

City of Maple Grove



2018 Annual Assessment Summary

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2018 Assessment Summary

The 2018 assessment for the City of Maple Grove was completed and delivered to Hennepin County on January 22, 2018 in accordance with state statute and Hennepin County guidelines.

The staff of the assessing department reviewed 4,807 properties during our quintile review process for the 2018 assessment. The appraisal staff also reviewed 647 building permits for homes that had improvements or remodeling projects during the past year. The assessor's office inspected and valued 180 homes that were completed as new construction in 2017 and reviewed 106 homes that were partially complete as of January 2, 2018.

The volume of sales within the residential real estate market within the City of Maple Grove was relatively unchanged when compared to the previous year's sales volume. Residential sales data between October of 2016 and September of 2017 indicated that market values were generally increasing throughout the city. We continue to experience varying valuation trends for the each property type at the neighborhood level. The majority of neighborhoods within the city experienced a value increase and some neighborhoods demonstrated little or no value change. Generally, the assessed values of homes in the upper bracket of residential values did not experience significant value increases for the 2018 assessment. The overall increase of assessed values within the residential market in the city was typical among communities in the metro area and can be associated with overall value growth of the real estate market.

The 2018 assessment for the City of Maple Grove is based on 25,547 parcels of property within the city. The city has a total estimated market value of 9.38 billion dollars for the 2018 assessment. The total estimated market value of the City of Maple Grove increased by 6.8 percent for the 2018 assessment, last year the total assessed value was slightly above 8.78 billion dollars. The assessed value of new construction within the city for 2018 was 123.8 million dollars; the amount of new construction within the city increased by 73.1 percent from the previous year's assessment. Excluding new construction from the 2018 assessment results in the overall value of the city increasing by 5.4 percent; a value increase over 470 million dollars. The graphic below details and compares the 2017 and 2018 assessed values and new construction amounts for the City of Maple Grove.

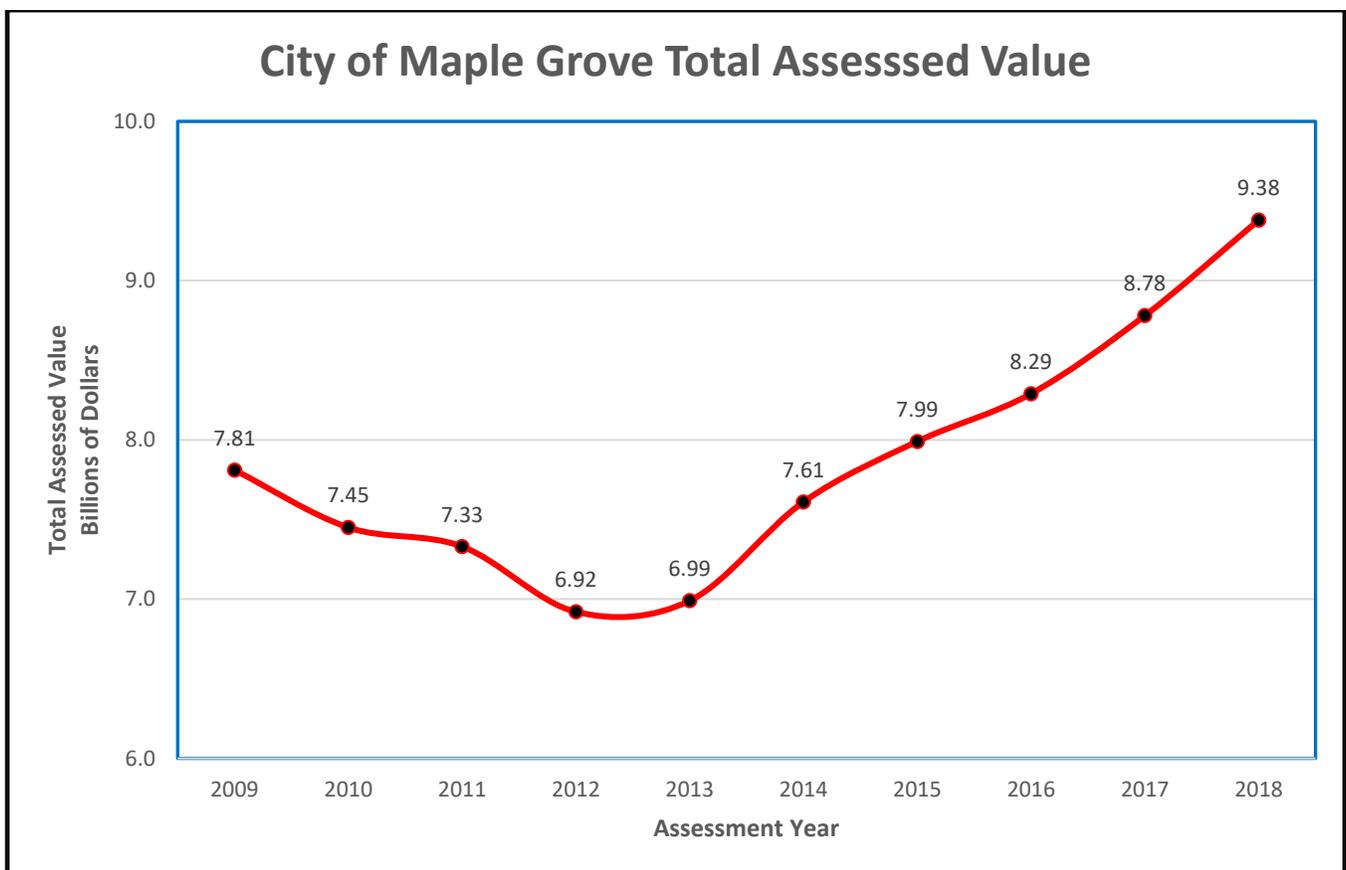
City of Maple Grove Total Estimated Market Value			
	2017 Assessment	2018 Assessment	Percent Change
Total City Estimated Market Value	\$8,783,950,200	\$9,377,946,000	6.8%
Total Value of New Construction	\$71,565,300	\$123,845,800	73.1%

