

put into this property, we need those specifications in order to determine whether, in fact, the building department would allow that holding tank to go in. Also, in order to compare the valuations on these comparables, I need to see those and those have not been provided to me. Again, all I have are several e-mails. So, would I have the opportunity to look at those comparables?”

Davis, “There were no comparables discussed specifically at the meeting. It was just a general statement.” Moegerle, “Are there any available at this time for me to compare?” Davis, “There were no comparables prepared.”

Moegerle, “Okay, just based upon that, I think the argument is specious and fails on its face; however, we will continue. I’d like to give you a little bit of history with regard to this particular property. The property that is known to me as 553 Lakeshore Drive, which is known as Property ID #36-33-23-21-0266, is located at Coon Lake Beach. It is in the Shoreland Overlay District, its perimeter is about 50 feet from the ordinary high water mark of Coon Lake. The lot is approximately 7,300 to 7,500 square feet. The structure on the property includes a 28 by 16 foot 1940 cabin to which a 1985 addition, which include a garage and an area that was at one time used as a kitchen and a bathroom.

My husband and I purchased the property in February of 2013 for the purposes of creating green space and utilizing the garage area for indoor storage and garage purposes. For the past ten months or so, the property has been undergoing demolition. The first order of business was to remove the mailbox because the property was vacant and could never be a residence again, and to disconnect the septic system from the house.

All appliances were removed and turned in for recycling at the City’s Spring 2013 Recycling Day at the East Bethel Ice Arena. Mr. Davis witnessed that and we have discussed it several times in between. Since May 2013 fixtures have been removed, interior walls removed, exterior cleared to allow for machines to remove the exterior walls, and for the septic system to be removed as well as the finger-drainage system, which encroaches upon City property. Whatever the value of the property was in 2013, it is decreased in value since that time.

On April 22, 2014, Mr. Tolzmann, Nick Schmitz, and Steve, whose last name I forget, the Building Inspector, were permitted into the demolition zone for the purposes of examining the interior of the building.

Going back to, I think, what is public record with regard to this matter, is that in a document that I have and received dated April 8, 2014, regarding 2014 pay, 2015 assessment report authored by Mr. Ken Tolzmann, indicates that for adjustments to local land zones in East Bethel, were for Zone 7, Coon Lake Beach, minus 15%. From looking at the document associated with the Anoka County’s property record for 553, the assessed value in 2014, payable in 2014, is \$44,300. Assessed value for 553 payable in 2015 is \$43,900. The total difference is \$400 from this year to payable last year. That is the value of less than 1%. It is .009 something. If the 553 property is assessed at the reduced rate indicated by Mr. Tolzmann as 15%, which is the value reduction for Coon Lake Beach, the property should be taxed at a value of \$37,655.

So, at this time, I counter the Council’s motion with the request that the 553 property be reassessed consistent with the Assessor’s 2014 pay 2015 assessment report. As a side note, our home in which we reside which abuts the property at issue did not decrease in value anything close to 15% but our taxes went up about \$200.

On April 2013, I appeared before this Board, constituted by different individuals, in part, to ask that the 553 property be reassessed for the purposes of reducing its taxes. I indicated that the property had been identified but not red-tagged by the City as being unlivable due to a failed septic system.

At that time, Mr. Tolzmann said, and I will refer you to the minutes from that date: *I did review the*

property prior to this assessment and made an adjustment to the land because there is no septic system on the property, and took a look at the condition of the house. It is 50% usable. They would have to remodel it and put in a well and septic. Moegerle, The land doesn't meet the high water setbacks and there are issues with the Shoreland Overlay District. Tolzmann, can the property be used as a residential property?' My response is not recorded but the answer was no. I continued, 'There have been a lot of discussions on that. My understanding is there would be more space for a septic system. You can't put a septic system in, but you can put it where the house was. The four people who tried to purchase it found this out. Davis, A holding tank is the only option for that property. There is no place to put in a system. Moegerle, A holding tank wasn't appropriate because of logistics, feasibility, and you have to pump it every month. DeRoche, What would happen with the retaining wall?' And, that point, it was no longer relevant to the issues of assessment of the value of that property.

