

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tamaro, James Pernu, Lee Branville, Mike Erjavec

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BOARD OF EQUALIZATION

APRIL 13, 2011

Chairman Kniefel called the Board of Equalization meeting to order at 1:00 PM, Fayal Town Hall. Present were: Chairman Kniefel, Supervisor Erjavec, Supervisor Branville, Supervisor Tamaro and Clerk Sersha. Supervisor Pernu was absent. Also in attendance were St. Louis County Assessors Pat Orent and Dan Christensen.

Audience members in attendance were: Joanie Pelzer, Dale Dickson, Diane Stewart and later in the meeting, Jodi Vest.

Chairman Kniefel asked the assessors to give an overview of this year's property assessments in Fayal Township.

Pat Orent stated that this year was a non-reappraisal year in Fayal, this upcoming year there will be a re-appraisal of the entire township. This year's appraisal was based on sales in each one of the neighborhood markets designated as St. Mary's and Ely Lake, Off-Lake, Rural, Suburban and Small Lakes. All of those were right around the median ratio, so it was decided there would be no increases or decreases for any of the neighborhoods. The overall median was 91.6 percent. This summer and fall will be a complete re-appraisal of all properties in the township.

Dan Christensen stated that given the status of the market and the current sales, we are at very close to market value so there should not be many changes.

Chairman Kniefel asked if there was very much new construction or improvements to properties in the last year? Mr. Orent stated there was a substantial amount but he did not run a report on the dollar value.

APPEALS

Joanie Pelzer, 7507 Ely Lake Drive, CVT 340-0010-01845- Mrs. Pelzer asked if she could make an appointment for her re-appraisal and stated she would like to be home when the assessor makes his inspection. Mr. Orent stated they do not normally take appointments, but if you call the office they can accommodate her and set up a time to visit. Mrs. Pelzer asked what the waste assessment is for? Chairman Kniefel answered it is an assessment that was put on by the county board years ago for the landfill and is on every improved parcel. Mrs. Pelzer also had some questions regarding the sewer easement, which were answered by the Supervisors.

Dale Dickson, 4343 Golf Course Road, CVT 340-0023-00210- Land Value- \$20,100, Building Value- \$70,000- total \$90,100. Mr. Dickson stated he purchased the land from the St. Louis County Land Department as tax-forfeit and paid \$3,700 for it. The land is mostly wetlands and there is only a small portion to build on. Mr. Dickson stated he built a garage and the land went up to \$7,000, the next year it went to \$8,100 and this year it went up to \$20,100. Mr. Dickson stated there is 13 homes in that plat and there is not a lot out there appraised that high. Mr. Dickson stated he cannot get a building permit because of the wetlands he cannot meet any of the setbacks without a variance. Mr. Orent stated the land went up to \$20,100 for several reasons- 1) by error, 2) the \$5,000 assessment for public water and sewer and 3) res/prep- \$2,000. Those had been omitted by error, so they were added, like anywhere else in Fayal Township. Mr. Orent did recommend to the board the land value be decreased by \$4,000 and change it to a poor site value from an average site value. By changing the site value from average to poor, it will take into consideration that Mr. Dickson has minimal buildable area.

Mr. Dickson then addressed the value of his garage. Mr. Dickson stated he has living quarters above his one story garage. The garage is one story. Mr. Orent stated he called it a quarter story living area above a 24 x 48 segment of his garage.

Mr. Dickson stated he has storage trusses in the upstairs and it is sheet-rocked, there is no water, sewer, kitchen or electrical, except for electric baseboard heat. Mr. Dickson stated he has a 6 foot bathroom in his garage and he questioned how you can call it living quarters when the bathroom is in the garage? Mr. Dickson stated his biggest concern is that it is at \$70,000 already-- it was \$31,000 at 65 percent complete, and at one hundred percent complete, it went up to \$70,000. Mr. Dickson stated it doesn't add up. Mr. Dickson was also concerned regarding the value of his garage because he intends to build a house on the property and he questioned how high will his assessment get if his garage is already at \$70,000? Mr. Dickson stated he put siding on his garage this past year and it went up \$36,000. Mr. Dickson stated he has all his slips from Menard's and he paid \$4,500 for the siding and rock.

Mr. Orent stated the new value is going from partially complete to complete and the previous assessment did not take into consideration any interior finish either on the garage segment or on the upstairs segments, or the heat. Mr. Dickson stated he would like to do some comparisons to other garages in the township. There was much discussion between Mr. Dickson and Mr. Orent involving what constitutes storage area versus living area, and the value of each. Mr. Orent explained that if there is any interior finishing it will be taxed at a higher rate because it has more inherent value in the marketplace than something that is bare wall. Mr. Dickson and Mr. Orent then made comparisons to several garages in the township.

