



PRESENTING APPEALS TO THE CITY OF DULUTH BOARD OF APPEAL & EQUALIZATION

BOARD OF APPEAL AND EQUALIZATION

The City of Duluth Board of Appeal and Equalization is a five-member board made up of individuals who are knowledgeable about property values in the City of Duluth. Board members are appointed by the Mayor and provide an impartial property valuation to property owners who choose to appeal their county assessor property value assessment.

Appeals are heard by scheduled appointments made with the City Clerk's Office in advance of the annual meeting date. Property owners may also appeal in writing.

The following is intended to help you understand the appeal process and your rights and responsibilities in dealing with the Board. This information is intended to provide public information, not legal advice.

APPEALING YOUR ASSESSMENT

Minnesota property taxpayers have a right to appeal the assessment of their property if they feel the assessment is in error.

The City of Duluth Board of Appeal and Equalization is authorized to deal only with the current year's assessment, which is the basis for real estate taxes payable in the following year. In all cases, property owners are encouraged to discuss their assessment with their Assessor on an informal basis before filing a formal appeal.

Who decides my appeal?

The five-member City of Duluth of Appeal and Equalization decides on all appeals. Information on individual Board members may be found on our website: <https://duluthmn.gov/boards-commissions/special-board-of-review/>

Do I need to be present to appeal?

No, you may appeal in writing or you may send a representative to present your appeal.

What should I do before I appeal?

Property owners should first speak with their County real estate appraiser (218-726-2304) to identify the basis for your appeal and schedule a field inspection of your property. The appraiser will ask to make an interior inspection of your property and will review the attributes of your property and compare it to sales and assessments of similar properties in the area.

If you refuse to allow an assessor to inspect your property, a Local Board of Appeal and Equalization cannot adjust the market value or classification in a way that would benefit the property owner. (MN Statutes 273.20 and 274.01. subd 1.)

Requirement for Interior Inspection

If the assessor has been refused the opportunity to make an interior inspection of a property, Minnesota state law does not allow a Local Board to adjust the property's market value or classification in a way that would benefit the property owner.

What are my responsibilities?

Minnesota law assumes that the County Assessor has correctly assessed or classified your property. You must convince the Board otherwise in order to win your appeal.

You may describe your property, how you use the property, and its current condition. You, as owner, may give the Board your own opinion of the property's value or use. Even if you are not an appraiser, you know your property and can provide the Board with valuable information about it.

How will I know when my appeal is going to be heard?

If you wish to present your appeal in person, the City Clerk's Office (218-730-5500) will schedule an appointment for you. Generally, the appointments last 10-15 minutes.

Where will my appeal be heard?

Your appeal will be heard in the County Board Room on the 2nd floor of the St Louis County Courthouse at 100 N 5th Ave West.

PREPARING YOUR APPEAL

The most common reasons for filing an appeal are:

- You think the estimated market value as determined by the Assessor is greater than the property's actual value on the open market.
- You believe the property is unequally assessed when compared with other properties.
- You believe that the classification of the property (residential, agricultural, commercial, etc.) is incorrect.

Understanding the Board of Appeal and Equalization

Real estate taxes are not the subject of these hearings. The board will consider the estimated market value and classification of the property. To strengthen your appeal, present evidence about the property's value and/or use, not how much you pay in taxes.

Appeals usually involve questions of fact about the property.

How much is a property worth on the local market? What is its use? How does it compare with similar properties nearby?

These are the issues on which you can present information in your assessment hearing. Other issues, such as the amount of your taxes or the level or type of services you are receiving are not relevant at this hearing.

How can I convince the Board the valuation of the property is incorrect?

You should be prepared to present information to support your belief that the Assessor's valuation is incorrect.

First, review the Assessor's data on your property to make sure everything is correct. You can discuss your property with the County appraiser.

Check the records of recent property sales in your area. At the Assessor's office, ask for the Certificates of Real Estate Value (CRVs) from the past year for properties in your area and taxing district. These are public documents that describe the actual sale prices of properties in your area.

Demonstrating Property Value

The best evidence of value is a recent appraisal report prepared by a licensed real estate appraiser (prepared within the last 18 months).

Be prepared to provide the City of Duluth Board of Appeal and Equalization with an opinion of what you feel your property is worth, along with factual evidence to support your opinion. **A recent appraisal report prepared by a licensed real estate appraiser *for the purpose of establishing a value for calculating property tax* is the best evidence of value.** Less reliable supporting information would include market analyses, listings, cost data, or verbal opinions of value, all of which have limited information upon which to make a decision.

Please be aware that appraisals are made for different purposes. Some appraisals that have been done for financing, estate, divorce, or other purposes may not be appropriate for use in an assessment appeal. If you plan to use such an appraisal report as part of your case, you should contact the appraiser who prepared the report to review its **intended use** and to confirm whether it should be used for an alternative purpose.

How can I prove my property is classified incorrectly?

Property in Minnesota is classified according to its actual use, such as commercial, industrial, agricultural, seasonal recreational, or residential. Vacant land, other than Rural Vacant Land, is classified according to its highest and best use. The County Assessor has a copy of the definition of highest and best use from the Minnesota Department of Revenue available for your review.

