

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

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LOCAL BOARD OF APPEAL AND EQUALIZATION

APRIL 19, 2022

The Local Board of Appeal and Equalization Meeting was called to order at 1:00 PM by Chairman Tammaro. Present were: Chairman Tammaro, Supervisor Sather, Supervisor Chad and Clerk Coldagelli. Supervisors Branville and Ziegler were absent. Chairman Tammaro and Supervisor Chad are the Board certified members.

St. Louis County Assessors in attendance were Nicole Felten, Beth Sokoloski and Pat Orent. There were 55 appellants that signed in.

Nicole Felten and Beth Sololoski are residential appraisers for St. Louis County. Pat Orent was present to answer individual general questions and to discuss any commercial evaluations. Ms. Felten informed the appellants and the Board that the purpose of the Board of Appeal and Equalization is to provide a fair and objective forum for property owners to appeal their valuations and classifications. The goal of the meeting is to address property owners' concerns efficiently, fairly and objectively. Values are based on the estimated market values and sales are used as the basis. The sales are prevailing under typical market conditions. Historically, current conditions are not the typical sales market. The State of Minnesota requires properties to be valued between 90-105% of the sales. The exceptional sales market has driven values up in 2021 and 2022. The value serves as the basis for taxation. Ms. Felten also included a map reflecting increases throughout St. Louis County. Ms. Felten continued that any evaluation reductions must be justified as that does have an effect of shifting the tax burden to other property in the jurisdiction. A property inspection of structures is required when a recommended valuation is a benefit to the property owner.

Chairman Tammaro questioned the appraisers that the sales book does not support the valuations. Ms. Felton explained that the sales book demonstrated sales over a two year period, whereas the sales study reflects typically a one year period.

APPEALS IN PERSON

Ed and Carolyn Vest, Parcel 340-0172-00100- Mr. Vest provided the Board with a sample of material from his lakeshore and a report from St. Louis County Board of Appeal from 2012. Mr. Vest was concerned that his land value increased nearly 63% and his assumption is that his lakeshore has been reclassified. Discussion regarding drought conditions during reappraisal period in 2021 and the County appraisers were using historical data during evaluations. Mr. Vest is requesting to lower land value to a fair value as was done in 2012. An overall increase of 36.5% would be acceptable to Mr. Vest. Mr. Vest also brought forward concerns regarding his type of siding. Ms. Felton had performed an interior inspection.

Chairman Tammaro added that with the amount of individuals present, time would be limited to five minutes for appeal.

Richard Maddern, Parcel 340-0042-00610- Mr. Maddern's property received a 66% increase and in his research, seven of the area neighbors' properties increased 22%. New vinyl siding was added to Mr. Maddern's property. Ms. Felten completed an interior inspection and did recommend a reduction. He would like the reduction to be equivalent with his neighbors' 22% increase.

Matthew Svatos, Parcel 340-0160-00455- Ray Svatos was present on behalf of his son, Matthew Svatos. The property was purchased just prior to the sales book properties. Mr. Svatos is requesting an interior inspection.

Robert Prosen, Parcel 340-0045-00115- Mr. Prosen requested justification of the large increases on land values for lake frontage. Mr. Prosen also questioned how a fire pit is designated as a building. Ms. Felten clarified that those descriptions are to assist St. Louis County staff with identifying where a structure is located. Discussion regarding appraisals.

Charles and Janet Cutter, Parcel 340-0180-00030- Mr. Cutter informed the Board that over the past two years, his estimated value increased 23%. His home is a smaller, older home with original siding. Ms. Felten had spoken to Mr. Cutter regarding the assessment process and has completed an inspection. Chairman Tammaro suggested that Mr. Cutter bring his concern to the County. Mr. Cutter emphasized that these valuation issues need to be brought to the state level. Chairman Tammaro questioned the County Appraisers as to what rights does the

Town Board have in lowering an individual's valuation? Ms. Felten responded that the Town Board could reduce a total of 1% of the jurisdiction. Mrs. Cutter posed questions in regards to what will happen when the real estate bubble bursts as property values go up, but they do not come down.

