down from 18,000 to 6,900, but the other lot with the storage unit would go from 42,200 to 53,100. Mr. Aird was not in favor of the value increasing on the parcel with income. Rita Hutchens stated that the board only had authority to change properties on the agenda and so made a motion to return the subject lot to 6,900. Mr. Busick explained that all adjacent properties owned by the same owner need to be considered together. Mr. Deming asked for clarification as to whether or not the board has the authority to change the value of property that was not contested. It was determined that the board did have authority since they take walk-ins, etc. but are not required to. Ms. Hutchens does not want to consider the other parcel, but Mr. Busick feels the board is required to since the properties need to be considered together. Mr. Thomas again clarified for the board taking all the parcels into consideration as a whole, as 3 of Mr. Aird’s parcels went down in value, and only one went up in value, which is the one being contested. The board went back to the motion to consider only the parcel in question, seconded and passed unanimously to change the value back down to 6,900. Then a motion was made by the appraiser to change the other parcel back to last years’ value of 53,100. Mr. Andresen wants to table that 2nd parcel’s motion until the next meeting when Mr. Aird could present evidence of the property/buildings’ value. Mr. Aird stated that he would try to get to the next meeting on 5/21 before 5PM. Mr. Andresen made a motion to not change the value of the 2nd parcel and keep it at 42,400, it was seconded and passed unanimously.

Next appointment was Mike Ledoux, who stated that the appraiser did visit his property and he had copies of comparable sales. He purchased home in 1999 for 140,000, and acquired 2 additional lots. He explained the valuation of his property of the past year, and presented photos of his residence. He only has a gravel road for frontage and explained to the appraiser that if the City would decide to pave the road, he would be assessed for that cost. He presented the comparable properties that he located. He is not opposed to a modest increase but feels that his 13% increase is too high. Board clarified what his value was in the past and what he felt a fair assessment would be. Mr. Ledoux did some research and felt that 260,000 – 265,000 would be fair. Ben Hansen, residential appraiser for St. Louis County stated that they do have a disagreement over the value of the property. He explained how he viewed the subject property and that they were valuing it on a total package of 5 parcel numbers, however, he was not opposed to the board lowering the value to the 265,000 range suggested by Mr. Ledoux. Ms. Hutchens made a motion to reduce the value to 265,000 on the building only. It was seconded and passed unanimously.

The board took a half hour break.

The next appointment was Geraldine Davidson. Mr. Deming asked Ms. Davidson if an appraiser had visited her property. She stated that the county appraiser had seen the outside only, but she had an appraiser from a private appraiser that she obtained when refinancing the property. 501 N41st Ave West is the address of the property and Mr. Deming explained that the board would be unable to take any action due to the fact that the county appraiser did not enter the property. Ms. Davidson asked how the value can be increase if they did not see the inside of the property. Mr. Hansen explained that they go door to door and look at properties, and when they cannot get inside, either because no one is home or the owner does not allow entry, they take outside measurements and make assumptions on the home based on the surrounding properties. He also explained that the board cannot reduce the value if a staff appraiser has not inspected the home due to state statutes. Ms. Davidson asked why the private appraisal cannot be used. Mr. Hansen explained that private appraisals are produces for different purposes. Mr. Deming explained that perhaps she could work out with the assessor to look at her property and come back before the board on Tuesday. The board passed a motion to table until Tuesday to see if a staff appraiser can visit the property. The motion was seconded and passed unanimously.
Next appointment was with Troy Walker regarding 5505 W 6th St. The property was purchased in 2015 but had been on the market since 2006, with price reductions every year with a final list price of 189,900. He discussed the appraisals during that time and the price they purchased from the bank who had possession in lieu of foreclosure. They purchased in 2015 for 145,000. There was a value adjustment done from 181,000 to 169,000 by Frank Carver in 2017. He spoke with the appraiser Jason Borman after this years’ notice and met with him, but the appraiser said he could not make a change. Showed some comparable properties to the board and photos of repairs that need to be made to the house and garage. Jason Borman, residential appraiser for St Louis County stated that he visited the property today and after that evaluation the county recommends no change to the value of 206,600. He justified the value with comparable properties in the same neighborhood, and the sq ft value sits at the low end of the homes in the Denfeld neighborhood. The board asked if the appraiser had any recent sales to justify the value, as they are concerned about using a sq ft value for such a large home. The board feels it is not always wise to use a sq ft price derived from a much smaller home. Appraiser explained that they do not go off of sq ft price alone but take many items into consideration such as replacement cost of the house were to burn down. The board then asked for any houses comparable to the size of the subject property anywhere in the west end of town. Mr. Walker mentioned a property in his notes, a 2500+ sq ft home that sold in December 2018 for 200,000, which was fully updated. Ms. Hutchens motioned that they reduced the value to 185,000 on the building and seconded. Board passed unanimously. 