Chris & Jodi Vest- 7859 Thunderbird Trail East, CVT 340-0010-02994- Land- \$28,700, Building- \$325,500, Total- \$354,200. Jodi Vest presented a recent appraisal on their property showing the appraised value to be a total of \$273,000. This was referred to the assessor for further study.

Motion to reduce the value of Mr. Dickson's land by \$4,000 to \$16,100, per the assessor's recommendation and preserve his right to go to the county board in the matter of Mr. Dickson's garage, since Mr. Dickson is an employee of Fayal Township, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Renato Della Rocca- CVT 340-0040-00310- Land- \$96,100, Building- \$9,500- total \$105,600. By letter, Mr. Della Rocca states he thinks the value of his property is too high and could not be sold for that amount. The board looked at neighboring properties and his land value is consistent with others in the plat.

Motion to take no action on property owned by Renato Della Rocca, CVT 340-0040-00310, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Mr. Orent reported he had two property owners contact him and he made site visits to both, those being:

Edwin Hill, 4493 Woodlawn Boulevard East, CVT 340-0025-00070- Land- \$19,300, Building- \$123,700, total \$143,000. Upon inspection of the building, Mr. Orent recommended a reduction of \$14,100 to the building.

Motion to reduce the value of the building on CVT 340-0025-00070 by \$14,100, per recommendation of the assessor, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Phillip Eck, 3649 River Drive, CVT 340-0010-06680- Land \$29,500, Building- \$6,600, total \$36,100. Upon inspection, Mr. Orent recommended a reduction of \$4,000 to the land since there is no sewer.

Motion to reduce the value of the land on CVT 340-0010-06680 by \$4,000, per recommendation of the assessor, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Motion to continue the Board of Equalization to May 3, 2011 at 7:00 PM prior to the Regular Meeting of the same date, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Board of Equalization recessed at 2:26 pm, April 13, 2011.

The Board of Equalization was reconvened at 7:00 pm on May 3, 2011, Fayal Town Hall, by Chairman Kniefel. Present were: Chairman Kniefel, Supervisor Erjavec, Supervisor Branville, Supervisor Pernu, Supervisor Tamaro, Clerk Sersha and St. Louis County Assessor Pat Orent.

Audience members in attendance were: Pat Ziegler, Jerry Ulman, Rita Turchi, Brad Reifsteck, Steve Shykes, Harvey Thompson, Dale Dickson and Jody and Chris Vest.

Mr. Orent stated he re-visited Dale Dickson's property and had the following recommendation:

Reduce the improvement value by \$3,000.00, from \$70,000 to \$67,000.

Motion to concur with the assessor's recommendation and reduce the improvement value \$3,000, on CVT 340-0023-00210 for a total taxable value of \$67,100.00, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Mr. Orent explained he had visited another property and had the following recommendations:

Jeremy LaPine, 1635 Weeks Ave. Superior, WI, 340-0100-00250- Land value- \$53,400, Improvement value- \$45,200- Total \$98,600. The building has a three inch crack in the foundation and estimates of about \$10,000 were provided by the property owner for the costs to have it fixed.

Motion to approve the reduction of \$10,000 on the improvement value, per the assessor's recommendation, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Mr. Orent stated there is a second parcel of Mr. LaPine's that was also inspected and he recommends a reduction on that parcel also.

Jeremy LaPine, 1635 Weeks Ave. Superior, WI, 340-0100-00260- Land Value- \$117,500, Improvement Value- \$35,200- Total \$152,700. Mr. Orent explained the land value should be reduced to \$88,100 because the lakeshore value had been counted twice and was in error. The improvement value should also be reduced because the interior of one building had been subject to a soot backup and had been gutted to the studs. The porch and sauna were also in deteriorated condition. Mr. Orent recommended a reduction in land value of \$29,400, to make the land value \$88,100 and the improvement value reduced by \$16,500 to \$18,700, for a total market value of \$106,800.

Motion to approve the assessor's recommendation on the aforementioned property, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Chris & Jodi Vest, 7859 Thunderbird Trail East, 340-0010-02994- Land Value- \$28,700, Improvement Value- \$325,500- Total \$354,200. Mr. Orent inspected the property and stated the appraisal the Vest's presented was done under Fannie Mae guidelines which differs from the sales and cost approach used by the St. Louis County Assessors office. Mr. Orent presented three other recent sales in the township that supported his valuation of the Vest property, and recommended no change.

Motion to approve the assessors recommendation on the aforementioned property, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

There being no further business, Chairman Kniefel adjourned the Board of Equalization at 7:29 PM.

Respectfully submitted,



Judy M. Sersha
Clerk of Fayal

Approved: _____

Chair

Date _____

May 17 2011

Attest: _____

Clerk