Data does not include exempt property.

2018 Assessment Summary

The total assessed value for the City of Maple Grove previously peaked in 2008, at that time the total city value was slightly above eight billion dollars. The total assessed value of the city experienced significant value decreases between the years of 2008 and 2012. Throughout those four years of recession and the resulting real estate market contraction; the City of Maple Grove lost nearly 14 percent of its total assessed value. The city lost a total assessed value of 1.1 billion dollars between the assessment years of 2008 and 2012.

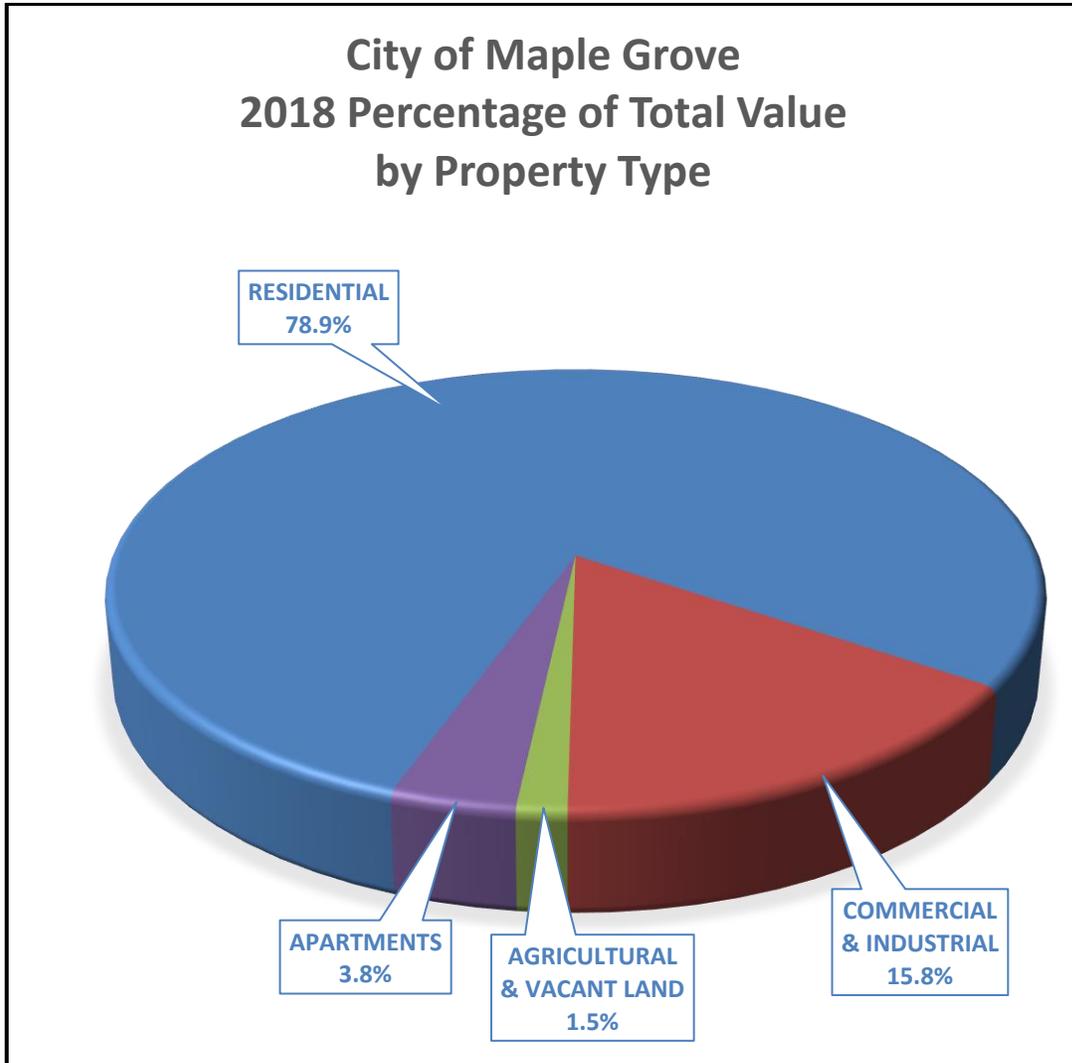
For the 2018 assessment, the city has experienced an increase in the total assessed value from 8.78 billion dollars in 2017 to 9.38 billion dollars in 2018. The chart below depicts the total market value of the City of Maple Grove between the years of 2009 and 2018.