Next appointment was with Guy Ricci, who stated the property at 1215 E 11th was visited by Ben Hansen, staff appraiser. He was asking for clarification of the valuation of his property. Also discussed some comparable properties and how much they sold for and they were much more updated than his property. The board clarified that the comps were houses but the subject property is a duplex. John Staine was reassigned to Mr. Ricci’s area and was not able to inspect the property for this year. Mr. Hansen had visited it the previous year. The board told Mr. Ricci to try to set up an inspection before the next meeting, otherwise they are unable to act. The board motioned, seconded and pass unanimously to table until Tuesday.

Next appointment was with Joseph Pianfetti, who spoke regarding 17 Howard Gnesen Rd. Mr. Pianfetti stated that an appraiser had been out to inspect his property. Purchased the property in 2005 for 180,000. When he refinanced in 2017, the bank would only refinance at 140,000 so the county met him in the middle of his assessment to reduce his value. Since then, it has gone up 20% every year. Mr. Pianfetti discussed the poor condition of his home and the work that needed to be completed on it and doesn’t feel that his home and property is worth the value the county has assessed. John Staine, residential appraiser for St Louis County stated that he performed an interior inspection on the 1800 sq ft home. He discussed recent home and land sales and how he came up with the value and made some adjustments up and down in value after the interior inspection which ended up being a wash. Mr. Pianfetti asked for the address of the vacant land that sold for 60,000 that the appraiser had mentioned. Mr. Andresen asked what the property is assessed at presently and was told that the property and the house together is currently at 180,000 and set to go up to 194,000 next year. Ms. Hutchens asked if the property was in the re-valued area of properties in Kenwood and was told that it was not. The area in question had a 14% increase across all properties. Ms. Hutchens asked Mr. Pianfetti what he felt a fair amount would be in between the past and new values and Mr. Pianfetti wanted the value to stay at 180,000 with no increase. Ms. Hutchens made a motion to reduce the value to 185,000 for the building only. The appraiser stated that the decrease would put the property about 25% below the median value of homes in that area. He was questioned by the board about the comparable sales in the area, and then the 185,000 motion was seconded. Motion carried unanimously.

The next appointment was with Michael Bergh regarding 4227 Cooke St and it was stated that he had reach a settlement with the appraisers. The 8:00 pm appointment was not yet present. Board discussed getting the computers so that they had a better chance to look at comparable properties while the resident was speaking.

The next appointment was with Alexandra Luong regarding 2801 Snowy Owl Circle. Ms. Luong stated that the market value on her property went up 80,000. Ms. Luong talked about the research she did on homes for sale in her
neighborhood and also spoke with a realtor that did market comparisons for her. Next years’ valuation is proposed at 406,800. Ben Hansen, residential appraiser for St Louis County stated the particulars of the property and that he performed an interior evaluation of the home. Based on his evaluation, he recommended lowering the value to 395,900. Owner did not agree with the re-valuation. Ms. Hutchens motioned that the lower the value to 395,900 as suggested by the appraiser and apply that decrease to the building. Mr. Andresen seconded the motion. Motion carried unanimously. Ms. Luong asked what the next steps were for appealing and Mr. Hansen explained that she would receive a letter with the valuation and the next steps to take with the county board if not in agreement which meets in June.

