

1. Work Session Agenda And Packet

Documents:

[JANUARY 6 2020 WORK SESSION AGENDA.PDF](#)
[JANUARY 6 2020 WORK SESSION PACKET.PDF](#)

City of Excelsior
City Council Work Session

Agenda

Monday, January 6, 2020

5:30 P.M.

1. Call to Order/Roll Call
2. Agenda Approval
3. Board of Appeal and Equalization versus Open Book Meeting
4. 2020 City of Excelsior Objectives
5. Adjournment

Note: The purpose of a Work Session is for the Council to discuss matters informally and in greater detail than is allowed at formal Council meetings. All meetings of the Council including Work Sessions will be open to the public. While the privilege of participating in these discussions is generally limited to the Council, staff, and consultants, the Mayor may open a discussion from the floor.

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MEMORANDUM

Work Session Item 3 – Local Board of

Re: Appeal/Equalization versus Open Book

Date: January 6, 2020

To: City Council

From: Kelly Horn, Finance Director

Minnesota Statute 274.01, Subdivision 1, requires that the County Assessor set the date and time for the local board of appeal and equalization meeting. By law, the Hennepin County Assessor is responsible for setting the date for this meeting. Attached is correspondence from the Hennepin County Assessor requesting that the date for the Board meeting be scheduled for Thursday, April 23, 2020 beginning at 5:30 p.m. At this meeting, Excelsior property owners have an opportunity to appeal to the Board if they believe their proposed property valuation for the upcoming year is incorrect.

The City has held an “Open Book Meeting” with the City Assessor for the past few years, whereas previously the Excelsior City Council acted as the local Board of Appeal and Equalization. The City was required to transfer the authority to the County when there were no Council Members who had completed the training within the required previous four years. An Open Book Meeting is an organized approach to address individual appeals by the City’s assessor, in a less formal manner than the Local Board of Appeal and Equalization. During the meeting, the assessor is available to meet with property owners individually to discuss their specific concerns about their properties. If the taxpayer and assessor continue to disagree after the open book meeting, the taxpayer may choose to proceed to the County Board of Appeal and Equalization meeting. Ultimately, the taxpayer may choose to pursue an appeal to Tax Court.

Conversely, if the City Council wanted to act in place of the assessor, as the Local Board of Appeal and Equalization, at least one Council members would be required to complete the training before the City would be in compliance and able to hold the meeting this upcoming Spring. The deadline for the current year’s training is February 1st, 2020. Additionally, the City would be required to pass a resolution reinstating that the Council would like to be reinstated as the local board before February 1st, 2020. The City is required to notify the County of its decision by January 24, 2020. A quorum of the City Council must be present at this Local Board of Appeal and Equalization meeting and at least one of the voting members must have attended the approved training.

Per the Minnesota Department of Revenue, the benefits of an Open Book Meeting:

- Taxpayers often find them less intimidating than presenting their appeal to the Local Board of Appeal and Equalization.

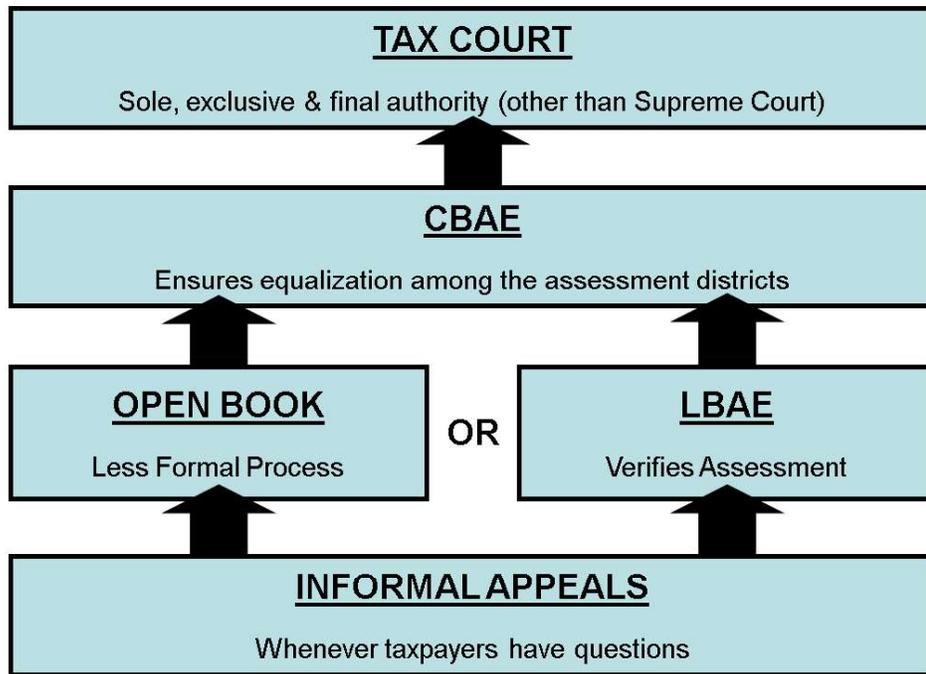
- They often appreciate the fact that they can have their questions answered in a more private setting and not have to be apprehensive about making a presentation in front of their friends and neighbors.
- In a one-on-one setting, property owners may spend as much time with the appraiser as they need. They can compare the value of their home with the values of similar homes and review similar homes that have sold.
- The process is efficient because concerns and questions are often resolved immediately. Property owners can see that the appraiser applies the same criteria to all properties, reassuring them that the process is the same for everyone, and they have not been singled out for a value increase.

