

APPROVED MINUTES

EDEN PRAIRIE BOARD OF APPEAL AND EQUALIZATION

THURSDAY, APRIL 18, 2019

7:00 P.M., CITY CENTER

Council Chamber
8080 Mitchell Road

BOARD MEMBERS PRESENT:

Lyndon Moquist, Chair; Annette O'Connor, Vice-Chair; Kristin Rial, Nate Thompson, and Todd Walker

BOARD MEMBERS ABSENT:

None.

CITY STAFF PRESENT:

City Assessor John Sams. Staff Appraisers: Jody Carlson, Dave Buswell, Jessica Pike, Adam Swart, and Jon Thompson. Hennepin County Assessor's Representative Earl Zent. Assessing Technician Lisa Ramsey and Recording Secretary Jan Curielli.

I. CALL MEETING TO ORDER

Chair Moquist called the meeting to order at 7:05 p.m.

II. PROCEDURAL INFORMATION BY JOHN SAMS

The Board members introduced themselves and City Assessor Sams introduced the staff members present. Sams explained the Board of Appeal & Equalization (BOAE) is a process that is required by State statute. Any appeals not completed this evening will be completed at a second meeting not more than twenty days later. The decision of the Board can be appealed to the County Board of Equalization.

III. ORDER OF BUSINESS

A. REVIEW APPEALS IN SECTION A AND SECTION B AS LISTED ON THE APRIL 18, 2019 BOAE LIST AND STATUS OF APPEALS

Appeal B11 – Patricia & Virgil Seifert, 8390 – 8400 Hiawatha Ave – [PID 16-116-22-43-00022](#)

Sams said this appeal is included in Section B of the BOAE list. Staff and the owner have agreed the classification of this property should be changed back to agricultural. The property had been classified as agricultural until this year when they classified it as residential. After staff reviewed the information sent by the property owner, they

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determined it belongs back in the agricultural class. There is no change to the value of the property.

O'Connor asked how much land is on the property. Sams replied it is 11.24 acres.

MOTION: O'Connor moved, seconded by Nate Thompson, in Appeal No. B11, [PID 16-116-22-43-0002](#), to change the classification to agriculture. **Motion carried 5-0.**

Sams said the owner will receive a letter with the change. He suggested the Board continue by hearing the appeals of those who are present at the meeting.

Appeal #3 – Saroj Aryal, 15188 Patricia Court – PID 04-116-22-42-0116 & 04-116-22-42-0125

Sams said staff looked at the property and their recommendation is to affirm the value of the two parcels at \$165,600 for the condo and \$17,200 for the garage, for a total property value of \$182,800.

Saroj Aryal said the value of his two properties increased by 11.8% for 2020 over 2019, which is far more than the rate of inflation in the U.S. He believed the value of his property should be \$165,700, which would be 1.5% more than the 2019 value. He noted 1.5% was the rate of inflation in the U.S. in 2018. He said the sales of two or three comparables which were used to determine his value were not enough to accurately value his property. He believed the City should always value property at the last known sales price plus the inflation rate for that particular city. Large increases in the values such as the one on his property for 2020 cause hardship when individual income levels remain the same can and lead to unaffordable housing for long term residents.

Moquist asked Mr. Sams if he had any other thoughts from the staff review of the property. Sams replied the law doesn't allow us to wait to set a value until the property sells. Market value must be determined every year, and the value is tied to what the market has done during the year. [He noted staff](#)

~~Jon Thompson noted he~~ looked at [recent sales of](#) several other comparable properties ~~that sold recently~~. The conclusion was a value of \$188,500 for the properties; however, the recommendation is to affirm the current value [of \\$182,800 for the Aryal property of \\$182,800](#).

Moquist asked if the home has three bedrooms and two baths. Sams replied it does, and there were not a lot of adjustments required for the comparables. The value is based on comparable units that sold.

Nate Thompson said he knew of a listing for a comparable unit with two bedrooms and two baths which just sold for \$171,000-\$175,000 in five days. He believed the City made the correct adjustment for the Aryal property.

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Moquist asked about the range of dates on the comparable sales. Sams replied there were five comparable sales, a couple of which sold in April and May of 2018.