Next appointment was with Charles Spencer regarding 9327 Congdon Blvd. Mr. Spencer explained that there are 6 lots involved which comprise 2 parcels. Last year they were valued at 31,000 and this year 430,000. Mr. Spencer explained that they are unbuildable due to zoning and other restrictions. Access to the lake is hampered by a 20’ drop off. After speaking with the appraiser, she agreed that 430,000 was too high and dropped it back to 205,000 or 229,000, as he wasn’t clear on the final number. He still feels that is too high as the lots are unusable as is. Christina Johnson, residential appraiser for St Louis County stated that she and the owner had come to an agreement the prior day that the subject properties would not be sold without the owners’ other property. The total value of all Mr. Spencer’s property is 1,321,000.00, and so the value is all combined with the other property. She cited some other vacant land sales along the lake; a 1.9 acre for 131,000. She explained that the increase in value was due to taking into account the lake frontage, which was not considered in the past. She had offered the owner a reduction in value of the two parcels by 50% because the property is unbuildable and the shoreline is washing away. Ms. Hutchens wanted to clarify that the value of the two parcels went from 21,100 last year up to 206,400 this year. Ms. Johnson stated that was correct because he had not been assessed for the lake frontage. The board made a motion to roll back the values to the 2018 amounts, it was seconded and passed unanimously.

Last appointment was with Christine Penny regarding 9305 Congdon Blvd. Ms. Penny explained that she has a similar situation in that the previous owner put a seawall and backfilled to create a .05 acre parcel that is unbuildable. The seawall and backfill have been washing away to create a dangerous gulley. Ms. Penny’s discussion with Christine Johnson brought the value down from 170,000 to 60,000 for a gulley that will probably wash out in the next two storms. The value was originally 4,000 and went up to 170,000 and reduced to 58,900. Frank Carver, appraiser supervisor stated that he was in agreement with any decision the board made as it is a similar situation to the prior appointment. Ms. Hutchens made a motion to drop the value back to 4,200, it was seconded and passed unanimously.

The 8:45 appoint had been cancelled, no walk-ins were present, so the board moved on to written appeals. The written packet contained 30 written appeals that were sent in lieu of presenting in person.

Parcel #0680-00010, Buresh, 1618 Vermillion Rd. Appraiser was Vince Semon who met with the owner this week, made some slight adjustments to the value and the owner was satisfied with the changes. Appraiser revalued from 851,100 to 836,500. The board decided that they will vote on all agreements that were revalued with the appraiser at the end of the meeting.

Parcel #0790-07540 & 07570, Licari, 4905 Crosley Ave. The appraiser stated that this property does not have an agreement with the owner. The appraiser stated the he had yet to hear back from the owner so was not sure where they stand. The appraiser has reached out to the owner and recommended that they table this property until Tuesday’s meeting to see if the owner responds.

Parcel #0790-19200, Kaz, 5112 Kingston St. The appraiser stated that he revalued the property and has reached an agreement with the owner. Appraiser revalued from 437,800 to 413,000.

Parcel #1120-00270, Aamodt, 102 S21st Ave W #3. Appraiser spoke with owner on April 30 and the owner no longer wanted to appeal and agreed with the value so the value did not change.
Parcel #1385-00190, Trygstad, East Ridge Estates. Appraiser said that the owner agreed to their value and so the value did not change.

Parcel #1390-00500, 00510, 00522, Hewes, 1308 N 54th Ave East. The appraiser and owner have been trying to connect and have not been able. The appraiser asked to table until Tuesday so he could do additional research. Board agreed.

Parcel #1800-10960 & 11015. Appraiser and Owner are in agreement of the value.

Parcel #2050-00180, Gagnon, 2331 W 24th St. Owner and appraiser reached an agreement on the value.

Parcel #2080-05320 & 05292, Scott, 2525 Jefferson St. Appraiser said owner was OK with no change in value this year.

