

CITY OF SAINT PETER, MINNESOTA

MINUTES OF THE BOARD OF APPEAL AND EQUALIZATION MEETING APRIL 19, 2022

Pursuant to due call and notice thereof, a regular meeting of the Saint Peter Board of Appeal and Equalization of the City of Saint Peter was conducted on April 19, 2022, in the Governors' Room of the Community Center.

A quorum present, Mayor Nowell called the meeting to order at 6:00 p.m. The following members were present: Councilmembers Keri Johnson, Ben Ranft, Dustin Sharstrom, Emily Bruflat, Brad DeVos and Mayor Shanon Nowell. Absent was Councilmember Darrell Pettis. The following officials were present: Nicollet County Assessor Lorna Sandvig and Appraiser Shana Jackson.

Sandvig described the increases that were applied in various residential neighborhoods in Saint Peter as well as apartments, commercial and industrial property and mobile home parks. Sandvig indicated State Statute requires the County's valuations to be within 90%-105% of the sales that occurred in the community between the periods October 1, 2020 - September 30, 2021; and because the valuations were below that range, the County was required to increase valuations to reach the minimum threshold.

Mayor Nowell informed the audience that the Council would hear all the appeals and decide on each appeal at the end of the meeting.

Burt Hoffmann, owner of the property at 214 North Front Street, addressed the Board to question the \$275,100 proposed market valuation of his property. As Mr. Hoffmann did not have an appointment with the Board, Assessor Sandvig provided information to the Board on his property which was a 1969 rambler, one-story duplex with approximately 1,960 square feet on the main floor, a full basement, central air, three baths plus additional fixtures and smaller square footage of finished space in the basement. Sandvig noted the property had a single attached garage, a larger detached garage, a shed, and confirmed the increase in valuation was 11% which was in line with the increases provided to the rest of the neighborhood.

Mr. Hoffmann expressed his belief that the property was "not in a prime neighborhood" and most houses were old and in rough shape which he felt should result in being taxed at different rates than neighborhoods such as Johnson Circle.

Sandvig noted that different factors are used depending on the neighborhood location and the age of the properties in the neighborhood and the condition of those older properties had already been considered when the valuation was determined.

Megan Willette of Kaduce Properties, LLC, addressed the Board regarding the assessment for her parcel which is used as a parking lot adjacent to her building at 424 South Minnesota Avenue. Kaduce claimed the valuation of \$44,200, which is an increase of 28.6% over the prior year, was an overvaluation. Kaduce stated she had lost Highway 169 access to her parcel and with the new construction going on in the adjacent lot, the condition of the asphalt was now questionable. She indicated she believed her property was no longer salable.

Sandvig reported that Willette's land had received the same 33% increase as all downtown commercial property, but the pavement increase was less due to the age of the asphalt.

Board members questioned if highway access is ever considered when determining valuation. Sandvig responded that all interior lots are valued at the same front foot rate and that while Willette had previously had the benefit of the Highway access before construction began on the apartment complex on the abutting property, the property used for access did not belong to her and her property was not valued higher for having use of that free access.

The Board considered an appeal letter submitted by Patrick and Patricia Duenwald at 1621 Riverview Road. The Duenwalds claimed a valuation of \$274,600 was more realistic than the County's valuation of \$319,700 as their 1987 home needed upgrades including a furnace, driveway, sidewalk, and siding. Assessor Sandvig provided comparables including the slightly smaller house next door which recently sold for \$386,806. Sandvig indicated the County appraised the Duenwald house as being in "normal" condition for the age of the house.

The Board considered an appeal letter submitted by Kenneth and Kristianne Westphal Trust of 507 Capitol Drive. Mr. Westphal objected to the valuation of \$389,400. Following receipt of the appeal letter, County Assessor staff personally inspected the home and recommended no change. Sandvig noted no condition issues were found during the inspection, everything in the home matched the County's records and the 15.7% increase in valuation was in line with the rest of the neighborhood.

The Board also considered a recommendation from the Assessor's office to reduce the proposed valuation of \$222,300 on the property owned by Skeeter Burmeister and Kathryn Walley at 616 Austin Drive. Sandvig indicated that during the City-wide reassessment, her staff had been unable to view the interior of the property and as that has now been completed, the recommendation was to reduce the valuation to \$198,100. Sandvig also noted the property owners were agreeable with the reduced amount.

Sandvig presented a last-minute appeal received from Brad Price for BAR Partnership, owner of the property at 221 South Minnesota Avenue (Godfather's Pizza) asking to reduce the valuation of \$484,000. Price noted in his letter that the property has been for sale for some time with no buyers and requested the valuation remain the same as in 2021 until such time as actual sale of the building determines the new value. Sandvig reported the same increase applied to other downtown properties had been applied to Mr. Price's property, but she had applied no finish value to the upper floors of the building which had birds in it. Sandvig also pointed out the sale price for the building was listed at \$505,899. The owner had also admitted some difficulties in prospective buyers finding the listing online which may have impacted offers to purchase.

Although comparables for this building were difficult to find, Sandvig noted the recent contract for \$350,000 sale of the Jake's Pizza building on the 100 block of West Broadway Avenue.

Sandvig also presented a last-minute appeal from Matthew Byers for the property at 202 North Third Street which was valued at \$362,600 after an 8.08% increase. Sandvig noted the Byers had purchased the property in 2015 for \$340,000 and two years prior the Board had provided a five percent (5%) reduction due to needed maintenance on the property including replacement of the roof. As the roof replacement had not yet taken place, the reduction was still in place on the valuation. Sandvig also pointed out the property has no central air and no garage.

Board members had extensive discussion on the historical nature of the home, the cost for maintenance and renovation of historical properties, and the unique nature of this particular property which made comparables difficult to find. Sandvig provided one comparable in the same neighborhood of a home which sold in late 2020 for \$344,747 and which was slightly smaller but had an attached double garage and central air.

Mayor Nowell reminded Councilmembers they could raise, lower or make no change to any appealed property valuation and, following discussion on all of the appeals, the Board took the following actions:

- Burt Hoffmann, 214 North Front Street - Motion by Johnson, seconded by Sharstrom to make no change. With all in favor, the motion carried.
- Megan Willette, Parcel ID #19.412.4140 (parking lot abutting 424 South Minnesota Avenue) - Motion by Ranft, seconded by Bruflat, to make no change. With all in favor, the motion carried.
- Patrick and Patricia Duenwald, 1621 Riverview Road - Motion by Johnson, seconded by Sharstrom to make no change. With all in favor, the motion carried.
- Kenneth and Kristianne Westphal Trust, 507 Capitol Drive - Motion by Bruflat, seconded by Ranft to make no change. With all in favor, the motion carried.
- Skeeter Burmeister and Kathryn Walley, 616 Austin Drive - Motion by Ranft, seconded by Sharstrom to accept the recommendation of the County Assessor and reduce the valuation to \$198,100. With all in favor, the motion carried.
- Brad Price for BAR Partnerships, 221 South Minnesota Avenue - Motion by DeVos, seconded by Sharstrom to make no change. With all in favor, the motion carried.
- Matthew and Betsy Byers, 202 North Third Street - Motion by Johnson, seconded by Bruflat to make no change. With all in favor, the motion carried.

There being no further appeals presented, a motion was made by Bruflat, seconded by Ranft, to adjourn. With all in favor, the meeting was adjourned at 7:47 p.m.

Shanon A. Nowell
Mayor

ATTEST:

Todd Prafke

City Administrator