O'Connor asked if the comparable sales also included two numbers, one for the condo and one for the garage. Sams replied some of the comparables included a garage, and some did not. O'Connor then asked if the sales included a garage of the same size as the Aryal property. Sams replied all but one of them had two-car garages.

Moquist noted there was not much deviation in the houses and asked about the amenity situation. Sams replied all the comparables are very similar. The same units may sell differently every time, so staff looks at more than one sale. He felt the review affirms the value placed on it.

MOTION: Walker moved, seconded by O'Connor, in Appeal No. 3, [PID 04-116-22-42-0116 & 04-116-22-42-0125](#) to affirm the values of \$165,600 and \$17,200 for the two properties. **Motion carried 5-0.**

Sams suggested the Board hear two appeals that just came in because the property owners are here tonight.

Basil Wissner, 8293 Mitchell Rd – PID 15-116-22-32-0011

Basil Wissner said he believed his value was too high because it increased 12% from last year.

Sams said staff has not had an opportunity to review Mr. Wissner's property and asked the Board to refer the appeal back to staff for further review.

MOTION: O'Connor moved, seconded by Rial, to continue the appeal of Basil Wissner, 8293 Mitchell Rd, [PID 15-116-22-32-0011](#) to the May 6 meeting. **Motion carried 5-0.**

Michelle Walter, 10065 Eden Prairie Rd – PID 29-116-22-44-0031 & PID 29-116-22-44-0032

Michelle Walter said she has a home and a lot on Eden Prairie Road She purchased the irregularly-shaped lot from the owner of the adjacent property, and it now has an inflated value. She received a 203% increase for her property for 2020 She purchased the land at a very high price, but she considered it harsh to increase the value on the lot from \$965 to \$80,000. The value of her home was increased from \$671,000 in 2017 to \$832,000 in 2020, and her home has not been remodeled.

Nate Thompson asked if she bought the lot two years ago. Ms Walter replied she bought the home two years ago for \$800,000.

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O'Connor asked how much land is with the parcel and if it is buildable. Ms Woalter replied it is 0.68 acres and is buildable, although it has an irregular shape and the accessible area is quite narrow.

Nate Thompson asked what she paid for the lot. Ms Woalter replied she paid \$300,000.

Sams said staff would like to take another look at this because there were concerns about both the home and the lot.

Rial asked about the location of the property. O'Connor replied it is just south of Grace Church.

MOTION: O'Connor moved, seconded by Rial, to continue the appeal of Michelle Woalter, 10065 Eden Prairie Rd – [PID 29-116-22-44-0031 & PID 29-116-22-44-0032](#) ,to the May 6 meeting. **Motion carried 5-0.**

Appeal #2 – Hariprasad Shetty, Address Unassigned – [PID 36-116-22-41-0011](#)

Sams explained at one time there was no legal description for this vacant lot. It was purchased from MnDOT for \$83,000.

Buswell said prior to the sale, the property was excess right of way at the corner of Riverview Rd and Hennepin Town Rd. The entire property was over two acres and was split in two pieces. The owner thought he could build on the vacant lot, but it is currently zoned rural which requires a minimum of ten acres to build. The owner would be able to build if the property had City services. There is water available on Riverview Rd, but sewer is not economically feasible to be brought to just one property and would probably only be available as part of a larger development in the area. There is future value to the lot somewhere down the road. The owner paid \$82,050 for it in January, 2017. Buswell said he set the value at \$40,000, or \$20,000 per acre.

Moquist said the adjacent property owner could buy the property. Buswell replied said the adjacent nine-acre property was just relisted for \$450,000.

Nate Thompson thought the value should be \$10,000-\$12,000 per acre based another sale that built three-four units.

Walker commented there are several problems in the area along Riverview Rd, and asked what the value of the land would be because it is two acres of unusable property. Sams replied there is a little more value than that of a landlocked parcel. Walker noted the assessed value becomes significantly greater if it becomes buildable. Buswell commented it would be a valuable piece if someone were to

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assemble a number of parcels for development. It is worth something, and he thought \$20,000 per acre is reasonable.

Rial noted someone bought it for \$80,000, so that was the market value for that individual. She thought it probably would sell again for \$30,000 to \$40,000.