The following day, on April 18, 2013, Mr. Tolzmann stated: 'The property was inspected by me on August 8, 2012. At that time, it was noted that the property was vacant and the condition had deteriorated. Therefore, in my opinion, the current value of the subject at \$44,300 is appropriate. Moegerle, I spoke with Mr. Tolzmann and agree. And, I will abstain from any vote.'

And then there is discussion of about how many feet is on that lot and is it lake or across the road. 'Moegerle, .16 acres or 7,500 feet or less. Tolzmann, There were a lot of questions about the well and septic and if they are not functioning and need to be replaced. How you do that I think was the subject of last week's meeting. The house is roughly half depreciated because of the condition of it.'

At that time, Mr. Koller made a motion to approve the recommendation of the City Assessor for the parcel PIN #36-33-23-21-0266. Seconded by Lawrence, all in favor. Moegerle abstained. The motion was passed unanimously by all voting members for that reduction. Three of the four members that voted are on the Council today asking for the taxes to be increased as evidenced by their unanimous vote that was taken last Wednesday.

I reiterate that 553 is not fit and has not been fit for human habitation since it was purchased by my husband and I, Gary Otremba, on February 2013. It was not fit for habitation in 2013. Staff has told me that five engineering studies were done by various potential purchasers of the property to make it habitable by adding a septic tank or holding tank. None of these were able to bring the building into habitable condition without a variance, extreme expense, and uncertain result. As a result of the engineering studies and staff opinion of the unsuitability of the various proposed septic system and holding tank designs, each potential purchaser of the property for habitation backed out of the purchase negotiations. As a point of interest, the only reason we purchased it was because the bank contacted us directly and asked, as the abutting property owner, if we would purchase it. Since we are only interested in it as green space and the garage, that is reflected in the purchase price.

Should the Council proceed to determine, without specifications of particular holding tank design and placement, and determine that the property can now support a specific holding tank system, potential purchasers of the property that walked away from it based upon City's advice that it could not put in a holding tank that was feasible, reasonable, and financially doable, could possibly sue the City or the Council. Now, again, I came to this meeting because I was told that a holding tank could be put on that property, I have yet to see specifications from the Council with regard to what could be put on there.

I contacted the DNR and then they referred me to Bart Bierman, and, I may be wrong with regard to that. I do have his telephone number. And, I asked specifically with regard to this issue, because Nick Schmitz is on a holiday to celebrate an achievement of his daughter, just exactly what could be done about this holding tank. He stated specifically that to discuss this in terms of the holding tank, generally makes no sense. That for a Building Official to make a decision on this, a specific design, location of the proposal, would have to be put in place. As far as my husband and I are concerned, it is a non sequitur. We don't plan to habitate this place, it has no functioning

fixtures, it will never have running water. Ken was there, I pointed it out to him, the shower surround which is just thick with rust. The water is not potable. We plan to make no changes to the well, and the water remains connected up solely for the purpose of watering future plants that we hope to put in there, maybe yet this year. That, of course, remains to be seen.

So, without having a particular design for staff to determine that could be put on there, it is a non, it is meaningless for that regard. The other thing is that I was told there were comparables that showed that we were under paying our taxes. Those have not been presented here tonight so, again, I consider the argument specious. However, I did my due diligence because I wanted to see just what those comparables were, possibly could be, and to make those available and to pay the property taxes that would be reasonable.

And, so I checked with regard to properties on Elm Street, particularly, as well as for Forest Road, and here is the summary I have, which is, the address which is 553 Lakeshore, the 28 by 16 foot original cabin, built in 1940, also had a 1985 addition of a garage, which also included a small bath with a shower, a combination, and also a kitchen. The 2015 value, payable, is \$43,900, payable per half, \$336.88, annual payment \$673.76. Again, this property is not habitable, it has no functioning kitchen, it doesn't have a toilet, it doesn't have a sink, it has studs down to the bare walls, and some remaining drywall as demolition is still pending.

