

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Heidi Coldagelli, Clerk/Treasurer

Anthony Tammaro, Chairman

Supervisors: Lee Branville, Mark Chad, Richard Sather, Patrick Ziegler

PHONE (218)744-2878

FAX (218)744-5986

LOCAL BOARD OF APPEAL AND EQUALIZATION

APRIL 13, 2021

The Local Board of Appeal and Equalization Meeting was called to order at 1:01 PM by Chairman Tammaro. Present at the Town Hall were: Chairman Tammaro, Supervisor Ziegler and Clerk Coldagelli. Present via teleconference were: Supervisor Chad. Supervisor Sather joined via teleconference at 1:07 PM. Supervisor Branville was absent. Chairman Tammaro is the Board certified member.

St. Louis County Assessors in attendance via teleconference were Pat Orent and Nicole Felten. Appellants Ed Vest, Jody Vest, Joanne Pelzer and Gerard Karpik were in attendance via teleconference.

Pat Orent introduced Nicole Felten as the new appraiser for St. Louis County. Ms. Felten informed the appellants and the Board of the changes made for the proposed 2022 taxes in Fayal Township. For Ely Lake, Long Lake and St. Mary's Lake, the contributory value of buildings increased by 15%. For the same area, contributory value of land increased by 8%. Rural Fayal received a 15% increase to building values. The suburban area and small lakes did not see an increase. Market values are based upon sales from October 2019 through the end of September 2020. Changes are determined by the sales price and the estimated market value at the time of sale. Those percentage changes are applied to everyone within those economic neighborhoods. Fayal's reappraisal period will occur this upcoming summer for 2023 proposed values.

WRITTEN APPEALS IN ATTENDANCE

Ed Vest, Parcel 340-0172-00100- Chairman Tammaro questioned if lake properties that sold for under the estimated market value are taken into consideration. Patrick Orent clarified that the County utilizes the median value that would remove the influences from the extreme high and low sales. Mr. Vest expressed concerns regarding the pandemic and some of the abnormal buying. An increase of 12%, for \$40,000 is unprecedented. Mr. Vest is concerned about fractured valuations within the Township and how neighborhoods received large increases both last year and this year. Mr. Vest would like to request a reduced increase that matches the lakeshore increase of 6%-7% as that would be more acceptable in his opinion.

Jody Vest, Parcels 340-0010-02994 & 340-0010-03561- Mrs. Vest expressed concerns that her 2021 year valuation increased by 7%, a \$25,500 increase. The 2022 proposed valuation is an increase of 13%, or \$53,945, which is a two-year increase of \$79,445 for her home. Mrs. Vest informed the Board that when her home was originally built, it was valued at the appropriate value, but over the years has been impacted by the mass increases based on area sales. Her neighborhood is categorized as rural neighborhood, with three sales in the sales book. Those market values ranged from \$145,000-\$185,000, but sales were purchased at a higher rate. Mrs. Vest's home has been valued above \$350,000, but there are no comparables in the \$300,000-\$400,000 range reflecting those types of increases. Patrick Orent clarified for the Board that in nonreappraisal years, homes receive a blanket change across the board in those economic neighborhoods. Mrs. Vest expressed the unfairness in the trend for properties. It appears to be the trend that homes ranging in the \$140,000 to \$185,000 range have more buyers in that market than in her home's price range. Mrs. Vest stated that her home should see a reduction as there are not comparables to support. Mrs. Vest also brought forward that overall, commercial properties in Fayal did not see an increase, but her home has a garage portion that is classified as commercial and that received an increase. Mrs. Vest expressed concerns over how the commercial portion is handled. Chairman Tammaro empathized with Mrs. Vest and as Fayal is a very desirable neighborhood, sales are driving those values. What is frustrating are individuals that enjoy living out here and do not plan to sell their homes are affected by these sales. Mr. Orent shared that other nearby rural communities also faced increases ranging from 10% to 18% on building values and all are seeing increases to these magnitudes. Median ratios on Ely Lake was 83% of sales price, Long Lake was 83% of sales price, rural areas were 83% of sales price, suburban was 96% of sales price, St. Mary's Lake was 78% of sales price and small lakes were 180% of sales price. Mrs. Vest brought forward her other parcel of land with a garage building. Mrs. Vest questioned if surrounding blight is taken into property value consideration.

Joanne Pelzer, Parcel 340-0010-01845- Mrs. Pelzer brought forward concerns regarding her \$9,000 increase as her property is depreciating. Mrs. Pelzer has been working with the County for sending pictures regarding her concerns. Chairman Tammaro questioned the County if the sewer line easement affects valuations, which the

County indicated that it does not typically affect the values, but there are some areas where it has.

Gerard Karpik, Parcel 340-0100-00010- Mr. Karpik would like his property adjusted for the value of his home. He has a roof in poor condition, a well with issues and a loss of land due a lift station in his yard.

APPEALS MADE TO THE ST. LOUIS COUNTY ASSESSOR

Thomas Dean, Parcel 340-0010-05710- Current valuation is \$370,200. St. Louis County is recommending a change of value as the pole building does not have a living space, but a heated space. The recommended change in value is from \$370,200 to \$334,500, a reduction of \$35,700.

Motion to approve a decrease of \$35,700 to 340-0010-05710, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Gidget and Carey Peterson, Parcel 340-0010-06314- Current estimated market value is \$300,800 and Nicole Felten is recommending reducing to \$299,300, a reduction of \$1,500 for a bathroom correction.

Motion to approve change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Cameron Jayson, Parcel 340-0010-00220- Mr. Jayson submitted a letter for appeal, but then submitted a letter to withdraw the appeal.