O'Connor noted the elevation to the adjacent property is drastic.

MOTION: O'Connor moved, seconded by Nate Thompson, in Appeal No. 2 to reduce the value from \$40,000 to \$20,000.

Walker noted he would like to set the value at \$25,000. After further discussion the Board decided upon \$25,000 for the value of the property.

AMENDMENT TO THE MOTION: O'Connor moved, seconded by Nate Thompson, in Appeal No. 2, [PID 36-116-22-41-0011](#), to reduce the value to \$25,000. **Motion carried 5-0.**

VOTE ON THE MOTION AS AMENDED: Motion carried 5-0.

Appeal #4 – Michael & Jeanne Smith, 6600 Picha Place – PID 04-116-22-41-0061

MOTION: O'Connor moved, seconded by Walker, to continue the appeal of Michael & Jeanne Smith, 6600 Picha Place, [PID 04-116-22-41-0061](#), to the May 6 meeting. **Motion carried 5-0.**

Appeal #6 – Eden Prairie TPS, 11576 Leona Rd – PID 14-116-22-11-0050

Sams said staff did a review of the property and recommend affirming the value. He noted the property is Townplace Suites located near the Best Buy store. Staff cannot share the income data for the hotel because it is confidential. Staff took a look at the property and the data provided and believe the \$5,600,000 value is correct.

Nate Thompson asked if we don't normally refer these to the County. Sams replied the owner has the option to appeal to the County. Nate Thompson then asked about the value last year. Sams replied it was \$5,100,000, but there were some improvements made. He noted they look at this with an income approach but are not able to share those confidential details with the BOAE.

MOTION: O'Connor moved, seconded by Nate Thompson, in Appeal No. 6, [PID 14-116-22-11-0050](#), to affirm the value of \$5,600,000. **Motion carried 5-0.**

Appeal #7 – Robin Rubin, 16870 Cedarcrest Dr – PID 20-116-22-34-0023

Sams said staff is in the process of reviewing this property.

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MOTION: O'Connor moved, seconded by Rial, to continue the appeal of Robin Rubin, 16870 Cedarcrest Dr, [PID 20-116-22-34-0023](#), to the May 6 meeting. **Motion carried 5-0.**

Appeal #8 – Sun Life Assurance Co of Canada, 8565 Fountain Place – PID 14-116-22-33-0037

Sams said staff reviewed this property in great detail and believe a value of \$18,500,000 is very appropriate.

O'Connor asked if that was true even though it has been vacant for two years. Jon Thompson replied the property has three buildings including Home Goods and a restaurant.

MOTION: Walker moved, moved, seconded by O'Connor, in Appeal No. 8, [PID 20-11622-33-0037](#), to affirm the value of \$18,500,000. **Motion carried 5-0.**

Appeal #9 – Daryl Horak, 18124 Cole Court – PID 30-116-22-12-0034

Sams said staff recommends reducing the value to \$625,000 based on the sale price.

MOTION: O'Connor moved, seconded by Walker, in Appeal No. 9, [Daryl Horak, 18124 Cole Court, PID 30-116-22-12-0034](#), to reduce the value from \$632,600 to \$625,000. **Motion carried 5-0.**

Appeal #10 – Eugene & Judy Heier, 9816 Crestwood Terrace – PID 30-116-22-13-0022

Sams said this property was just inspected, and staff would like to complete the review.

MOTION: Nate Thompson moved, seconded by Walker, to continue the appeal of Eugene & Judy Heier, 9816 Crestwood Terrace, [PID 30-116-22-13-0022](#), to the May 6 meeting. **Motion carried 5-0.**

Appeal #11 – John Rubey, 6615 Picha Place – PID 04-116-22-41-0055

Sams said this property was just inspected, and staff would like to complete the review.

MOTION: Nate Thompson moved, seconded by Walker, to continue the appeal of John Rubey, 6615 Picha Place, [PID 04-116-22-41-0055](#), to the May 6 meeting. **Motion carried 5-0.**

Appeal #12 – Liang Zhou, 8461 Kimball Dr – PID 18-116-22-44-0072

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Sams said staff needs time to complete a review of this property.