Parcel #2630-00390, George, 19th Ave East. Appraiser and Owner are in agreement on the value.

Parcel #2746-00190, Stover, 9601 W Skyline Pkwy. Appraiser and Owner are in agreement on the value.

Parcel #2840-02090, Johnson, 5432 Juniai St. Owner was appealing homestead status on which the board cannot rule. Owner wanted homestead status granted for a foster child. Only can be granted for blood relatives according to the appraiser.

Parcel #2861-00500, Lucas, Lester River Condos. Appraiser and Owner have reached an agreement on the value.

Parcel #3100-03960, Karsell, 3716 S Lake Ave. Appraiser and Owner have reached an agreement on the value.

Parcel #3210-00050, 00015, 02120, 02130, 02140, Sand Point Yacht Club. Appraiser currently recommends no change. He has been in contact with the owners. They are trying to put some evidence together, but does not know if they will be ready by next appeal meeting. Hold until Tuesday meeting.

Parcel #3300-02330, Glumac, 8734 Arbor St. Appraiser has not reached an agreement with the owner. The letter discusses more about finances and their taxes rather than appealing the value of the property. Appraiser suggested the board review the written appeal.

Parcel #3300-04360, Rosencrans, 1011 84th Ave West. Owner called to cancel and reschedule the inspection with the appraiser, so appraiser is recommending that it be held until Tuesday pending an inspection.

Parcel #3400-00290, Brining, 4211 W 4th St. Owners are out of the country. Appraisers have tried to contact them but unsure of their return date. Appraisers will try them until Tuesday.

Parcel #3410-05540, George, Kenwood Ave. Appraiser and Owner have reached an agreement on the value.

Parcel #3520-00880, Berglund, 4009 N 81st Ave West. Owner and Appraiser are attempting to set up an inspection. Board will hold until Tuesday.

Parcel #3720-01690, George, 1827 E 10th St. Owner and Appraiser have reached an agreement on value.

Parcel #3830-16380, Gooder, 1208 E 5th St. Appraiser and Owner have an inspection scheduled. Will hold until Tuesday’s meeting.

Parcel #3896-00030, Appraiser will be inspecting this property prior to Tuesday’s meeting.

Parcel #4315-00040, Elliott, 8741 Congdon Blvd. Written appeal simply states that they want to appeal. Appraiser has been attempting to contact the owner, so will hold until Tuesday’s meeting.

Parcel #4426-00040, Appraiser will be inspecting this property prior to Tuesday’s meeting.

Parcel #4444-00420, Waterfront Plaza Hotel. Appraiser wants to hold until Tuesday’s meeting.

Parcel #4680-00010, Cohen, 43 Minneapolis Ave. Appraiser and Owner have reached an agreement on the value.

The meeting was suspended and set to reconvene at 2:00 PM on Tuesday May 21, 2019. The board also stated that they would not be accepting any additional appeals after tonight’s meeting. The board made a motion to approve all of the ones in agreement tonight and it was seconded. Motion passed unanimously. Board then made a motion to
suspend the meeting until 2PM on Tuesday May 21, and also to not accept any additional appeals. It was seconded and passed unanimously.

Meeting reconvened on Tuesday May 21, 2019 at 2:00PM by board chairman.

First appointment was with David Schauer, 3221 Commonwealth Ave. Appraiser has visited subject property. Mr. Schauer indicated he had a 9.2% increase proposed for 2020, on top of a 21% increase for 2019. Appraiser is in the process of making some value adjustments after visiting the property on May 14. Mr. Schauer explained that his house was a much newer home in an old neighborhood and is appealing the 9.2% increase for 2020. Christina Johnson, residential appraiser for St. Louis County stated that she did make an adjustment to the value that Mr. Schauer does not feel is enough. She explained about several sales in the area and the sale price per sq ft. The county recommended lowering the value to 453,900 from 492,900. The board motioned and seconded to lower the value to 453,900, and passed unanimously.