Data does not include exempt property.

2018 Assessment Summary

The City of Maple Grove has a total assessed value of 9.38 billion dollars; residential properties within the city make up nearly seventy-nine percent of the city's current assessed valuation. Commercial and industrial properties account for slightly less than sixteen percent of the total assessed value of the city. Apartment, agricultural properties and vacant land account for 5.3 percent of the assessed value for the City of Maple Grove. The chart below depicts the percentage of total value associated with each property type within the city.



2018 Total City Assessed Value: \$9,377,946,000

2018 Assessment Summary

The market segment of traditional single family residences within the city experienced a value increase of 4.7 percent for the 2018 assessment and lakeshore properties increased in value an average of 6.4 percent. Twin homes and townhomes within the city experienced an average value increase of 8 percent. Condominiums experienced an average assessed values increase of 5.5 percent. Average assessed values for commercial, industrial and apartment properties all increased within the city for the 2018 assessment. Average commercial values increased by 4.5 percent and industrial average values increased by 5.1 percent. Apartment properties throughout the city experienced average value increases of 6.9 percent for the 2018 assessment.

Please note the chart below depicts the total aggregate change in estimated market value as a percentage for that specific property type throughout the city. Specific properties may have experienced increases or decreases in estimated market value that are not necessarily representative of the aggregate value change for that property type as a whole. Each property within the city is valued based on its specific features and location; value changes are not identical throughout the city for similar types of property.

2018 Estimated Market Value Changes By Property Type

Property Type	Market Value Change Percentage
Single Family	4.7%
Lakeshore	6.4%
Twin Homes	8.0%
Townhomes	8.0%
Condominiums	5.5%
Commercial	4.5%
Industrial	5.1%
Apartments	6.9%

Data does not include new construction amounts.

Residential Assessment Summary

The following pages summarize the City of Maple Grove’s 2018 residential assessment. For assessment purposes, the city is broken down into residential neighborhoods, and sales are analyzed at both the city and neighborhood level. Residential sales are also analyzed by property type and style of home. The total combined assessed value of all residential property types within the city increased in value by an average of 6.5 percent.

Single Family

All sales of single-family homes within the city are thoroughly reviewed in order to estimate values based on sales that represent an arm’s length transaction. The average value increase for a single-family residence within the city was 4.7 percent. There was a distinct difference between entry and upper level home value growth in the city. Home values in the under \$300,000 category grew in value by 7.3 percent. Whereas, homes values in the over \$500,000 category (excluding lakeshore) experienced limited value growth of 2.3 percent. Sales within a specific neighborhood continue to be the primary basis for assessed valuation changes for a specific property type.

Lakeshore

All lakeshore sales are physically inspected unless we previously inspected them within the past year. We review and analyze lakeshore sales on a citywide and lake-by-lake basis. Land value changes for lakeshore parcels varied by lake and, in some cases, by location on that specific lake. Total lakeshore property values within the city increased an average of 6.4 percent for the 2018 assessment.

All lakes received a value increase for the 2018 assessment. Value increases ranged between 3.7 and 10.7 percent. For the second year in a row, Fish Lake experienced the largest volume of lakeshore sales within the city for the 2018 assessment. Eight out of the seventeen lakeshore sales within the city occurred on Fish Lake and it had an average value growth of 9.2 percent. Values on Weaver Lake increased by 3.7 percent. There was only one sale on Weaver Lake and the structure had water intrusion problems that the buyer assumed and corrected. Weaver Lake experienced significant value growth of 9.7 percent in the previous assessment year based on four sales. Other lakes in the City had between one and three sales each with value growth ranging between 3.7 and 10.7 percent for the 2018 assessment.

The chart below summarizes the average assessed value change by lake within the city.