MOTION: Nate Thompson moved, seconded by Walker, to continue the appeal of Liang Zhou, 8461 Kimball Dr., [PID 18-116-22-44-0072](#), to the May 6 meeting.

Motion carried 5-0.

Appeal #13 – Liang Zhou, 16999 Candlewood Pkwy – [PID 20-116-22-21-0023](#)

Sams said staff needs time to complete a review of this property.

MOTION: Nate Thompson moved, seconded by Rial, to continue the appeal of Liang Zhou, 16999 Candlewood Pkwy, [PID 20-116-22-21-0023](#), to the May 6 meeting. **Motion carried 5-0.**

Appeal #16 – Liang Zhou, 8310 Labont Way -- [PID 14-116-22-41-0113](#)

Appeal #17 – Gordon & Karen Stodola, Address Unassigned -- [PID 05-116-22-42-0003](#)

Appeal #18 – Tom & Sheri Karnowski, 17641 Sheffield Lane -- [PID 06-116-22-11-0041](#)

Appeal #19 – Sheri Karnowski, 995 Prairie Center Dr -- [PID 10-116-22-41-0013](#)

Appeal #20 – John Prebarich, 10531 Prairie Lakes Dr -- [PID 13-116-22-34-0055](#)

Appeal #22 – Stephanie Dustrud, 8446 Kimball Dr -- [PID 18-116-22-41-0174](#)

Appeal #23 – The Pentom Land Co. , 9740 Eden Prairie Rd -- [PID 29-116-22-13-0001](#)

Appeal #24 – CGCMT 2006-C5 9 Property Portfolio, LLC, 775 Prairie Center Dr -- [PID 14-116-22-23-0015](#)

Sams said staff would like to continue the review of Appeals #16-20 and 22-24.

O'Connor asked if the Address Unassigned property in Appeal #17 is located on the west side of Duck Lake. Sams replied it is the wooded piece that sits next to the residence. The owner is appealing the value of just the vacant piece, which is 1.88 acres.

MOTION: Rial moved, seconded by O'Connor, in Appeals #16-24 to continue the appeals to the May 6 meeting. **Motion carried 5-0.**

Sams said the appeals listed in Section B have been reviewed by City staff and the owners have agreed to the recommended changes. Appeal #B11 was reviewed as the first

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item in the list of appeals. Appeals #B1-10 and #B12-26 are listed individually below, with recommendations for each appeal. Those twenty-five Section B appeals are covered by one motion following Appeal #B26.

Appeal #B1 – Devin Doyle, 13048 Cardinal Creek Rd -- [PID 03-116-22-41-0028](#)

Recommendation: Reduce the value from \$466,200 to \$445,000.

Appeal #B2 – Charles Weber, 7311 Hames Way -- [PID 08-116-22-23-0151](#)

Recommendation: Reduce the value from \$775,100 to \$720,000.

Appeal #B3 – Hasan Al Quasem, 7990 Timber Lakes Dr -- [PID 17-116-22-12-0114](#)

Recommendation: Reduce the value from \$231,200 to \$226,000.

Appeal #B4 – Timothy Sjoquist, 9882 Purgatory Road -- [PID 26-116-22-41-0024](#)

Recommendation: Reduce the value from \$502,900 to \$455,000.

Appeal #B5 – Patrick Steidl, 11660 Wild Heron Point -- [PID 26-116-22-42-0051](#)

Recommendation: Reduce the value from \$656,800 to \$610,000.

Appeal #B6 – Eric Swanson, 16883 Cedarcrest Dr -- [PID 29-116-22-21-0049](#)

Recommendation: Reduce the value from \$633,700 to \$540,000.

Appeal #B7 – Ling Wang & Wei Tian, 9498 Marshall Rd -- [PID 30-116-22-11-0019](#)

Recommendation: Reduce the value from \$467,700 to \$450,000.

Appeal #B8 – Kathryn McIntire, 10527 Spyglass Dr -- [PID 35-116-22-24-0020](#)

Recommendation: Reduce the value from \$451,200 to \$425,000.

Appeal #B9 – Bankim Desai, 10397 Fawns Way -- [PID 36-116-22-11-0032](#)

Recommendation: Reduce the value from \$444,500 to \$390,000.