Next appointment was with Guy Heide, 1812 Chinook Dr. Mr. Heide explained that in the last 3 years, their property values have increase about 37%, from 397,000 to 547,100. He feels there was a clerical error in 2016 that has been multiplied every year after. In 2016, the value increased 120,000. He explained that other properties in his neighborhood only increase 4% in the same year. He also stated that the assessor Mr. Hanson, does not have authority to value the property, only the assessor does. His third point was that he felt the appraisers did not act professionally when assessing his property. Frank Carver, county appraiser supervisor stated that the appraiser were not allowed access for an interior inspection and so recommended no change to the value until such time as an interior inspection can be completed. In explaining the 2016 assessments, he said that the entire area was reassessed at that time resulting in the increases. The board stated that they do not have authority to change prior valuations, and do not have the authority to change this year’s appeal due to the fact that an appraiser has not performed an interior inspection of the property. Ms. Hutchens made a motion for no change, which was seconded and pass unanimously.

The next appointment was cancelled, and the county assessors had told people they could walk in even though the board voted at the last meeting not to accept any additional appeals that were not on the agenda. The board agreed to visit the written petitions first and if time allowed at the end, to allow additional walk-in appeals.

Parcel #0790-07540 & 07570, Licari, 4905 Crosley Ave. John Staine, residential appraiser for St Louis County stated that he was unable to get in contact with the owners. The board decided they would act on the properties and not hold out until the next day when owners were not able to be contacted. Ms. Hutchens made a motion for no change in value due to no interior inspection, it was seconded and passed unanimously.

Parcel #1390-00500, 00510 & 00522, Hewes, 1308 N 54th Ave East. The appraiser reached the owner and came to an agreement on valuation. Board made a motion for no change in value, seconded and passed unanimously.

Parcel #3300-04360, Rosencrans, 1011 84th Ave West. Appraiser stated that the owner had to cancel the interior inspection. Board was asked to act in case inspection could not be completed. Board made a motion for no change to value and option to reconsider if inspection is completed, it was seconded and pass unanimously.

4009 N 81st Ave W. Appraiser has been attempting to schedule an interior inspection. Board made a motion for no change, seconded and passed unanimously.

Parcel #3400-00290, Brining/Stuhlmann, 4211 W 4th St. Appraiser has been unable to contact the owner for scheduling an interior inspection. Board made a motion for no change, seconded and passed unanimously.

2501 Leonard St. Sobo Properties/Seth Oliver. Owner supplied appraiser with income and expenses for several different apartments in Duluth and Proctor. The subject apartments’ income supports a higher value than what is being appraised, so the appraiser recommends no charge to the value. Ms. Hutchens made a motion for no change, it was seconded and passed unanimously.

Next appointment was for Parcel #4642-00110, Fryberger, 2008 Featherstone Lane. Mr. Fryberger was not present and the appraiser stated that an agreement had been reached with the owner.

Parcel #4315-00025, 00040, 00060, Elliott, 8741 Congdon Blvd. Appraiser has been unable to reach the owner to schedule an interior inspection. Board made a motion for no change to the value, it was seconded and passed unanimously.
825 Partridge St. Sobo Properties apartment building. Appraiser explained that the same situation applies, in that the income and expenses supplied supports the value. Owner explained that his expenses keep increasing so the appraiser used the highest formula allowable for expenses, but still supports the 20% increase in the value and is recommending no change to the value. Board made a motion for no change, which was seconded and passed unanimously.

Parcel #4444-00390, 00400, 00410 & 00420, Waterfront Plaza Hotel. Appraiser explained where the property was located and stated that most hotels in Canal Park are value around 70,000 per room. He explained that this hotel was probably one of the least desirable in that it is not on the waterfront, some rooms are completely interior with no windows at all, also pointed out that they are not a “national brand” hotel. The owner feels they should be under that 70,000 per room average due to those facts. Appraiser questioned how much below the average, and so compared them to the Hampton Inn which is a much more basic hotel in Canal Park. Reducing the value to that of the Hampton Inn would reduce the value from approx. 6.6M to 5,015,800 for all four parcels. Board motioned to reduce the value to 5,015,800 per the appraiser’s recommendation, it was seconded and passed unanimously.