With regard to another comparable, we have 455 Forest Road, built in 1991, has a 2015 value of \$77,100, payable per half \$357.82. It is a residential homestead. It has a value of more than \$30,000 than what we are currently paying and only pays about \$20 per half more. The annual payment is \$715.65.

On Elm Road there is a 1950 homestead at 248 Elm Road. Again, it is a homestead. 2015 value is \$46,700, payable per half \$366.67, annually \$733.35. So, that property which is valued at less than \$3,000 more pays \$20 more per half than we do.

We have, finally, because I thought three comparables would be sufficient, I suspect there are more. A 1930 structure, a homestead, located at 253 Elm Road. 2015 value, payable 2014, \$67,200, payable per half \$334.11, annually \$668.23. This property, which is valued at almost \$25,000 more than our property, which is not homesteaded, vacant, and un-habitable, pays \$3 less per half than we do.

So, by no means, by these comparables, is the property under taxed. However, there is strong evidence that when compared with homestead properties, and I compared it with homestead because of the issue that was brought up about the septic system, which, of course, would make it habitable, to compare what that would be. And, since, based upon what was said at the 2013 Board of Equalization, did not say that it was inhabitable or didn't have a septic system, so I consider those fair and comparables. There were no other vacant properties that I could find. The three comparables are, as I understand, current habitations. So, we'll stand for questions."

DeRoche, "Well, for beginners..."

Ronning, "I'd like to start with something. Nobody is questioning your tax, how much tax you are paying or you're not paying. The issue is the marketable value, taxable market value. The work you've described, is that recent work? Or, is that..." Moegerle, "It's been on-going work."

Ronning, "What, are you operating under an active permit? An open permit?" Moegerle, "Yes, we are. Yes, and one of the things that, it operates with a demolition permit so long as you, you know, we are doing this slow as time and resources permit. Spoke with Nick about this. He said it is uncommon to take quite so long, but I said we had quite a lot to do. We are doing it as time permits. And, he said so long as you contact us every six months and you are actually making active progress towards it, perfectly fine. Yesterday he did ask me to send a letter of intent with regard to what the plan is and how much of the building is going to be demolished because as we indicated, the garage

will be left standing. Part of the delay is because there is some necessary discussions that must go on with staff. It is grandfathered in as a legally non-conforming. Is that correct Jack?"

Davis, "No, the house is not legally non-conforming. But, if you tear the house portion off, then it becomes an accessory structure and that becomes legally non-conforming."

Vierling, "The ___ is non-conforming. I wouldn't say it becomes legally non-conforming." 21:15

Moegerle, "So the issue is that if we remove 50% of the value, or 50% of the space and Ken and we were discussing this yesterday, it loses grandfathered. And, if you take off so much in those kinds of things, so there was going to be discussion about exactly how much would be removed. So, those discussions are on going as well as several other issues regarding the removal of the septic system and the encroaching finger system."

Ronning, "You took a permit out February 21, 2013?" Moegerle, "Uh huh." Ronning, "And, a 180 day permit?" Moegerle, "Uh huh." Ronning, "Is there any documentation on file of any extension of any kind?" Moegerle, "Is, what I spoke with Nick and Mr. Tolzmann..." Ronning, "Um, that's fine..." Moegerle, "Let me finish." Ronning, "I'm asking about documentation."

DeRoche, "Ms. Moegerle. Let him speak." Moegerle, "Let me speak." DeRoche, "He didn't interrupt you." Moegerle, "Let me speak." DeRoche, "You know what, you're out of order."

Ronning, "When will it be my turn?" Moegerle, "I'm trying to answer this question."

Ronning, "I didn't ask a question." Moegerle, "Yes you did, you asked if there's any paperwork." Ronning, "Yes, I did, that's correct." Moegerle, "That's correct. I don't have the paperwork. That is kept within City files. Mr. Schmitz showed up, he indicated that I was in compliance because I continued to contact the staff with regard to that matter. So, it is my understanding that yes, I am in compliance with the demolition permit and all he requested was the letter of intent. How does that impact my valuation, sir?"