2018 Average Assessed Value Change by Lake

Lake	Value Change
Fish Lake	9.2%
Eagle Lake	8.6%
Weaver Lake	3.7%
Rice Lake	6.3%
Cedar Lake	7.4%
Edward Lake	5.0%
Cook Lake	10.7%

Residential Assessment Summary

Sites with Acreage

For the most part land values for improved residential sites with acreage, land to be developed in the Osseo and Wayzata School districts, and acreage located in the northwest corner of the city remained unchanged for the 2018 assessment. Land surrounding the 610 corridor east of I-94 and west of Fernbrook Lane was increased significantly for the 2017 assessment based on completion of Highway 610 and land sales in the area. This area remained unchanged for the 2018 assessment. However, we increased land values east of Fernbrook and south of Territorial Road due to the Territorial Woods development land acquisitions. In addition, we increased the Elm Road area slightly due to recent sales in this neighborhood.

Development within the Wayzata School District in surrounding communities such as Corcoran and Plymouth continues to be strong. There is little developable acreage remaining in the Wayzata School District within the City of Maple Grove outside of the Elm Road area. In the past, several factors limited development in the Elm Road area: dirt roads, lack of available water and sewer, the city's concerns regarding piecemeal development in this area, and the lack of some property owner's desire to sell. This past year, Gonyea acquired its sixth parcel increasing their land ownership in the Elm Road area to 42.7 centralized acres. Gonyea's acquisitions address some concerns regarding piecemeal development, and indicates a willingness to sell by some property owners. Gonyea is currently the only developer that owns land in the Elm Road area. We will continue to monitor this area closely in anticipation of future development. At this time, we are not aware of any specific development plans in the works for the Elm Road area.

Twin Homes, Condominiums and Townhomes

During the past several years, multi-family value growth has varied significantly by property type from one year to the next. This year is no different. Twin homes, condominiums, and townhomes continue to experience value growth in the real estate market, with twin homes and townhomes leading the pack with value growth of 8 percent. Condominiums had annual average value growth of 5.5 percent, whereas last year it experienced the most growth at 8.7 percent.

Assessed values in the multi-family markets were changed at the neighborhood level based on sales. Building style, price range, and the property location continue to contribute to these valuation and assessment differences within the city.

Triplexes and Duplexes

For the second year in a row triplexes and duplexes experienced significant value growth. For the 2018 assessment values of triplex and duplex properties increased by 9.1 percent. There were five duplex sales during the 2018 assessment's sales ratio study period.

Residential Sales Summary

The City of Maple Grove had 1,691 residential property sales that took place during the 2018 sales ratio study period of October 1, 2016 to September 30, 2017. Approximately 82 percent of these sales were included in the city's 2018 assessment sales ratio study. Approximately 55 percent of the sales that were not included in the sales study were new construction home sales.

Summary of Residential Sales

Average Sale Price by Property Type			
Property Type	2016 Average Sale Price	2017 Average Sale Price	2016 - 2017 Average Sale Price Percent Change
Single Family	\$316,475	\$359,886	13.7%
Townhomes	\$199,788	\$204,532	2.4%
Condominiums	\$184,571	\$199,120	7.9%
Twin Homes	\$291,439	\$255,376	-12.4%

Data based on annual sales contained in the sales ratio study from October 1, 2016 to September 30, 2017; the average sales data does not include lakeshore properties.

Residential Average Sale Price			
Year	Number of Sales	Average Sale Price	Average Sale Price Percent Change
2017	1,379	\$296,010	3.0%
2016	1,307	\$287,299	7.0%
2015	1,106	\$268,464	-0.04%
2014	928	\$268,579	1.1%
2013	843	\$265,683	1.4%

Sale data includes all residential property types in the sales ratio study.

Residential Sales Summary

Please note that the average sale prices listed on the previous page are based on sales of residential properties using dates that correspond to the sales ratio study dates of October 1st thru September 30th of the applicable assessment year. The average sale price is not necessarily an indicator that accurately reflects value trends used within the assessment process. The annual average sale price of a residential property fluctuates from year to year based on many variables including property type, specific property characteristics and the property location.

Historical Property Tax Comparison

The information below compares the ten-year history of three residential properties in the city and their estimated market values and the amount of property taxes associated with each specific property. The comparison is intended to demonstrate that market value changes do not inevitably lead to similar changes for property taxes payable. The three examples below are actual residential properties located within the City of Maple Grove. Property tax amounts are based on many factors, including the assessor’s estimated market value of the property, the taxable market value of the property, the property classification and the budgets of the city, county, and school district. The actions of the Minnesota State Legislature often have a significant impact on the assessment process and the property tax system.

Over the past ten years, the average market value of the three properties below has increased by 7.4 percent. However, the average amount of property tax attributed to these three properties has increased by 19.6 percent; clearly demonstrating that taxable market value changes do not directly lead to similar changes for property taxes.