Appeal #B10 – Robert Serra, 10629 Sonoma Ridge -- [PID 36-116-22-31-0011](#)

Recommendation: Reduce the value from \$850,000 to \$800,000.

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Appeal #B12 – Rachel & Jens Holt, 18795 Twilight Tr -- [PID 07-116-22-31-0044](#)

Recommendation: Reduce the value from \$409,800 to \$400,000.

Appeal #B13 – Douglas Atwill, 7320 Franklin Cir E -- [PID 08-116-22-14-0028](#)

Recommendation: Reduce the value from \$450,800 to \$435,000.

Appeal #B14 – Jonathan Grant, 9250 Talus Cir -- [PID 24-116-22-43-0017](#)

Recommendation: Reduce the value from \$474,700 to \$385,000.

Appeal #B15 – Aaron Berland, 9540 Creek Knoll Rd -- [PID 26-116-22-22-0081](#)

Recommendation: Reduce the value from \$324,600 to \$269,000.

Appeal #B16 – Brandon Thornton, 8867 Flesher Cir -- [PID 22-116-22-23-0038](#)

Recommendation: Reduce the value from \$575,400 to \$560,000.

Appeal #B17 – Ben Schunk, 18365 Frontier Place -- [PID 30-116-22-31-0073](#)

Recommendation: Reduce the value from \$820,600 to \$715,000.

Appeal #B18 – Karl & Jessica Mulle, 6278 Chasewood Dr -- [PID-02-116-22-21-0022](#)

Recommendation: Reduce the value from \$787,400 to \$640,000.

Appeal #B19 – Margo Denessen, 18744 The Pines -- [PID 30-116-22-24-0060](#)

Recommendation: Reduce the value from \$406,300 to \$400,000.

Appeal #B20 – Linda & Jeff Lonn, 14702 Boulder Pointe Rd -- [PID 21-116-22-11-0025](#)

Recommendation: Reduce the value from \$654,600 to \$640,000.

Appeal #B21 – Edward & Rosemarie Shanks, 18536 Overland Tr -- [PID 30-116-22-31-0078](#)

Recommendation: Reduce the value from \$658,200 to \$615,000.

Appeal #B22 – Christopher & Sandra Dorn, 16980 South Shore Ln -- [PID 08-116-22-21-0008](#)

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Recommendation: Reduce the value from \$452,700 to \$405,000.

Appeal #B23 – 8943 Sylvan Ridge -- [PID-20-116-22-13-0034](#)

Recommendation: Reduce the value from \$474,000 to \$450,000.

Appeal #B24 – Shravan Pargal, 16997 New Market Dr -- [PID 17-116-22-34-0033](#)

Recommendation: Reduce the value from \$499,100 to \$480,000.

Appeal #B25 – Terrence Schneider, 14889 Valley View Rd -- [PID 09-116-22-42-0015](#)

Recommendation: Reduce the value from \$480,800 to \$455,000.

Appeal #B26 -- Charles Francis, 6254 Addington Court -- [PID 06-116-22-11-0052](#)

Recommendation: Reduce the value from \$553,600 to \$540,000.

MOTION: Rial moved, seconded by O'Connor, in Appeals #B1-B10 and #B12-B26 to reduce the value of the properties as recommended. **Motion carried 5-0.**

B. HEAR OTHER PERSONAL AND WRITTEN APPEALS FROM SIGN-UP LIST

Sams said all personal and written appeals received have been acted up tonight. Staff will continue to work on additional appeals as they are able.

C. SCHEDULE NEXT MEETING

Sams said the Council Chamber is reserved for the BOAE for Monday, May 6, 2019, at 7:00 p.m.

IV. CONTINUE THE BOARD OF APPEAL AND EQUALIZATION MEETING

MOTION: Walker moved, seconded by Rial, to reconvene the Board of Appeal & Equalization on May 6, 2019, at 7:00 p.m. **Motion carried 5-0.**

MOTION: Nate Thompson moved, seconded by Walker, that any new appeals received by the start of the May 6th meeting reconvene will be reviewed by City staff, as time permits. **Motion carried 5-0.**

Chair Moquist adjourned the meeting at 8:35 p.m.