Ronning, "Well, it's been 14 months. I don't know how much time is allowed, if it's 14 months, 6 months, 14 years, whatever. Are you heating the place?" Moegerle, "No." Ronning, "You're not running it, any gas through there?" Moegerle, "It is turned off at the gas meter. The electricity will be turned off officially by the end of the week. But, it is turned off into the circuit box."

Ronning, "When was the gas turned off?" Moegerle, "It's been off at the meter, I don't know. Do you know?" Otremba, "**23:27 (off mic)** ___ so nothing will freeze up." Moegerle, "Because we have, we have storage and vehicles in there. So, we needed to keep those warm." Ronning, "So, the gas is operating." Moegerle, "Pardon?" Ronning, "The gas is active." Moegerle, "At the meter but it is turned off now." Ronning, "When did 'now' start?" Otremba, "**23:50 (off mic)** ___ we got the heat on until it got warm."

Ronning, "You were using the home?" Otremba, "No, we kept it above freezing because I've got storage things in there." Moegerle, "It was acting as a heated garage. In fact, we are not going to be removing the gas service from the house from that so we can have a heated garage. There is no requirement for the gas to be removed."

DeRoche, "Well, the accessory structure is something we're not discussing tonight. That will come up at another time." Moegerle, "I'm sure it will."

Ronning, "As far as anybody knows, has the City been kept up-to-date what the progress is with the building?" Davis, "I would have to speak with Nick on that. It is my knowledge that the permit was pulled in February and I don't know if there was a request for an extension or not. Generally, though, we do work with people, you know, if they don't get done on certain things like this. It is our policy to work with them to try to get it done. As far as what documentation there is, I can't

say.”

Ronning, “This has turned into 14 months, 14 months and 2-3 days.” Moegerle, “How does this address the equalization and valuation of this property?”

Ronning, “What we’re trying, you had a permit to tear the building down so...” Moegerle, “A portion of it, yes.” Ronning, “A portion? What portion were you going to leave?” Moegerle, “Well, that hasn’t been decided yet because, as I’ve indicated, that’s a discussion that needs to be held with staff. I’ve got a call in to Colleen Winter on that with regard to that, at Nick’s advice yesterday. He hadn’t been in the property ever, that I know. And, I wanted to show him the status of the demolition. And, he suggested that a meeting would be in order so that we can discuss the ramifications of where, exactly, that would occur. However, the interior is demolished in usual construction demolition style.”

Koller, “What year was it built?” Moegerle, “The 28 by 16 portion, which is the most eastern portion, was built in 1940 or thereabouts. The garage and the kitchen/bathroom portion was built in 1985 and that is what you see when you pull up the information on this property.”

Koller “Was there an asbestos abatement on it?” Moegerle, “There is no asbestos.” Otremba, “No ___ **26:19 (off mic)**. Moegerle, “Because they remodeled it when they...” Otremba, “85 they remodeled the whole house.”

Ronning “Okay because I was going to say, sheetrock does have asbestos in it.” Otremba, “They remodeled in 1985.” Ronning, “Okay, because I’m a licensed inspector.” Moegerle, “Sure.”

Ronning, “And tile? Floor tile? Same thing?” Moegerle, “It is ceramic floor tile.” Otremba, “It was all put in in 1985. Before that it was a cabin with no insulation, no nothing.”

Moegerle, “The only linoleum on the property is the cache of debris that somebody dumped on the property outside the premises.” Otremba, “We didn’t dump that.” Moegerle, “Yeah, we didn’t dump that and it’s not ours.”

DeRoche, “All right, well, I don’t want to turn this into some big long lecture, whatever, because there’s information. Ken, I’d like to give you these to take a look at. These are actually three comparables that I looked up.”

Moegerle, “Now, I was just told there were not comparables.”