Board then took a walk-in. Dale Williamson; Parcel #0133-00105; 3220 Commonwealth Ave. Mr. Williamson could not be located so the board moved on to an appointment.

David Orman, trustee for a non-profit property owner, Parcel #3830-07470, 801 E 2nd St. The subject property is low income housing for seniors 62 years and older. Built in the early 60’s as retirement housing. The current owner charges well below market rent and over the past two years have had an extreme increase in property taxes. The past year went up about 500,000. So they went from a value of 2M in 2018 to 2.5M in 2019, to 3.1M proposed in 2020. The have been working with the appraiser Mike Busick, who has offered 2.79M in value, but this increase is going to force them to have to increase the rent. The try to break even every year as a non-profit and this may not allow them to keep the rent flat. They have begun the process to change their non-profit status to qualify for property tax breaks. Mr. Busick, appraiser for St Louis County explained that he based the value off of the average rent for the area, location of the building and views. Ms. Hutches made a motion that the value be kept at the 2019 value of 2,581,900, and the motion was seconded. Passed unanimously.

Board took another walk-in, James Bechthold, Parcel #2710-07720 & 07820, 2921 Morris Thomas Rd. Purchased in 2004 from the County. Owner has been on the disabled veteran exclusion program for the past 3-4 years. He hasn’t done any improvements to the property but the value has increased. The commercial property is currently proposed to be valued at 92,100, and the residential property is currently proposed to be valued at 133,700 from 128,300. Christina Johnson, residential appraiser for St Louis County recommends no change due to not performing an interior inspection and feels an adjustment can be made at the county level after an inspection. The board motioned no change due to no interior inspection, it was seconded and passed unanimously.

Next appointment was with Todd Carlson, Parcel #3120-00050, 1901 Saint Louis Ave, Sand Point Yacht Club. Mr. Carlson is concerned with how quickly the values are increasing. No commercial activities are allowed at the club as they are restricted by their permits with the City of Duluth. 2/3 of their property is public open space. As a small yacht club, their income and expenses are both around 40,000. The parcel is currently valued at 466,700 for 2020, which is no increase from 2019. Mr. Carlson was asked what he thought a fair value would be and he stated that the 2018 value was fairer for them. The appraiser stated that the 2018 assessment was also 466,700, but the 2017 assessment was 263,800. The appraiser stated that Sand Point Yacht Club has over 2acres of land with over 1000 feet of Lake Frontage. He is reducing the value by about 100,000 because of the public open space requirement. He explained that he compared the property to other “boat club” property that is much smaller with no public open space requirement to make sure there is consistency in how they are valuing property on Park Point. The board questioned that the open space looks like it is more than half of the subject property. The board reluctantly made a motion for no change to the value due to the fact that there are really no other properties to compare the parcels to, and it was seconded, and passed unanimously. Mr. Carlson was advised that he can continue to appeal to the County and it was suggested that he obtain a private appraisal.

Board took a break until the next appointment. After the break, a representative of Eastridge Estates, representing Paul Trygstad spoke to the board. Gail Trygstad said that she and her husband purchased the property in April 2019 for 35,900 and feels that their taxes are high as compared with the other properties in the area. She cited a couple of examples and the board explained that they look at valuation of the property, not the tax amount per se. The board clarified the 2019 valuation of the property at 124,400, and the 2020 valuation at 43,100. Christina Johnson, residential appraiser for St Louis County stated that she has spoken with the owners and is not in a position to change anything for 2019, however, they revalued and reduced the property value significantly based on the current sales, so
she is recommending no change. The board made a motion for no change to the value, it was seconded and pass unanimously.

No other appointments were there at the time so the board considered a property presented by Ben Hansen, county appraiser. Parcel #3850-04110, Holte, 714 N 9th Ave E. Mr. Hansen inspected the property and made some adjustments. The current valuation for 2020 was 94,300 and after his adjustments revalued it at 78,500 on the building. Mr. Hansen has not discussed this with the owner, however, he feels he will probably be OK with the revaluation. But if not, he can appeal to the county. The board made a motion to reduce the value to 78,500, it was seconded and passed unanimously.