Historical Ten Year Comparison Estimated Market Value and Property Tax			
Residence	2009	2018	10 Year Change Percentage
Home # 1			
Estimated Market Value	\$261,400	\$276,300	5.7%
Property Tax	\$3,042	\$3,657	20.2%
Home # 2			
Estimated Market Value	\$283,400	\$309,400	9.2%
Property Tax	\$3,329	\$4,170	25.3%
Home # 3			
Estimated Market Value	\$311,700	\$334,300	7.3%
Property Tax	\$3,698	\$4,189	13.3%

Property tax amounts do not include special assessments.

Annual Market Condition Adjustments

In 2011, the Minnesota Department of Revenue instituted a market conditions adjustment and modified the statewide assessment process. The market condition adjustment is an annual adjustment that is applied to properties that have sold during the assessment sales study period to reflect market differences that occurred between the sale date and the assessment date of January 2nd. The use of a market condition adjustment results in assessed market values that more accurately reflect current market values by reducing the market lag time that previously existed within the assessment process. Market condition adjustments are generally accepted appraisal practice and are commonly used in the private appraisal process and this practice is being utilized within the assessment process. For the 2018 assessment the market conditions adjustment is based on a 21 month sales study period; sales that occurred between January of 2016 and September of 2017.

A market condition adjustment was applied to specific property types within the city if the following two criteria were met;

- 1) The city contains a minimum of 30 sales within the 21-month study period.
- 2) The sales within the 21-month study indicate statistical significance.

For the 2018 assessment, residential properties within the city met the requirements for an annual market condition adjustment. A market condition adjustment was applied to the sales of single family homes, lakeshore properties, condominiums, townhomes and twin homes within the city. The chart below details the annual market condition adjustment percentage that was applied to the sales of each specific property type within the city for the 2018 assessment. If a specific segment of the real estate market met the requirements for a market condition adjustment, the adjustment was applied to the sale price of properties that sold between the dates of October 1, 2016 and September 30, 2017.

2018 Market Conditions Adjustment

Property Type	Annual Adjustment %
Single Family	4.8%
Lakeshore	7.9%
Condominiums	6.1%
Townhomes	6.7%
Twin Homes	5.8%

The annual market condition adjustment from the above table was used to determine a monthly adjustment that was applied to the sale prices of that specific property type within the city; in order to account for market differences at the date of sale and the assessment date of January 2nd.

Commercial, Industrial and Apartment Assessment Summary

The commercial, industrial and apartment properties for the 2018 assessment experienced overall value growth of 8.1 percent; this value growth includes the value of new construction within the city. The combined commercial and industrial assessed values increased 5.1 percent, while the apartment assessed values increased by 21 percent. The new construction associated with commercial, industrial and apartment properties throughout 2017 amounted to 39.9 million dollars.

The charts below compare the overall assessed values and the new construction amounts for commercial, industrial and apartment properties within the city for the 2017 and the 2018 assessment.

Annual Assessment Comparison			
Property Type	2017 Assessment	2018 Assessment	Percent Change
Commercial	\$948,390,500	\$1,013,064,700	6.8%
Industrial	\$450,109,700	\$461,096,600	2.4%
Apartments	\$294,645,900	\$356,583,000	21.0%
Totals	\$1,693,146,100	\$1,830,744,300	8.1%

Data includes new construction amounts.

Annual New Construction			
Property Type	2017 Assessment	2018 Assessment	Percent Change
Commercial	\$11,896,000	\$13,142,100	10.5%
Industrial	\$322,600	\$172,800	-46.4%
Apartments	\$11,288,200	\$26,558,000	135.3%
Totals	\$23,506,800	\$39,872,900	69.6%

Commercial, Industrial and Apartment Assessment Summary

The City of Maple Grove had twenty sales that were included in our commercial, industrial and apartment sales ratio analysis. Commercial, industrial and apartment sales in Maple Grove, Hennepin County and the metro area were used to establish the commercial, industrial and apartment values for the 2018 assessment. The goal of the assessment was to establish commercial, industrial and apartment values that reflect current market trends based on sales and other data related to specific commercial and industrial market segments.

The following table demonstrates the overall assessed value changes for the various commercial property segments within the City of Maple Grove. The value percentages detailed below do not include new construction amounts.

2018 Estimated Market Value Changes By Property Type

Property Type	Value Change
Commercial	4.5%
Industrial	5.1%
Apartments	6.9%

Data does not include new construction amounts.

Commercial Assessment by Market Segment

Retail Properties

Retail properties experienced an overall value increase of 6.1 percent. The majority of the value increases were reflected in older, community and neighborhood shopping centers. Overall, retail values were adjusted based on comparable sales data, income valuations and discussions with the county and other cities.

Banks experienced overall growth of 4.8 percent. The growth in the bank segment was primarily focused on properties located in strong retail areas that could have a potential for redevelopment into other types of retail. The remainder of the banks were equalized after taking into consideration the overall value based on land area and bank sales data.

Stand-alone retail stores experienced an overall increase of 2.1 percent in value for the 2018 assessment. This increase was the result of analyzing comparable sales data with additional adjustments for equalization among similar properties within the City of Maple Grove.