Dennis Cossalter, Parcel 340-0172-00250- Mr. Cossalter would like discuss the unfairness as the large increases were not experienced last year despite similar market conditions. Mr. Cossalter added that many of these properties purchased for exorbitant prices are from individuals located out of state or the Twin Cities, which is punishing the local residents. Mr. Cossalter's assessed value went up 47%. Mr. Cossalter would like to schedule an interior inspection in order to appeal to the St. Louis County Board.

Thomas Coombe, Parcel 340-0135-00100- Mr. Coombe's property increased 21% and he would like to schedule an in-house visit.

Mark Johnson, Parcel 340-0060-00830- Mr. Johnson has never appealed prior and has increased prior years, but this year his property value increased \$123,800. Mr. Johnson does not want an interior inspection, but does have concerns that these increases will tax individuals out of their homes. Ms. Felten did bring forward that there are deferment programs available through the Auditor's Office for individuals on a fixed income.

Chairman Tammaro brought forward that any individual present that is unable to stay, may complete a form with Clerk Coldagelli in order to address their appeal.

Mike and Connie Sabetti, Parcel 340-0172-00230- Mr. Sabetti questioned why the meeting couldn't be held in the evening to accommodate working individuals and also to be more private for addressing properties. Mr. Sabetti would like to know why his property increased \$108,000. There has been no updates to the property since time of construction. Mr. Sabetti is concerned that if and when the market crashes will the County be so quick to drop his property value? Ms. Felten clarified that a sales study is completed every year and if the values are too high, they are required to bring those values down. Mr. Sabetti would not like an interior inspection. Mr. Sabetti asked clarifying questions regarding bedroom counts, to which the County only uses bedroom count for informational purposes. Mrs. Sabetti questioned how much did the County go up in value and why so much in one year? Mrs. Sokoloski clarified that the State requires them to follow those sales and in June the State will review all the local effort and make sure that all the median sales ratios and required adjustments to land and/or buildings are sufficient to their requirements. If the State finds errors, they will apply changes. Fayal Township increased from \$228,000,000 to \$288,000,000.

Denver Young, Parcel 340-0042-00330- Mr. Young is concerned that he will be taxed out of his home. His home has a rock floor service room. There may be services available for veterans. Mr. Young would like an interior inspection.

Dennis Briski, Parcel 340-0173-00100- No longer in attendance, but will revisit.

Jerry Pedersen, Parcel 340-0160-00070- Mr. Pedersen was present as his property increased \$122,100. Only six sales of the forty sales listed in the sales book pertain to Mr. Pedersen's property. In his research, only two of those sales sold for more than the tax assessed value. Mr. Pedersen is requesting not to raise his property more than 7%. Chairman Tammaro asked if there had been a number of high end homes that have sold? There was one that sold for \$680,000 on Pleasant Lake. Discussion that one was purchased on St. Mary's by an out of area resident.

Denny and Becky Bone, Parcel 340-0172-00070- Mr. Bone was concerned that this anomaly will continue into next year and at what point will it end. Mr. Bone's value increased 27.6%, of which land value 52.6% and building 20.4%, for a total of \$118,900. Prior year increase was \$48,000. Mr. Bone questioned why the land values increased so much? Chairman Tammaro questioned if the sales were very high during COVID? Ms. Felten responded that the sales had been creeping up and the County has tried to be conservative. Ms. Felten further discussed speaking with our local legislature regarding the homestead credit. Mr. Bone would like an interior inspection in order to be able to appeal to the County.

Greg Gilness, Parcel 340-0010-00730- The property has 44' shoreline and .41 acres. The lot is too small for any future build. Mr. Gilness is concerned that his neighbor's lot is possibly confused for being part of his property and would like an interior inspection performed.

Ben Delich, Parcel 340-0070-00090- Mr. Delich was no longer in attendance, but left a written appeal.

