

AGENDA

CITY OF MONONA
BOARD OF REVIEW
CITY HALL CONFERENCE ROOM
CITY HALL – 5211 SCHLUTER ROAD
MONDAY, MAY 13, 2019
~~5:30 P.M.~~

- A. Call To Order
- B. Roll Call
- C. Introduction of New Members
- D. Approval of Minutes of the Board of Review Hearing May 30, 2018
- E. Confirmation of the Appointment of the Chairperson of the Board of Review
- F. Acknowledgement that the mandatory training requirements specified in §70.46(4), Wisconsin Statutes have been met (Members Jim Lampe and Richard Mastenbrook through April 11, 2020)
- G. Assessor's Report
 - Approximate percentage of assessment change: Preliminary result is an overall increase of 7.33% (Residential 7.62%, Commercial 6.72%)
 - Assessment notices to all property owners: April 15, 2019
 - Assessment Roll available in City Hall: April 15, 2019
 - Open Book: April 29 and 30, 2019
- H. Discussion of recent legislation pertaining to property assessment
- I. Adjournment to 6:00 p.m. Tuesday, June 4, 2019 at the Library Municipal Room

NOTE: Upon reasonable notice, the City of Monona will accommodate the needs of disabled individuals through auxiliary aids or services. For additional information or to request this service, contact Joan Andrusz at (608) 222-2525 (not a TDD telephone number, Fax: (608) 222-9225, or through the City Police Department TDD telephone number 441-0399.

The public is notified that any final action taken at a previous meeting may be reconsidered pursuant to the City of Monona ordinances. A suspension of the rules may allow for final action to be taken on an item of New Business.

It is possible that members of and a possible quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information or speak about a subject, over which they have decision-making responsibility. Any governmental body at the above stated meeting will take no action other than the governmental body specifically referred to above in this notice.

JA

BOARD OF REVIEW MINUTES
May 30, 2018

The hearing of the Board of Review for the City of Monona was called to order by Chairman Larsen at 6:00 p.m.

Present: Chairman Robert Larsen, Richard Mastenbrook, Judy Lynn, Scott Warner (arrived late), and 1st Alternate Jim Lampe

Excused: James Hoelzel and 2nd Alternate Chris Coates

Also Present: City Assessor Jim Danielson from Accurate Appraisal and City Clerk Joan Andrusz

ROLL CALL

ASSESSOR OATH OF OFFICE

City Assessor Danielson swore his Oath of Office as administered by City Clerk Andrusz.

Mr. Warner arrived.

ACCEPTANCE OF ASSESSMENT ROLL

City Assessor Danielson signed the Assessor's Affidavit and the 2018 Assessment Roll was received and accepted by City Clerk Andrusz.

APPROVAL OF MINUTES

A motion by Mr. Mastenbrook, seconded by Mr. Lampe, to approve the minutes of the May 17, 2018 Board of Review meeting, was carried.

APPEARANCES BEFORE THE BOARD OF REVIEW

City Assessor Danielson reported that all cases, except that of Walmart, have been resolved. Walmart has requested a waiver of hearing which was requested last year as well and granted. Litigation is pending.

Shopko, 2101 Broadway, Parcel No. 0710-301-2175-7, has the same group representing them as Walmart. Big box stores across the state have representation and are requesting hearings. Using Shopko's current rent and the income basis, he reduced their improvement assessment to \$3,987,600 for a total assessment of \$6,220,000. They were requesting in the \$5 million range so he is happy with this outcome; this probably would have gone to litigation.

The case of David Smithson, 6305 Midwood Avenue, Parcel No. 0710-204-5489-0, was one of neighborhood delineation. His property straddled the cut line between value levels so City Assessor Danielson matched this property with its neighbors. He will look at this area for a cleaner defining line next year.

The case of Brad & Jacci Meier, 600 Bartels Street, Parcel No. 0710-204-4368-8, is a property on the channel and the owner's opinion is that residential and commercial values should be equal. However, there is less of a market for properties with four or more units and they are not being purchased for the water proximity aspect. The owners main issue was that he usually can't use the water; it's high now, so he can but he stores his boat over a mile away. He was given a 10% land reduction and was satisfied with that. City Assessor Danielson will look at the neighbors next year to see how many are affected the same way. Once the value was lowered a deserved 10% the owner was

satisfied but wanted to talk about getting the area dredged. City Assessor Danielson explained that wasn't the purpose of the Board of Review.

The case of Bryan Schreiter, 5109 & 5111 Wallace Avenue, Parcel No. 0710-174-6595-6, provided a good analysis. The duplex was purchased two years ago on the high end of sales and the value was increased like comparable properties. City Assessor Danielson reduced the value to a little higher than last year, just over what the owner paid for the property.

Chairman Larsen stated these sound like good resolutions and shared his history at Pirate Island Road near one of the cases. It was interesting that Shopko agreed to use the income approach rather than the dark store theory. City Assessor Danielson stated Paradigm is good to work with and he was happy with the Shopko resolution. Settlements are reached with Walmart but they come back with objections the following year. Mr. Mastenbrook questioned whether Walmart has an arm's length lease. Walgreens won arguing theirs was not a market lease. City Assessor Danielson stated he only knows about Shopko's, which is a third party lease. His opinion is that Walgreens is a market lease because they are all in good locations. A lot of Walmart cases go to mediation, which is essentially a settlement. They get a low appraisal and municipalities get an opposing appraisal and it gets met in the middle. Homeowners have to make up the shortfall in property taxes and can't afford the lawyer's fees.