DeRoche, “One is 563 Lakeshore.” Moegerle, “I’m sorry, say again?” DeRoche, “563 Lakeshore, 852 Lakeshore, and 315 Lakeshore. And, he has all the information on them. Just to get back with the minutes that you read, I have a copy of the minutes here and I was reading along and for some reason, there are a lot of different words from what you read and what I’ve got here. And, this was the date of April 17.”

Moegerle, “Well, I’m looking at the document I printed it off this afternoon, probably at 4:00 p.m.” DeRoche, “Here it is. Those are the minutes.” Moegerle, “See, this is the section with regard to Heidi Moegerle with regard to, I think that’s the 17th, on Page 8 of 9, and then with regard to, I’m sorry, that was the continuation. And, the second was this here, I only read you the relevant parts because why waste your time.” DeRoche, “I think it’s all relevant.” Moegerle, “Pardon?” DeRoche, “I think it’s all relevant.” Moegerle, “Well, you can.”

DeRoche, “You’re doing things...” Moegerle, “Well, okay, I have a reason. I have an issue. In February we purchased 553 Lakeshore, this is adjacent to our property. There were a couple of offers on this, all the sales failed because the septic system on the property failed. No one could find a way to put a septic system on the property. The realtor came and asked if we would like to purchase it as a green space. It was actually the banker, not the realtor. In 2011, the septic system

failed. It was not feasible or possible to get it up to standards. In February 2013 we did a permit to demolish the building. I talked with Mr. Tolzmann about, to reassess the 2014 because the realtor, mortgage company didn't bring it to the Assessor's attention. We want it listed un-habitable and reassess when it is demolished. And, that picks up where I highlighted and left."

DeRoche, "You forgot a couple parts." Moegerle, "I'd like to see the __ 29:09 (off mic), if I might?"

DeRoche, "Okay, I'm going to read this into the record. This is kind of after, '*...didn't bring it to the Assessor's attention, we want it listed as uninhabitable and reassess when it was demolished. Tolzmann, I did review the property prior to this assessment and made an adjustment to the land because there is no septic system on the property, and took a look at the condition of the house. It is 50% usable. They would have to remodel it and put in a well and septic. Moegerle, The land doesn't meet the high water setbacks and there are issues with the Shoreland Overlay District. Tolzmann, can the property be used as a residential property? Moegerle, There have been a lot of discussions on that. My understanding is there would be more space for a septic system.*' I don't quite understand that. '*You can't put a septic system for a system.*' And, I'm reading from the minutes here, okay?"

Moegerle, "I've complained about them often enough."

DeRoche, "Well, just let me finish reading here, okay? '*...The four people who tried to purchase it found this out. Davis, A holding tank is the only option for that property. There is no space to put in a system. Moegerle, A holding tank wasn't appropriate because of logistics, feasibility, and you have to pump it every month. DeRoche, What would happen with the retaining wall? Davis, The City granted the owner a license to use City property for their drainfield.*' That would be the previous owner and when the house was foreclosed on, and he left, then that contract was null. Okay? '*Moegerle, That is an agreement for system in the right of way. That system was put in without a permit. There are all limits on issues of the property. Because our name is not in the property records yet, since we closed in February, I wanted to bring this to Tolzmann's attention here. Tolzmann, Hopefully can get the issues resolve.*'

And, before you interrupt again, I brought this up because I've been asked by people over there that have looked at the property and were going to buy it. And, they were actually going to pay more because they were going to use it. They were going to look into putting in a holding tank and they were doing to live in it. They were told they couldn't do that. Now, where they got that information is beyond me. But, you know what, someone told them that. And, as far as I'm concerned, people ask me, well how can their taxes be so low. Well, you know what? I'm on the Board, I'm going to ask that question and that's exactly what we're doing. When it was brought up at the last meeting, last year, it was the intent, and I'm sure that everybody voted because it was under the assumption that you bought it, you were going to tear the whole building down, remove the septic, and there would be nothing there. And, that's why the valuation went down as low as it did. Now, if those plans have changed, well, that's fine but I think then somebody needs to let the City know. And, as far as what your conversation with Nick, as far as I'm concerned, is hearsay because Nick is not here to say what he said, what he didn't say."