Matt Ticky, Parcel 340-0042-00175- Mr. Ticky was no longer in attendance, but left a written appeal.

Kevin Bird, Parcel 340-0010-01580- Mr. Bird was no longer in attendance, but left a written appeal.

Craig Schlossin, Parcel 340-0172-00260- Mr. Schlossin has never had an interior inspection and would like to

have one completed. He is in a shallow bay on St. Mary's, fairly muddy and a long, narrow lot. Ms. Felten clarified that there are multiple factors that play a role when valuing land.

Jeff Edgette, Parcel 340-0045-00650- Property is for Mary Sadar and Mr. Edgette was no longer in attendance, but left a written appeal.

Dan Zbosnik, Parcel 340-0060-00040- Mr. Zbosnik was no longer in attendance, but left a written appeal.

Fern and Daniel Swanson, Parcel 340-0010-01675- The Swanson's were present to discuss their \$202,000 increase for 2023. In 2022 it had increased \$53,000. The college built the home 17 years ago. Mrs Swanson would like an interior inspection.

Greg and Julie Michalski, Parcels 340-0110-00070 & 340-0110-00080- Mr. Michalski discussed that his neighbor has heavy equipment on his property. Chairman Tammaro reviewed that the complaint was addressed by the blight officer and St. Louis County was to address any zoning requirements. Blight Officer Mark Chad will relook at the property.

Regan Scuffy, Parcel 340-0010-01851- Exterior inspection was completed by Ms. Felten at reappraisal. Mr. Scuffy would like an interior inspection. The property is also missing the homestead classification and paperwork can be completed to correct.

Richard Ford, Parcel 340-0042-00520- Mr. Ford was no longer in attendance, but left a written appeal.

Bart Kozar, Parcels 340-0010-05820, 340-0010-05810 & 340-0010-05860- Mr. Kozar was no longer in attendance, but left a written appeal.

John Zoretich, Parcel 340-0140-00190- Mr. Zoretich was no longer in attendance, but left a written appeal.

Mike Beard, Parcels 340-0042-00430, 340-0042-01020, 340-0010-01080, 340-0010-00950- Mr. Beard was no longer in attendance, but left a written appeal.

Leonard Groom, Parcel 340-0042-00530- Mr. Groom was no longer in attendance, but left a written appeal.

Eli Hietala, Parcel 340-0120-00390- Mr. Hietala questioned a 30% increase to his property and changes to his homestead exclusion. Ms. Felten explained how the market value exclusion is calculated. Mr. Hietala did not think an interior inspection would help. Discussion regarding taxes.

Cameron Lanyk, Parcel 340-0140-00110- Mr. Lanyk was no longer in attendance, but left a written appeal.

Jim Samargia, Parcel 340-0070-00120- Mr. Samargia would like an interior inspection. Mr. Samargia expressed concerns regarding a catastrophic state in the real estate market and what can the County, State and entities do for our residents? Wages are not increasing as inflation increases. There are approximately 900 residences in Fayal and 40 sales in the sales study. Concerns that home values are based upon such a small percentage of the overall homes. Ms. Sokoloski clarified that the Department of Revenue requires a minimum of six sales for a jurisdiction and to follow the median sales ratio.

John Mattei, Parcel 340-0160-00270- Mr. Mattei received nearly a 40% increase for his 1100 square foot home with half a basement. Mr. Mattei would like to schedule an interior inspection.

Nicole Young-Mattson, Parcel 340-0086-00050- Mrs. Young-Mattson was no longer in attendance, but left a written appeal. Ms. Sokoloski completed interior inspection and will have a recommendation.

James and Janet Baker, Parcel 340-0173-00030- Property has increased \$99,000, is a small lot and no changes have been made to the property since they have purchased it. Would like to schedule an interior inspection.

Kurtis Nelson, Parcel 340-0025-00330- Mr. Nelson was no longer in attendance, but left a written appeal.

Erwin and Gail Coon, Parcels 340-0100-00230 & 340-0100-00240- The Coon's were no longer in attendance, but left a written appeal.