The next appointment was with William Gooder, Parcel #3830-16380, 1208 E 5th St. Mr. Gooder explained that there was a decline in the value in between 2016 and 2018. John Staine was the appraiser assigned to his property and he explained to Mr. Gooder that there would be a slight reduction in the value after he performed his walk thru. However, Mr. Gooder feels that the sales in the area are inflated and driving up the value of his property. He questioned as to whether there is a limit as to how much property can increase in value in one particular year. The current value on his property is 153,800 after the appraiser lowered the value. He explained that his building is old, built in 1908, and he is having trouble renting to good tenants, and the hospitals are encroaching closer and closer to his property. Mr. Gooder would like to keep the value at 144,500 for at least one more year. John Staine, residential appraiser for St Louis County stated the triplex was purchased in 2004 for 155,000, currently assessed at 155,000 and recommended to value at 153,800. The owner explained that all of his closing costs were added to the purchase price of 137,500 to get it up to the 155,000 purchase price which is not a true reflection of the value at the time. Ms. Hutchens questioned as to why the value dropped to 144,500 in 2018. Mr. Hansen explained that Mr. Gooder appealed and that is why the value was reduced. The board then asked what the neighborhood increase was for this assessment period. The appraisers said there was an 8% increase on the buildings, but the land values stayed the same. The board made motion to keep the value at 144,500. It was seconded and passed unanimously.

The next appointment was with Nathan Schmidt, Parcel #3459-00040, 3806 Gladstone St. Mr. Schmidt explained that an appraiser did not inspect the property this year, however, they were never denied access, they just did not inspect. The appraiser said the board could hear and rule on the appeal in this case. Mr. Schmidt purchased the property in 2015 for 375,000. The house had been on the market for 150 days at significantly higher prices. Home was built in 1962 and has had no updates. It has foundation and other issues and that is why it sold at the price that it did. It is currently valued at 538,500 for 2020 proposed assessment. He feels that the 390,000 range is fair. Christina Johnson, residential appraiser for St Louis County has not had a chance to speak with Mr. Schmidt or inspect the property this year. 2016 was the last time someone from the county was inside the home. Ms. Johnson recommended no change until they have a chance to inspect the property. Board made a motion to reduce the value to 425,000 total with the reduction off of the building value. It was seconded and passed unanimously.

The board recessed the meeting and will reconvene tomorrow at 3:00 PM.

The meeting was reconvened at 3:05. The 3 PM appointment had been cancelled but the assessors had valuations that had been worked out between the appraisers and the owners. The appraisers explained that these were properties where the owner’s had questions and they were worked out between the appraisers and the owners, adjustments were made, after which the owners were in agreement. The board made a motion to approve the values, it was seconded and pass unanimously.

The appraisers brought up the fact that there were 4 letters that were received after the appeal deadline of May 10. The board discussed whether they should take action or not to allow the owners a chance to appeal at the county level. The board decided to make a motion of no change to the value at this time, to allow a chance for further appeal. The motion was seconded and passed unanimously.

The next appointment was with Andrew Larson, Parcel #2118-00260, 2834 Snowy Owl Circle. This property is under “One Roof” a land trust, which makes them subject to income requirements. Mr. Larson explained that Ben Hansen inspected the property last week after he was contacted that he was going to appeal the value. One of Mr. Larson’s neighbors did some research as to values close by and was able to have his value reduced by the appraiser by about 35,000. Mr. Larson brought up that the average increase over the past few years in Minnesota has been about 8% and his increase over the past 2 years has been a 20% increase, which is about a 70,000 value increase in 2 years when no updates have been completed. He feels that someone with income restrictions would not be able to afford the home with the values that have been appraised. Ben Hansen, residential appraiser for St Louis County stated that the home was a 2 story home approx. 1500 sq ft and was built in 2008. He compared to 3 other properties that are all in the One Roof program. They ranged in price from 201-215 per sq ft. They were not located in the Hawk Ridge area but around 40th Ave East and Dodge St which he felt was comparable. Mr. Larson’s home is presently valued at
263,600, which is 171 per sq ft. His neighbor is actually assessed higher at 187 per sq ft. When Mr. Hansen did his walk thru of the property, he didn’t see any areas to make changes so he is recommending no change to the value. Mr. Larson stated that he thought the properties on Dodge St may be under different income requirements under One Roof than his property. The board wanted to know what the prior year value was and the appraiser stated that it was 220,800 as was the prior year. The board made and motion to make no change to the valuation, it was seconded and passed unanimously.