Residential property is classified as homestead - that is, the owner or a qualified relative lives in the residence - or non-homestead, which is when the home is owned by a person or entity other than the resident.

If you intend to dispute the classification of your property, you need to prove how you use the property. If the Assessor has changed the classification and the property has not been sold or transferred, you must prove that your property should be in a different classification.

Minnesota Statutes are available in many public libraries, most college libraries, and all law libraries. They are also available on the internet at <http://www.leg.state.mn.us/leg/statutes.asp>. The laws that

apply are in Chapter 273 of the Minnesota Statutes. Talk to the Assessor about interpretation of these laws.

Special program status

According to the Minnesota Department of Revenue, the City of Duluth Board of Appeal and Equalization cannot grant “special program status” resulting from property tax programs which statutorily require an application and supporting materials to be submitted and approved by the County Assessor’s office.

Examples of such programs are Homestead classification, Green Acres, or the Disabled Veteran’s Exclusion, among others.

If you wish to have your property classified as homestead, and occupancy is in question, you must convince the Assessor that you or a qualifying relative occupy the property as your principal place of residence.

THE DAY OF THE MEETING

What should I bring to the meeting?

Bring all of the information you want to present, such as photographs, appraisals or written reports. There is usually an easel in the room on which you can display your information. If you plan to have photos or written reports to support your appeal, please bring nine (9) copies for the Board members and supporting staff.

What happens at the meeting?

As the property owner, you will be asked to present your information supporting the basis for your appeal first. You will have 5 to 7 minutes for your presentation. The board will ask you for:

1. A clear and succinct statement of what you are seeking
2. Factual evidence to support your opinion

Next, the County Assessor’s staff will present their findings. You may review the Assessor’s findings prior to the meeting. The Board will ask questions and then make a decision on your appeal. They have the authority to increase or decrease your value or leave it the same. They may also review the classification of your property.

Copies for the Board

If you have photos, appraisals or other exhibits you wish to share with the City of Duluth Board of Appeal & Equalization in support of your appeal, please bring nine copies of each item to the meeting to share with the Board and staff.

How can I make a strong presentation?

- **Do your preparation.** Make a list of key points you wish to make. Keep it with you for reference.
- **Set the scene.** The Board has never seen your property. Describe your property so they will understand your arguments more fully. Where is the property located? What buildings are on it? How are the buildings used? How much did you pay for it? How long have you owned it? Have you made improvements? Are there natural features, like creeks or ponds, which affect the value or use

of your property? How much would you sell it for? Describe the issues that are in dispute in the appeal.

- **Keep your presentation brief and factual.** Prepare well and know exactly what evidence you want to present. **Make your case directly and factually.** If your appeal involves the property's value, be prepared to present an opinion of what you believe the property to be worth, along with evidence to support your opinion.
- **Listen respectfully to the County Assessor's report.** After you have told the Board your story, it will be the County's turn to present their report on your appeal. Listen respectfully. Do not interrupt. Make notes on any points you would like to clarify further with the board.

How long will my hearing last?

Normally, it will last between 10-15 minutes. The Board has several appeals to consider so they attempt to keep things on schedule.

When will I find out about the Board's decision?

In most cases, the Board decides on appeals as they are heard. In a few instances they have requested additional information for their consideration at their next meeting. In all cases, a decision is made before the Board adjourns the meeting. You will be notified in writing of the Board's decision.

If I send a written appeal, how will I be notified of the Board's decision?

On all appeals, the City of Duluth Clerk's Office will mail you notice of the Board's decision.

Can I appeal to a higher level?

The next level of appeal is the St. Louis County Board of Appeals in June. You **must** appeal to the local Board prior to appealing to the St. Louis County Board of Appeals. Information on how to appeal to the County Board is on your valuation notice or on the letter from the City of Duluth regarding the Local Board's decision.

BUILDING, CONTACT AND PARKING INFORMATION

Parking is available at meters or at the parking ramp with access on First Street across from City Hall. Handicap parking is available on 2nd Street, behind City Hall.

To speak with an appraiser, request an interior inspection or request Certificates of Real Estate Value (CRVs), contact:

St. Louis County Assessor's Office
Courthouse, Room 212 (center building in Civic Circle)
100 N 5th Ave W
Duluth, MN 55802
218-726-2304

To request an appointment with the Local Board of Appeal and Equalization, submit an appeal or obtain a form to submit as your appeal, contact:

City of Duluth Clerk's Office
City Hall, Room 318 (right-hand building in Priley Drive / Civic Circle)
411 W 1st St
Duluth, MN 55802
218-730-5500

You may submit your appeal on the City of Duluth website:
<https://duluthmn.gov/city-clerk/local-board-of-appeal-and-equalization/lbae-appeal-process/>

The day of the meeting, City Staff will be located outside the County Board Room in the St Louis County Courthouse to direct you.

County Board Room
St Louis County Courthouse
2nd Floor 100 N 5th Ave W
Duluth, MN 55802