City Clerk Andrusz reported the dark store legislation is dead at this time, but the Wisconsin League of Municipalities is working on next steps to bring it back. The City's case with Walmart is ongoing. Mr. Mastenbrook stated other big box stores will begin this sort of action, too. City Assessor Danielson stated he is assuming all of them are hiring lawyers. Chairman Larsen questioned whether there was a report available to compare Walmart's taxes versus the public safety services provided them; the Police Department is there frequently. City Clerk Andrusz reported Monona Police Chief Walter Ostrenga reported on that fact at the public hearing and was the first public safety official to get legislators to consider that aspect of the issue.

The remaining case was that of a Request for Waiver of Board of Review Hearing by Wal-Mart Real Estate Business Trust, represented by Brendan Douylliez, 2151 Royal Avenue, Parcel No. 0710-301-4175-2, with a 2018 assessed value of land - \$1,862,100, and improvements - \$26,707,500, for a total of \$28,569,600. City Clerk Andrusz swore in Assessor Danielson. City Assessor Danielson verified to Chairman Larsen that Walmart, the City Attorney, and the City Assessor have agreed to accept their waiver to court as litigation is ongoing in this complicated case.

A motion by Mr. Mastenbrook, seconded by Mr. Lampe to accept Wal-Mart Real Estate Business Trust's Request for Waiver of Board of Review Hearing on the assessment of 2151 Royal Avenue, Parcel No. 0710-301-4175-2. On a roll call vote, all members voted in favor of the motion.

A motion by Mr. Mastenbrook, seconded by Mr. Lampe to sustain the assessment of 2151 Royal Avenue, Parcel No. 0710-301-4175-2 at \$28,569,600 as provided by the Assessor. On a roll call vote, all members voted in favor of the motion.

While there were no more scheduled hearings, the Board remained in session until the two-hour statutory requirement was met.

ADJOURNMENT

A motion by Mr. Mastenbrook, seconded by Mr. Lampe to adjourn, was carried. (8:00 p.m.)

Joan Andrusz
City Clerk

City of Monona
Information Sheet-2019

<u>Assessments</u>		<u>TOTALS</u>
Residential	2018	\$851,920,900
	2019	\$916,813,700
	% Change	7.62%
Commercial	2018	\$390,347,000
	2019	\$416,565,300
	% Change	6.72%
Totals	2018	\$1,242,267,900
	2019	\$1,333,379,000
Overall Community Change	% Change	7.33%
<u>Equalized Value</u>		
Residential	2018	\$864,783,500
Est. Residential Equalized Value	2019	\$917,000,000
Est. Change	% Change	6.04%
Commercial	2018	\$433,696,000
Est. Commercial Equalized Value	2019	\$434,000,000
Est. Change	% Change	0.07%
Residential Assessment Ratio 2018 Est.		98.51%
Residential Assessment Ratio 2019 Est.		99.98%
Commercial Assessment Ratio 2018		90.00%
Commercial Assessment Ratio 2019 Est.		95.98%
Residential New Construction		\$4,538,500
Commercial New Construction		\$10,486,400

Joan Andrusz

From: Wisconsin Department of Revenue <DOR-do-not-reply@wisconsin.gov>
Sent: Tuesday, May 7, 2019 12:50 PM
To: Joan Andrusz
Subject: Assessment Updates

May 7, 2019

**To: Statutory Assessors, Assessors, Real Property Listers,
County Clerks & Treasurers, Municipal Clerks & Treasurers**

The Wisconsin Department of Revenue would like to inform you of the following two property assessment related items – a law change and a Wisconsin Supreme Court decision.

1. Law Change: 2019 Wisconsin Act 2

- Current law
 - Assessors are required to distribute an assessment notice to property owners whose assessment changed from the previous year
 - Distribution is required 15 days before the Board of Review (BOR) except for revaluations when the notice must be sent at least 30 days before BOR
- Change effective January 1, 2020
 - Assessors are not required to distribute an assessment notice for land classified agricultural when the change is less than \$500 from the previous year
 - Assessment changes in all other classifications continue to require a notice
 - The same 15-day and 30-day distribution periods continue

2. Wisconsin Supreme Court Decision: Peter Ogden Family Trust of 2008 v. Board of Review for Town of Delafield.

- Overview
 - The decision reviews an agricultural classification determination for property tax purposes
 - In 2016, the Town of Delafield BOR reclassified two lots owned by The Peter Ogden Family Trust from agricultural to residential
 - The BOR believed that to qualify for agricultural classification, the land must be farmed for a business purpose
- Decision
 - The BOR did not act according to law when it based its decision on an erroneous belief that a business purpose was required for agricultural classification
 - A business purpose is not required for agricultural classification so long as land is devoted primarily to "agricultural use" as defined by state statutes and administrative rules
 - That use does not need to be carried out for a business purpose for the land to qualify as agricultural land
 - Remanded back to the BOR that (1) overturn the assessor's assessment and classify the appropriate portions of the two lots as agricultural and agricultural forest (2) affix a value to the two lots
- Agricultural classification
 - The Court decision does not modify the current interpretation of state statutes, administrative rules or the Wisconsin Property Assessment Manual, which provide the requirements for classifying agricultural land
 - Agricultural land must be devoted primarily to a qualifying agricultural use during the prior production season and compatible with agricultural use on January 1 of the assessment year
 - Agricultural classification does not require a business purpose