The next appointment was with Ronald Bergh, Parcel #1350-10450 & 10420. Mr. Bergh bought the parcels from the county several years ago for about $100 because there was not much able to be done with the property, no utility access and also not buildable. He feels that the property does not have much value as is. Jason Borman, residential appraiser for St Louis County stated that the county has not changed the value from last year’s appealed value and is recommending no change. The current value on the properties is 6,300 for #10420 and 20,200 for #10450. The board made a motion to make no change to the valuation, it was seconded and pass unanimously.

The county appraiser brought up Parcel #3190-03820 in that they had reached an agreement with the owners of this apartment building that is undergoing extensive remodeling. The current value was listed at 624,000 and the appraiser agreed to reduce the value by 221,500 to 402,500, and the owner is in agreement. The board made a motion to accept this revision, it was seconded and passed unanimously.

The next appointment was with Michelle Oliver, Parcel #2950-02320. Ms. Oliver stated that they purchased the property in 2012 for 253,000 and in that time to the present, the value has increased 150,000. The value assessed this year is just under 402,000. An addition put on the house in 2006 basically doubled the size of the house and as such she feels it is overbuilt for the heart of Lakeside. Working with Dave Christensen, appraiser for St Louis County, the value was reduced to 378,000. But she still feels the value is too high in that she can only find about 5 sales in the Lakeside area that have sold for more than 300,000. The board asked what she felt a fair value would be and she thought it would sell for between 330,000 and 340,000. Dave Christensen stated that this was part of the Lakeside revaluation this year, did an interior inspection last summer, and the result of that was 401,700. The appraiser performed another interior inspection on May 15, and after that the value did not change much. He did figure a 10% decrease because of the neighborhood, as the home is atypical of the area. Of the 3 comparable homes that he found, one had a lower price per sq ft and the other two had a higher price per sq ft. The board made a motion to reduce the value to 350,000. It was seconded and passed unanimously.

The next appointment was with Rachel Pastore, Parcel #2850-01450, 608 N58th Ave E. The home was purchased in 2011 for 255,000. Christina Johnson inspected the property recently and agree to lower the value to 346,700 which would be a 36% increase in the past 8 years. She understands the housing market is good in Duluth, however, the increases are not sustainable for them to keep owing their home. Christina Johnson, the appraiser assigned to her property told Ms. Pastore that she had trouble finding comparable sales in their neighborhood. Ms. Pastore also feels that their home somewhat penalizes them because it is an impressive farm house for the neighborhood. The home does not have a garage, which she feels is something you would expect with a home priced over 300,000. She was hoping to hold steady on the value from last year rather than incurring as increase. Frank Carver, residential appraiser for St Louis County stated that the property is located in the Lakeside neighborhood, which received a revaluation this year. He said that the home was inspected by Christina Johnson in May and recommended the current value. He said that the sq ft rate is less than average for similar homes in Lakeside. The board questioned Mr. Carver if they took into consideration the shed was not insurable. He stated that they had a value of less than 700 on the shed/garage. The board discussed the 3 comparable properties that they looked at. The board made a motion for no change to the value. It was seconded and passed unanimously.

Mr. Parson stated that that concludes the business for the board unless the county had anything additional.

The county appraisers stated that they had no additional questions or business for the board.

The board motioned to adjourn the meeting, it was seconded and passed unanimously.