Motion for withdrawal of appeal for Cameron Jayson, made by Supervisor Ziegler, support from Supervisor Chad. Discussion if withdrawal of appeal would lose opportunity to appeal to the County Board. Clerk Coldagelli had communicated to Mr. Jayson that withdrawal of his appeal would eliminate that opportunity. ***Motion carried unanimously.***

Michael Erjavec, Parcel 340-0010-01960- Current estimated market value is \$131,500 and Nicole Felten is recommending a reduction of \$5,000 for the barn roof collapse, for a new value of \$126,500. Chairman Tammaro brought forward that he spoke with Mr. Erjavec who is also appealing his land value due to excess water on the property. Discussion regarding timing of the year and standing water.

Motion for reduction of \$5,000 to Michael Erjavec's property, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Peter Kerze, Parcel 340-0172-00130- Recommendation from the County for a reduction of \$8,000 as water and sewer is attached to the adjacent property and Mr. Kerze was being charged for both properties.

Motion to approve the reduction of \$8,000 for Mr. Kerze, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Stevens Welding & Fabricating, Parcels 340-0010-03216 & 340-0010-03210- Both parcels need to change the current classification from industrial to commercial in order to match the tax classification that the state currently has them recorded as. There are no implications to the property owner in terms of tax. The tax rate for industrial and commercial are the same.

Motion to approve the change from industrial to commercial, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Same change needed for the other parcel.

Motion to approve the change from industrial to commercial, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

WRITTEN APPEALS MADE TO THE TOWN OF FAYAL

Gregory & Julie Michalski, Parcels 340-0110-00070 & 340-0110-00080- Mr. Michalski had concerns with a neighboring property and how that affects his value. Nicole Felten reviewed his property for accuracy. There are no findings that those situations are playing a significant role in sales. Recommendation for no change.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Kathryn Erjavec, Parcel 340-0010-01871- Record was accurate. Largest concern is resident is across the street from suburban neighborhood and is considered rural. Recommendation from the County to leave as is.

Motion to leave value the same, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Jeffrey and Heather Hermes, Parcel 340-0172-00110- There is new construction on this property and his property is on the lower end of values on the lakes. Recommendation for no change.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Brenda Corbin, Parcel 340-0172-00090- Nicole Felten had not had a chance to speak to Ms. Corbin as the appeal just came in. Can review at reconvene.

Kathleen Portuque, Parcel 340-0042-00240- No contact information was listed in the appeal letter. Clerk Coldagelli will get the contact information for Nicole Felten and can review at the reconvene.

Steven Andrie, Parcel 340-0056-00040-This property had new construction. One of the sales that Mr. Andrie lists in his appeal letter was outside of the sales study date and will be used in next year's study. His property is located in the rural area. Recommendation for no change.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Jim Samargia, Parcel 340-0070-00120- This was also new construction. Mr. Samargia had numerous questions for Nicole Felten and tax specific questions. Discussion regarding land and new construction.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Patrick Ziegler, Parcel 340-0010-01585- Patrick Ziegler's written appeal addressed that the parking lot on his property has been removed and he is being charged for a chicken coop. Patrick Orent informed the Board that the chicken coop is not being valued and is just listed in the inventory on the property. Mr. Orent recommended removing \$4,400 for the parking lot from the building value, a new building value of \$379,800, for a total value of \$419,200, a reduction of \$4,400.

Motion for reduction of \$4,400 for Patrick Ziegler, made by Supervisor Chad, support from Supervisor Sather. Supervisor Ziegler abstained. Motion carried.

BOARD ACTIONS

Michael Erjavec, Parcel 340-0010-01960- Land in the sales study averaged \$1,500 per acre. Other area parcels sold for \$917 & \$931 an acre. Mr. Erjavec's land is valued at \$819 per acre and fits in with comparable sales.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Joanne Pelzer, Parcel 340-0010-01845- Patrick Orent informed the Town Board that due to COVID, the County has been unable to verify the interior. Mr. Orent recommended that Mrs. Pelzer wait until this summer for the County to complete an inspection and that change can be made for the current assessment year. Recommend at this time no change, but that doesn't mean the value will remain stagnant.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Ed Vest, Parcel 340-0172-00100- Nicole Felten has a no change recommendation.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Jody Vest, Parcel 340-0010-02994- Chairman Tammaro questioned if Mrs. Vest could provide pictures to the County to assist in verifying an accurate valuation, which the County does encourage.

Motion to table until reconvene, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Jody Vest, Parcel 340-0010-03561- Nicole Felten recommended no change.

Motion for no change, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

Gerard Karpik, Parcel 340-0100-00010- Chairman Tammaro recommended the County review Mr. Karpik's pictures and work with him in regards to his valuation.

Motion to touch base with Mr. Karpik, made by Supervisor Ziegler, support from Supervisor Chad. Motion carried unanimously.

For the reconvene will need to review parcels for Brenda Corbin, Kathleen Portuque, Gerard Karpik and Jody Vest.

Motion to reconvene on Tuesday, April 20th at 6:30 PM, made by Supervisor Ziegler, support from Supervisor Sather. Motion carried unanimously.

Motion to recess the meeting and reconvene April 20th at 6:30 PM, made by Supervisor Ziegler, support from

Chairman Tammaro. Motion carried unanimously.

Chairman Tammaro recessed the meeting at 2:19 PM.

Respectfully submitted,

Heidi M. Coldagelli

Heidi M. Coldagelli
Clerk/Treasurer Town of Fayal

Approved:

Andy J. Russo

Chair

Date:

5-4-21

Attest:

Heidi M. Coldagelli

Clerk