Moegerle, "Tolzmann's here as a witness."

DeRoche, "And if there has been, if it has been used for storage, then to me, when you came in and got a permit to demolition it, it was my assumption the thing would be demolished. Demoed, there wasn't going to be heat over the winter, it wasn't going to be storage, it wasn't going to be anything else. So, as far as I'm concerned, I would like the County to take a look at it. Take a look at the paperwork, take a look at the comparable properties. I did and if they say that it's good to go, then that's the way it is. But, if they don't, then so be it also."

Moegerle, "May I respond? DeRoche, "Absolutely."

Moegerle, “First of all, the conversation with regard to the demolition permit was, as I indicated, Mr., you’re saying that’s hearsay and so be that. What you assumed, I have no control of and you know what the risk of assuming is. What, I would like to address, with regard to this, is that these comparables that you indicate. First of all, the comparables that you have, like the ones that I indicated, are all residential homestead properties. That’s apples-to-oranges. And, the property that is very clear with regard to 553, which is 36-33-23-21-0266 PIN number, is not a residential homestead. It is a 4-BB1 Residential non-homestead single unit. The property values for PIN 36-33-23-23-0098 also known as 852 Lincoln Drive NE, it had market value in 2013 at \$62,300. It has now a property value of \$62,700. Congratulations, their property went up \$400. Again, it is residential, it has functioning water, it has utilities, it has electricity, it has a kitchen I would assume. I would imagine it has fixtures and appliances. I’m sure the walls are intact, that they are not bare standing studs. I would guess that any other habitation, again, is not going to be comparable. We have 33-33-23-12-0334, also known as 315 Lakeshore Drive, built in 1927. This lot size is substantially larger than what we have. It is 110 by 125 and 100 by 48. So, that is substantially than 7,300 square feet. The 2015 tax assessment for that one is \$80,500. Substantially, almost twice what the 553 property is, and its tax is \$461. So, that property is \$40,000 more valuable, its use is a habitation, from what I understand, or could be because it’s shown as a residential homestead, and it pays \$200, no less than \$200 more than our property, which is valued at less than half. Oh, and the first property, that 563 Lakeshore Drive, that was built in 1924, on the record there it indicates it has an irregular lot size so I have no idea what that means but I’m sure that can be figured out by GIS. Finally, the comp that is 852 Lincoln Drive...did I go over 852? Pardon me? 852 Lakeshore, built in 1969, it has a lot size 85 by 100 plus 40 by 115. It’s probably half again the size of the lot that we have. The year built is average between the 1940 and the 1985. Its value is \$62,700 and payable by half \$316 and annually \$362 dollars. So, comparing that 852 Lakeshore with the 553 Lakeshore, the valuation is a difference of \$18,000 and that property pays \$40 a year less than what we pay. So, I don’t find that your comparables are...”

Ronning, “You’ve spoken roughly 25 of the last 38 minutes. We’re not going to get anyplace if you continue like this.” Moegerle, “This was scheduled for 45 minutes and I’m being responsive to questions and information presented.” Ronning, “You didn’t start with any questions, you just rambled on for 15 minutes to begin with.” Moegerle, “I get to present evidence. Proceed.”

Ronning, “Is it your position you did or did not say that ‘we wanted it listed as uninhabitable and reassessed when it was demolished?’” Moegerle, “I have no idea.” Ronning, “It’s on your minutes.” Moegerle, “I understand it’s in the minutes. And, I’ll have to double check to see if I voted to approve these minutes.” Ronning, “That doesn’t matter. They are the minutes. If you didn’t approve, if you didn’t vote for them, it doesn’t mean they are no good.” Moegerle, “No, but what I do...” Ronning, “No, but what.” Moegerle, “Do I get to respond?” Ronning, “No, this is getting old. You’ve been running this...”