Commercial Assessment by Market Segment

Restaurants

Restaurants values remained relatively flat despite sales in other jurisdictions, which may have indicated that a value decrease may have been warranted. The 2018 valuations are supported by historical sales data within Maple Grove with consideration given to the potential for redevelopment into other types of retail.

Offices

Office properties experienced an overall increase of 4 percent in market value. Medical offices within the city experienced an overall increase of 5.6 percent. Overall office and medical office values were adjusted primarily based on comparable sales data, estimated income valuations and on equalization throughout the city.

Office Condominiums

Office condominiums experienced overall growth of 5.6 percent for 2018 assessed values. All value adjustments were based on market data associated with each specific development. If there were, no sales data available within a specific development, assessed values were adjusted within the development based on similar properties in the city. Comparable sales of office condominiums throughout the metro area were considered as part of the valuation process.

Industrial

Industrial properties experienced an overall increase of 5.1 percent in assessed value. While all sectors of the industrial properties within the city had value growth, the industrial engineering and industrial flex properties experienced the greatest increases in assessed values. Industrial values were based on sales data throughout the metro area and income value estimates.

Apartments

Apartments within the City of Maple Grove experienced overall growth of 6.9 percent when excluding exempt properties and new construction. Maple Grove requests actual rental and vacancy data from apartment owners on an annual basis. Based on this actual rental and vacancy data, adjustments were made to the 2018 assessment. The capitalization rates and expense ratios were estimated using sales data and apartment data related to the metro area from various market publications.

Hotels

Hotels experienced an overall increase of .05 percent in value for the 2018 assessment. Hotel values were based on actual revenue data and recent sales. Market trends and equalization within the metro area were taken into consideration when determining the final assessed values.

Commercial, Industrial and Apartment New Construction

The City of Maple Grove had several commercial and apartment projects that were completed in the past year. The development projects that were completed in 2017 included the following:

- Autozone
- US Bank
- Firefly Credit Union
- Prestige Preschool
- Kiddiegarten Daycare
- Sycamore Commons Office Building
- Portillos
- Doran Retail Buildings A & B

The City of Maple Grove had several development projects that were not completed on the January 2nd assessment date. The development projects that were under construction and partially complete as of January 2, 2018 included the following:

- The Reserve at Arbor Lake Apartments
- Territorial Woods Apartments
- Maple Grove Medical Office
- Gateway Retail
- Bobby and Steve's Auto Center

Local Board of Appeal and Equalization

Duties and Responsibilities

The majority of the duties and responsibilities of the Local Board of Appeal and Equalization are statutory in nature and primarily described within Minnesota Statutes 274.01.

- The Local Board of Appeal and Equalization is an official public meeting similar to a City Council meeting and cannot convene without a quorum. In addition; the city assessor and the county assessor or one of the county assessor's representatives is required to attend.
- At least one member of the Local Board of Appeal and Equalization must have attended an appeals and equalization course developed and approved by the Minnesota Commissioner of Revenue. Maple Grove City Council Members Karen Jaeger, Phil Leith and Judy Hanson have completed this mandatory appeals and equalization compliance course.
- The valuation notices shall be in writing and be sent by ordinary mail at least ten calendar days before the meeting of the board. The valuation notice will include the dates, places and times set for the meetings of the Local Board of Appeal and Equalization as well as the Hennepin County Board of Appeal and Equalization. The valuation notices for the City of Maple Grove were mailed to property owners on Wednesday, April 4, 2018.
- The Local Board meeting must be held between April 1st and May 31st of each year, including the reconvene meeting. The County Assessor shall fix a day and time when the Local Board of Appeal and Equalization shall meet. The board must complete its work and adjourn within 20 days from the time of convening stated in the notice of the clerk.
- The clerk shall give published and posted notice of the meeting at least ten days before the date of the meeting. The City of Maple Grove published the date and time for the Local Board of Appeal and Equalization in the Osseo Press on April 5, 2018. Notice of the Local Board meeting was also posted in the Maple Grove Government Center, the Maple Grove Community Center, the Hennepin County Library and the Maple Grove Public Works Facility on April 5, 2018. The Local Board of Appeal and Equalization date was also listed on the city website on April 5, 2018.
- Local Boards of Appeal and Equalization must ensure that all taxable property is properly valued and classified for the current assessment year only. The board may consider both real and personal property, and estimated market value. Personal property is limited to mobile homes and their storage sheds, decks and other improvements located in a manufactured home park, structures on leased public lands and railroad operating right of way, and leased buildings located on land owned by the occupant and used as their homestead.
- If any property has been omitted, the board must correct the assessment by adding it to the list of assessments along with its market value.

