

WOODLAND
BOARD OF APPEALS MINUTES
Monday, April 12, 2010
7:00 P.M.

BOARD OF APPEAL AND EQUALIZATION

ROLL CALL

Present: Chairperson James Doak; Board Members, Tom Newberry, Sliv Carlson and Troon Dowds.

Absent: Chairman Michael Jilek

Staff: City Assessor Dan Distel, County Assessor Bill Effertz and City Clerk Shelley Souers

BOARD OF APPEALS & EQUALIZATION

Chairman Doak called the Board of Appeals and Equalization meeting to order at 7:00P.M., noting that all Board Members have received Board of Appeals training.

City Assessor Distel stated that the Board of Equalization is the forum for property owners to appeal their property valuations. Property values are based on the sales from October of 2008 through 2009. Assessor Distel stated that his job is to place a fair and equitable value on all Woodland property while meeting the criteria of Hennepin County and the Department of Revenue, which measure assessed values to property sales. The target value is 95% of the sale price. Two sales occurred in Woodland for the 2010 sales ratio study. Assessor Distel noted that both sales were greater than the assessed values, with the assessed values at 84% and 86%, short of the 95% benchmark set by Hennepin County.

Assessor Distel reported that Hennepin County uses a new formula for valuing lakeshore. Lakeshore frontage is valued in three 50 foot increments, with any remaining frontage at a reduced valuation than the previous three sections. The values are set by the Assessor and can vary within a community. The previous method of lakeshore valuation had been a site value for the entire property.

Assessor Distel stated that Woodland lakeshore property values were reduced about 3% to equalize the values to similar shoreline in Wayzata and Deephaven. A ten year value growth report from Hennepin County, coupled with the minimal sales confirmed the smaller decrease for Woodland. Assessor Distel stated that he and the Hennepin County Assessor considered many factors in determining the reduction for Woodland properties before final approval was given. The 2010 reduction to property values were approved in spite of the low sales ratios which would have been unacceptable if more sales had occurred.

Assessor Distel reported that off lake property values in Woodland decreased about 7% and lakeshore property values went down about 2.8%.

Chairperson Doak asked why many lake communities received a 6% reduction in lake values and Woodland's lakeshore values went down less than 3%.

Assessor Distel responded that the decision for the modest decrease, relative to other communities, was based on property sales and Woodland's value increases have remained on the bottom in comparison to other communities for years.

County Assessor Bill Effertz stated that the two sales in Woodland would dictate an increase in values, however, based on market condition feels the values are accurate.

Chairperson Doak opened the Board of Appeals Public Hearing.

Chairperson Doak reported that the City had received a written comment from property owner Steve Hornig, 2830 Breezy Heights Road.

Board Member Dowds read Mr. Hornig's written comments into the record.

The Board of Appeals considered each of the three points addressed in Mr. Hornig's letter; current market value conditions, an adjacent principal structure in close proximity which has altered lake views and privacy, and the position of the subject property relative to replacement, new construction or alteration given the zoning ordinance restrictions coupled with the minimum lot area.

Board Member Newberry noted that, according to the guidelines of the appeals process, prior year assessments cannot be considered in valuation changes.

Chairperson Doak noted that 2830 Breezy Heights Road is unique due to the narrow lot and may be one of the smallest lots to access lakeshore living in Woodland.

Assessor Distel stated that there are no comparables in Woodland so he compared sales of several similar sized lakeshore properties in Deephaven and Greenwood, noting that the comparable lakeshore properties sold for more than the value of 2830 Breezy Heights Road.

Chairperson Doak agreed that the construction of the adjacent home changed the lake views for the Hornig's property by reducing the "peninsular view" and there may be a loss of some privacy, however, did not agree that these changes deem the Hornig's property less valuable.

Board member Dowds agreed that the quality of the adjacent home and landscape does not diminish neighboring property values. The width of the lot was known to the Hornigs when the property was purchased and the lot size is factored in when establishing the market value.

Chairperson Doak noted that Mr. Hornig's property is long standing, and the Council has not declined variances, other than a lakeside gazebo.

There being no further public comments, the hearing was closed.

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Board Member Carlson moved to deny the appeal for a value reduction to 2830 Breezy Heights Road. Board Member Newberry seconded the motion. Motion carried 4-0.

ADJOURNMENT

Board Member Newberry moved to adjourn the Board of Appeals hearing at 7:44 P.M. Board Member Dowds seconded the motion. Motion Carried 4-0.

ATTEST:

Shelley J. Souers, City Clerk

James S. Doak, Mayor