DeRoche, “Let’s get it under control again.” Moegerle, “I don’t agree with that.” Ronning, “Hold it.” Moegerle, “I don’t agree.”

Ronning, “That’s fine. We have to come up with some kind of an answer. We’ve asked. Based on what I see in the information and what have you, I’d make a motion.”

Ronning made a motion to move the question of the tax valuation of 553 Lakeshore Drive to the County Assessor to consider what the value should have been this past 14 months and what it would be on going.

Moegerle, “Mr. Tolzmann, do you have an opinion on the value of the property?”

Tolzmann, “Do you want me to speak?” DeRoche, “Sure. And, I guess I’d like you to speak on what it was valued at prior to the started demolition. Especially in light of the fact that had one of the people that purchased it down the line put a holding tank in there, they could have lived there.”

Tolzmann, “I was out at the property back in August.”

DeRoche, “Ms. Moegerle, would you please take a seat while he’s speaking?”

Tolzmann, “...in August of 2012. At that time, it was a bank owned property. It was vacant and I viewed the property along with the other properties in the Coon Lake Beach area. It was part of the quintile, which means I was doing a total review of that area. At that point, the value on the lot was about \$32,000. I believe the value of the buildings and total value was around, I’d have to look it up, I think it was around \$80,000. Right in that neighborhood. So, at that time, I put the value in that it was about 50% depreciated based on a year built of 1985. That fall, I had a call from Ms. Moegerle just indicating to me that the property, the septic was not functioning on the property and that it couldn’t ...I believe, don’t quote me on the words here...but it couldn’t sustain a septic system. She provided some documentation to that effect. So, what I did do is I did make an adjustment for the fact that the property could have a holding tank. But, the fact that there was no septic system there would severely impact the value of the property. At the time that, this past week, Nick, Ms. Moegerle, and myself, and Steve, the other building inspector, I was able to get in to take a look at the property. And, discovered that it was built in 1940. Our records showed it as being built in 1985. I did make a change to the record on that, the fact that it was built in 1940. Also, looking at the inside of the building, my assessment of it was that the property, the structure, on the 1985 portion, was probably a little better condition than I thought it was so I backed off on the 50% rate that I had on it before and I’m going with 30% after that inspection. Overall, the value hasn’t changed. The new value that I came up with after the inspection this past week was \$44,700 versus the \$43,900 that it was before. I think what the Board needs to consider here is what would someone pay for this. The record shows that Ms. Moegerle paid, I think it was \$6,000 for the property. My opinion was that it was worth considerably more than that. What would someone pay had they known that they could put a holding tank in there? I guess I’m not prepared to answer that question but I certainly feel comfortable that I reviewed the property and basically called it the way I saw it. That the property was worth right in that, basically what I thought it was worth, \$43,900 is what we have posted for the pay 2015 assessment. Does anyone have any questions?”

Vierling, “Just a quick one Ken. For the record, and to deal with the obvious, the Statute requires you to assess the value of property as of what time? What period of time for tax values? Isn’t it January?” Tolzmann, “January 2nd of 2014.” Vierling, “That would be for payable 2015 and vice versa 13 for payable 14?” Tolzmann, “Correct.” Vierling, “Okay.” Tolzmann, “Correct.” Vierling, “And, you had indicated, I believe the last time we were here that you had adjusted the value from 13 payable 14?” Tolzmann, “I believe that was the result of the quintile that I spoke to earlier. When I was at the property in August of 2012, that value would have been posted January 2 of 2013 for payable 2014.”

Vierling, “Okay, and for the record, would the demolition permit that was referenced in these discussions here tonight have anything to do with your reassessment of the value of that property from 13 payable 14?”

Tolzmann, “At the time I was out there, back at the first of the year, this past year, the permit was taken out in February of 2013. I was out there at the end of 2013. The structure was still there. I didn’t see any activity going on. No trucks in the driveway or anything like that. So, I checked it to come back at a later date. So, that was, for the record, that is what I saw at that time.”