Local Board of Appeal and Equalization

Duties and Responsibilities Continued

- The board may not increase or decrease by percentage all assessments in a district of a given class of property. Changes in the aggregate to assessments are made by property class and are made by the County Board or State Board of Equalization.
- The board may not make an individual market value adjustment or classification change that would benefit the property in cases where the owner or other person having control over the property will not permit the assessor to inspect the property and the interior of any buildings or structures.
- Although the Local Board of Appeal and Equalization has the authority to increase or decrease individual assessments, the total of such adjustments must not reduce the aggregate assessment by more than one percent. If the total reductions would lower the aggregate assessment by more than one percent, none of the adjustments may be made. The assessor shall correct any clerical errors discovered by the board without regard to the one percent limitation.
- The Local Board of Appeal and Equalization does not have the authority to reopen former assessments on which taxes are due and payable.
- If an assessment was made after the local board meeting or if a taxpayer can establish not having received the notice of market value at least five days before the meeting, they may appeal to the County Board of Appeal and Equalization.
- The board may find instances of undervalued properties. The board must notify the owner of the property that the value is going to be raised. The property owner must have the opportunity to appear before the board if they so wish.
- The local boards do not have the authority to address exemption issues. Only the County Assessor and the Minnesota Tax Court have the authority to exempt property. They also have no jurisdiction over special programs for which an application process is required (Veterans Market Value Homestead Exclusion, Green Acres, etc.).
- A taxpayer may appear in person, by representative, or written communication to present his or her objection to the board. The focus of the appeal must center on the factors influencing the estimated market value or classification placed on the property.
- All changes will be entered into the assessment record by the county assessor's office.
- The complaints and objections of taxpayers who feel aggrieved with any assessments for the current year should be considered very carefully by the board. Such assessments must be reviewed in detail and the board has authority to make corrections it deems to be just. The board may adjourn from day to day until all cases have been heard.

Local Board of Appeal and Equalization

Duties and Responsibilities Continued

- A non-resident may file written objections to the assessment with the City Assessor prior to the meeting of the Local Board of Appeal and Equalization. Such objections must be presented to the board for consideration while it is in session.
- If a person fails to appear in person, by counsel, or by written communication at the Local Board of Appeal and Equalization for a review of the assessment or classification, the person may not appear before the County Board of Appeal and Equalization for a review of the assessment or classification.
- Before adjourning, the local board should prepare an official list of the changes. The law requires that the changes be listed on a separate form. All assessments that have been increased or decreased should be shown as prescribed on the form along with their market values. The record must be signed and dated by the members of the Local Board of Appeal and Equalization.

Appealing the Valuation or Classification of Your Property

Informal Appeal Option

If you believe the 2018 estimated market value and/or classification of your property has been determined incorrectly, you have the right to make an appeal. Inquiries concerning valuation or property classification should first be directed to the Maple Grove Assessor's Office. This is an important first step of the appeals process. Many times questions and concerns can be addressed informally; prior to the Local Board of Appeal and Equalization meeting. To contact the Maple Grove Assessor's Office call (763) 494-6265. Property information can be viewed at the Maple Grove Assessor's Office between the hours of 8:00 A.M. and 4:30 P.M., Monday through Friday.

Formal Appeal Options

Option 1 - Boards of Appeal and Equalization

Step # 1 - City of Maple Grove Local Board of Appeal and Equalization

If you believe your value or classification is incorrect, you may bring your case to the Local Board of Appeal and Equalization. You may appear in person, by letter, or be represented by an authorized agent. The Local Board of Appeal and Equalization convenes at 7:00 PM on Thursday, April 26, 2018 in the Council Chambers, Government Center, 12800 Arbor Lakes Pkwy, Maple Grove, MN 55369. **If you wish to make an appeal before the Local Board of Appeal and Equalization, an application is requested no later than Tuesday, April 24, 2018.**

If the Local Board of Appeal and Equalization did not resolve your concerns, you may bring your case to the Hennepin County Board of Appeal and Equalization (Step #2 below).

Step #2 – Hennepin County Board of Appeal and Equalization

The County Board of Appeal and Equalization begins on Monday, June 11, 2018, at the Hennepin County Government Center, 300 South Sixth Street, Minneapolis, MN 55487. **To appear before the County Board of Appeal and Equalization, you must have appeared before the Local Board of Appeal and Equalization.** You must contact Hennepin County at (612) 348-7050 by May 16, 2018 to make an appointment.

Option 2 – Minnesota Tax Court

Depending on the type of appeal, you may take your case to either the Small Claims Division or the Regular Division of Tax Court. You have until April 30, 2019 to file an appeal with the Small Claims Division or the Regular Division of Tax Court for your 2018 valuation and classification.

For information on the Tax Court, contact the Minnesota Tax Court at (651) 539-3260 or visit their web site at: <http://mn.gov/tax-court/> .

2018 Board of Appeal and Equalization Dates

City of Maple Grove - Local Board of Appeal and Equalization

Maple Grove Government Center
Council Chambers
12800 Arbor Lakes Parkway
Maple Grove, MN 55369
Thursday, April 26, 2018
@ 7:00 P.M.