Thomas Brimsek, Parcels 340-0010-03150 & 340-0010-03185- Mr. Brimsek brought forward questions regarding his evaluation. His home is 45 years old with original siding and windows. Would like to schedule an interior inspection and to check for accuracy since reevaluation.

Tedd McCue, Parcel 340-0155-00010- Mr. McCue was no longer in attendance, but left a written appeal.

Marilyn Ocepek, Parcels 340-0060-00020, 340-0060-00150 & 340-0060-00010- Ms. Ocepek was no longer in attendance.

Elizabeth Olivanti, Parcel 340-0100-00400- Ms. Olivanti had previously spoken to the County and there was not

anything additional that they could do. Ms. Olivanti questioned what options does the Town Board have? She would not like an interior inspection. The County is able to provide a property assessment record. Discussion regarding basis for interior inspection. The value has increased \$100,000 since purchased in 2018. Pat Orent clarified that the Township has the authority to reduce the aggregate value 1% and the other option would be to appeal to the County Board, but the local and County Boards are unable to make any changes for the betterment of the tax payer if the homeowner has denied access for an interior inspection.

Chris Turner, Parcel 340-0010-05616- Mr. Turner expressed concerns regarding the correlation between out of state purchases affecting the value of his property. Discussion that new builds would decrease the overall tax burden. Discussion regarding property values and home improvements. Can have an interior inspection.

Nick Softich, Parcel 340-0060-00340- Mr. Softich brought forward his home was built in 1992, original roof and windows and there is a large crack in foundation floor. The cracked foundation is slowly shifting towards the lake and rock work was completed to assist. Mr. Softich would like an interior inspection. An inspection was done in 2017 and the cracked foundation was accounted for. The Softich's questioned the differences of a real estate appraisal and an estimated market evaluation through the County. The Softich's also questioned if there is a list of improvements that would impact their valuation. Ms. Sokoloski recommended to just call the County and pose those questions to give a ballpark figure of how that would change the property valuation.

Nancy Seliga, Parcel 340-0042-00305- No longer in attendance. The County will contact her.

Cheryl and Terrence Burritt, Parcels 340-0042-01041, 340-0010-00945 & 340-0042-00220- Mrs. Burritt questioned why one of the parcels was changed from rural vacant land to residential homestead. The property was logged and trees have been planted. This adjacent property was sold which caused the classification change and can be corrected. Discussion regarding parcel ending in 00220. The Burritt's applied for a building permit and a slab was discovered that appears in error. Would like an interior inspection to verify the property.

Robert Mesich, Parcel 340-0100-00055- Mr. Mesich was no longer in attendance, but left a written appeal.

Marlene Emery, Parcel 340-0135-00094- Ms. Emery was no longer in attendance, but left a written appeal.

Cathleen Zelinski, Parcels 340-0180-00460, 340-0172-00210 & 340-0010-02998- Home has been made handicap accessible. The roof currently leaks and there is water in the basement. Would like information from the County regarding program assistance for disabled individuals. No improvements have been made to the cabin property. Would like an interior inspection. The property across the street in now a cemetery and has 12 plots. Discussion regarding carpools and how they are valued.

Jeremy Moberg, Parcel 340-0190-00020- Mr. Moberg was no longer in attendance, but left a written appeal.

Alex Peritz, Parcels 340-0042-00035 & 340-0042-00040- Mr. Peritz was no longer in attendance, but left a written appeal.

Carol Hepokoski, Parcel 340-0120-00320- Ms. Hepokoski was no longer in attendance, but left a written appeal.

Sheila Irish, Parcel 340-0120-00310- Ms. Irish informed the Board that an old garage is the only structure. The property increased from \$45,000 to \$70,500. There would be a significant cost to remove the garage. Discussion regarding other lots sold in the Township. Ms. Felten will contact them to discuss.