DeRoche, “I’m sorry, did you say you saw no trucks in the driveway?” Tolzmann, “No trucks. I didn’t see, I don’t recall seeing any, you know, dump trucks. The type of thing that would indicate there was a demolition in progress”

Moegerle, “May I ask a question?”

Vierling, “I’m not done yet. Mr. Tolzmann, again, follow up because I wasn’t sure that you

responded to the question I had. You said you had been to the property and you didn't see any demolition in progress and then you marked it for follow up. Or, you were going to follow up later on?"

Tolzmann, "Follow up this year. Typically people will take out a permit and if it's not done, I'll come back a year later just to see if it ever did get done."

Vierling, "I understand that. But, again, I just want to make sure the record is clear. Relative to the permit that was actually issued in February of 13, that you saw no activity on when you were on the property, did that permit itself in 13 at all influence your decision to value the property in 13 for payable 14?" Tolzmann, "No. It didn't. I left the data, the physical characteristics, the same because there's been no change in the property." Vierling, "Thank you, that's what I wanted."

Tolzmann, "Any other questions at all?"

DeRoche, "Any questions?"

Moegerle, "May I make a closing comment?" Ronning, "Closing comment?"

Moegerle, "Yeah. This demolition seems to be an issue. With regard to this, we had to get trees out of the front yard in order to get heavy equipment in to remove the septic system and those kinds of things. So, that was a part of the demolition. We didn't like taking down the trees, but in order to get the septic system out and clear out the finger system, that was necessary. The interior demolition, all of the materials except for those items that were taken to the Recycling Center in the spring of 2013, are in the building. We felt that it would be a disservice to the community to open up the exterior of the building and have all of that exposed on going. There's issues of abatement, of having stuff fly out and litter the lake, and those kinds of things. So, we've done that all interiorly but it's an on-going issue with regard to what happens with the demolition because it's always been that we're going to leave the garage because it is in a good condition. That is a conversation that still must be discussed about grandfathering in and what happens if you have an accessory structure that is not on a property. Or, do you add it. It's a complex thing. It's not because we've been 'sleeping on our right,' it's because we're doing this in a measured way. In a way we don't want to be a blight."

Ronning, "You appear upset, to me any how." Moegerle, "I'm not upset at all." Ronning, "Well, the way you keep talking, talking, and talking and rebutting and rebutting and rebutting shows a little bit. But, at any rate, he made it clear that he was answering, this came up as a result of residents asking questions about whether the property, why the property is taxed less than theirs."

Moegerle, "They're welcome to ask."

Ronning, "Is that a reasonable question for people?" Moegerle, "I think they should ask the property owner." Ronning, "No, I'm not going to ask the property owners. They have requested that your property be reviewed." Moegerle, "Who's 'they?'" Ronning, "They is the 'little people in the sky' or something." DeRoche, "It's immaterial Heidi. We don't need to bring in people's names." Moegerle, "They're welcome to come and ask me what the status is of the demolition."

Ronning, "No, they asked us." Moegerle, "Us? So, is this a violation of the open meeting law?" DeRoche, "No."

Ronning, "This was brought up at the last meeting, the one you missed." Moegerle, "Yeah, where the snow storm?"

Ronning, "Would you quit interrupting? Or, at least would you please stop talking when I'm interrupting? This is a reasonable request for people in your neighborhood, or whatever neighborhood, that's affected by the tax structure to ask why are your taxes less than theirs."

Moegerle, “And, I’d like to know why my taxes are more than others. I’m interested that at out of 5,000 taxable properties, I’m the only one that’s being increased.”

DeRoche, “All right, there was a motion made to move this ahead.”

Seconded by DeRoche for discussion purposes.

Koller, “We need some kind of closure to this.”

DeRoche, “Any more discussion? To move this ahead to the County and let them review the situation? All in favor?”

Vote: 4 ayes. Motion carries unanimously.

**3.0
Adjourn**

DeRoche declared the Board of Appeals and Equalization adjourned at 6:50 p.m.