City of Maple Grove - Local Board of Appeal and Equalization Reconvene

Maple Grove Government Center
Council Chambers
12800 Arbor Lakes Parkway
Maple Grove, MN 55369
Thursday, May 10, 2018
@ 7:00 P.M.

Hennepin County Board of Appeal and Equalization

Hennepin County Government Center
300 South Sixth Street
Minneapolis, MN 55487
Monday, June 11, 2018

Please Note: *To appear at the County Board of Appeal and Equalization you must have first appeared before the Local Board of Appeal and Equalization. All appointments for the County Board of Appeal and Equalization are required to be scheduled by Wednesday, May 16, 2018. Contact Hennepin County for an appointment at (612) 348-7050.*

Assessment Definitions and Information

Market Value (Minn. Stat. § 272.03, Subd. 8)

The statutory definition of market value is “the usual selling price at the place where the property to which the term is applied shall be at the time of assessment; being the price which could be obtained at a private sale or an auction sale, if it is determined by the assessor that the price from the auction sale represents an arm’s length transaction. The price obtained at a forced sale shall not be considered.

In the appraisal and assessment field, “market value” is often defined based on the following criteria and conditions:

- Sale as of a specific date;
- The buyer and seller are typically motivated;
- Both parties are well informed or well advised and each is acting in their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in cash or its equivalent;
- Financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale;
- The price represents a normal consideration for the property sold unaffected by special financing amounts and/or terms, services, fees, costs or credits incurred in the transaction.

Property Classification (Minn. Stat. § 273.13)

The statutory classification that has been assigned to your property based upon the actual use of the property. A change in classification of your property can have a significant impact on the real estate tax payable.

Estimated Market Value (Minn. Stat. § 273.11, Subd. 1)

This value is what the assessor estimates your property would likely sell for on the open market. State Statute requires assessors to value property at one hundred percent of market value.

New Improvement Value

This is the assessor’s estimate of the value of new or previously unassessed improvements made to your property.

Green Acres/Open Space - Market Value Deferred (Minn. Stat. § 273.111 and 273.112)

Applies to class 2a agricultural and open space property that is facing increasing values due to development pressures not related to the agricultural or open space value of the land. This value is determined by looking at what comparable agricultural or open space land is selling for in areas where there is no development pressure. In most cases, the agricultural or open space value is determined by the Department of Revenue. The taxes on the higher value are deferred until the property is sold, transferred, withdrawn or no longer qualifies for the program. **The Local Board of Appeal and Equalization does not have the authority to grant the Green Acres status.** An application must be made to the City Assessor.

Assessment Definitions and Information Continued

Rural Preserve Value Deferral (Minn. Stat. § 273.13, Subd. 23c)

Applies to class 2b rural vacant land that is part of a farm homestead or that had previously been enrolled in Green Acres, if it is contiguous to agricultural land enrolled in Green Acres. This value may not exceed the Green Acres value for tilled lands. The taxes on the higher value are deferred so long as the property qualifies.

Platted Vacant Land Deferral - (Minn. Stat. § 273.11, Subd. 14a)

For land that has been recently platted (divided into individual lots) but not yet improved with a structure, the increased market value due to platting is phased in over time. If construction begins, or if a lot is sold before expiration of the phase-in period, the lot will be assessed at full market value in the next assessment.

Disabled Veteran's Exclusion (Minn. Stat. § 273.13, Subd. 22b3)

Qualifying disabled veterans may be eligible for valuation exclusion on their homestead property. An annual application is required for partially disabled veterans and for previously qualified spouses of deceased veterans. **The Local Board of Appeal and Equalization does not have the authority to grant this market value exclusion.** An application must be made to the City Assessor.

Homestead Market Value Exclusion (Minn. Stat. § 273.13, Subd. 35)

Applies to residential homesteads and to the house, garage and one acre of land on agricultural homesteads. The value exclusion is a maximum of \$30,400 at \$76,000 of market value, and then decreases by nine percent for value over \$76,000. The exclusion is phased out for properties valued at \$413,800 or more.

Taxable Market Value (Minn. Stat. § 273.032)

This is the value that your property taxes are actually based on, after all reductions, exclusions, exemptions and deferrals. Your 2018 value, along with the class rate and the budgets of your local government, will determine how much you will pay in property taxes in 2019.

Commercial/Industrial Property (Minn. Stat. § 273.13, Subd. 24)

Each parcel of commercial and industrial property has a reduced, "preferred" class rate on the first tier of market value, up to \$150,000 in value, and a "non-preferred" rate on the remaining market value, except in the case of contiguous parcels owned by the same person or entity. Contiguous properties are classed at the "non-preferred" rate. Please call your assessor for details and exceptions.

Staff of the Maple Grove Assessor's Office

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