Stony Jespersen, Parcel 340-0134-00160- Mr. Jespersen received a \$44,000 increase and would like to schedule an inspection. Mr. Jespersen also requested a reduction for utilities located on his properties. When work is performed on his site the utilities are not restoring his property.

Mark Peterson, Parcels 340-0010-05090 & 340-0010-05150- Mr. Peterson was no longer in attendance, but left a written appeal. Mr. Peterson has applied for green acres and the County is reviewing his request.

Richard Sather, Parcel 340-0025-00150- Mr. Sather would like an interior inspection done.

Nicole Felten informed the Board that she did have a few properties that are requiring a change, but there were a number of them that with the additions and changes, resulted in an increase, which the County would recommend no change. Beth Sokoloski informed the Board that she visited three properties and one requiring a classification change.

WRITTEN APPEALS MADE TO THE TOWN OF FAYAL

Peter Waldorf, Parcel 340-0010-03350- Beth Sokoloski completed an interior inspection.

Heidi Coldagelli, Parcel 340-0087-00200- Ms. Coldagelli would like an interior inspection.

Elana and Brian Pfeifer, Parcels 340-0160-00020 & 340-0010-01440- Submitted a letter.

James Keller, Parcel 340-0042-00150- Would like a reinspection.

Philip Delich, Parcel 340-0025-00270- Ben Delich brought in the appeal regarding a market value increase of 44%.

Richard Prebich, Parcel 340-0010-05970- Submitted a letter.

Benjamin Neff, Parcel 340-0172-00220- Ms. Felten completed an interior inspection and Mr. Neff would like a further reduction.

James Cronkite, Parcel 340-0010-06112- Ms. Sokoloski spoke with Mr. Cronkite, but didn't have much time to assist him as he was out of the area.

Shannon Schultz, Parcel 340-0021-00090- Ms. Sokoloski spoke with him and will schedule an interior inspection. Mr. Schultz has a prior appraisal to provide to the County.

Greg and Sheila Joseph, Parcel 340-0010-05892- Ms. Sokoloski spoke with Mr. Joseph and there were minimal increases. The majority of his change came from land increases.

Greg Buckley, Parcel 340-0010-05180- Pat Orent left a message with Mr. Buckley to review his income information as it is a commercial structure.

Dale Dickson, Parcels 340-0023-00210 & 340-0023-00200- Ms Sokoloski spoke with Mr. Dickson.

Dora & Mark Skerjance, Parcels 340-0021-00180 & 340-0010-01924- Ms. Sokoloski spoke with Mr. Skerjance and he expressed concern with the lot values. She will research the issue.

Tim Steigauf, Parcel 340-0172-00060- Ms. Felten spoke with Mr. Steigauf. He had provided comparable lake frontage properties.

Mary Sue & Douglas Mertens, Parcel 340-0130-00150- Submitted a letter.

Kevin and Megen Bruun, Parcel 340-0010-04230- Classification needed correction.

James Hovanec, Parcel 340-0135-00077- Refused interior inspection.

William Luukkonen, Parcel 340-0150-00250- Contacted Clerk Coldagelli that he would like to drop his appeal, but in the event that he changes his mind, his appeal has been received.

At this time Clerk Coldagelli left to check the mail for any additional appeals.

Gail Gibbens, Parcel 340-0130-00190- Message was received on voicemail during the Board of Appeal Meeting regarding her \$17,000 increase.

Reviewed the list of appeals with St. Louis County to ensure everyone was accounted for. Pat Orent had spoken to Jim Hilfers, but he did not sign the appeal sheet or leave a written appeal.

Discussion regarding reconvene. Board of Appeal must reconvene no later than 20 days.

Motion to recess the meeting and reconvene May 9th at 4:00 PM, made by Chairman Tammaro, support from Supervisor Sather. Motion carried unanimously.

Chairman Tammaro recessed the meeting at 5:43 PM.

Respectfully submitted,

Heidi M. Coldagelli
Clerk/Treasurer Town of Fayal

Approved:

Chair

Date:

5-17-22

Attest:

Clerk