The Minnesota Department of Revenue did not list any benefits to councils acting as the local board. Following the memo is an excerpt from the Minnesota Department of Revenue's Property Tax Administrator's Manual that details the Appeals/Equalization process.

Council Guidance Requested:

- Confirm the date of the local board of appeal and equalization meeting, Thursday, April 23, 2020 beginning at 5:30 p.m.
- Determine if the Council plans to act as the Local Board, or if the City should continue to use the Open Book forum for 2020 property valuations.

The Assessment Appeal Process



Informal Appeals

- Property owners should be encouraged to contact the assessor’s office whenever they have questions or concerns about their market value, classification, or the assessment process. Almost all questions can be answered during this informal type of appeal process.
- When taxpayers call to question the market value, every effort should be made by appraisers to make appointments to inspect properties that have not been recently inspected to ensure that property records are correct.
- If all data on the property is considered to be correct by the appraiser, the appraiser should be able to show the property owner other sales that have taken place within the market that support the appraiser’s estimated market value.
- If errors are found during the inspection, or other factors indicate a value reduction is warranted, the appraiser can make these changes at this time or recommend them to an appeals board. Note: if the reduction is determined within 10 days of a formal board convening, the assessor may not make the change themselves. They must recommend the change to the board, so they may act on the change.

Local Board of Appeal and Equalization

- If the property owner is not satisfied after talking with the assessor, they can explore formal appeal options including:
 - open book meetings,
 - local and county boards of appeal and equalization, and/or
 - Minnesota Tax Court.
- The property owner is not required to take part in an informal appeal, but it is often more efficient for everyone involved to begin the appeal process with this step.

Open Book Meetings

- This version of appeal is an organized approach to address individual appeals in a less formal manner than the Local Board of Appeal and Equalization.
- The assessor sets aside a time (during the months of April and May) and place to meet with property owners individually to discuss their specific concerns about their properties.
- If the taxpayer and assessor continue to disagree after the open book meeting, the taxpayer may choose to proceed to the County Board of Appeal and Equalization meeting. Ultimately, the taxpayer may choose to pursue an appeal to Tax Court.

What are the benefits of open book meetings?

- Taxpayers often find them less intimidating than presenting their appeal to the Local Board of Appeal and Equalization.
- They often appreciate the fact that they can have their questions answered in a more private setting and not have to be apprehensive about making a presentation in front of their friends and neighbors.
- In a one-on-one setting, property owners may spend as much time with the appraiser as they need. They can compare the value of their home with the values of similar homes and review similar homes that have sold.
- The process is efficient because concerns and questions are often resolved immediately. Property owners can see that the appraiser applies the same criteria to all properties, reassuring them that the process is the same for everyone, and they have not been singled out for a value increase.

What are the procedures for open book meetings?

There are several different procedures for open book meetings.

- Some counties hold countywide open book meetings at one or more locations over a set time period, often during both daytime and evening hours.
 - The dates, times, and locations of all meetings appear on the valuation notices.

Local Board of Appeal and Equalization

- Taxpayers can attend any of the locations at any time during scheduled hours and meet with an appraiser to discuss their valuations and/or classifications.
- Property records and value information is brought to any offsite meetings or accessed via laptop computers.
- Other counties hold open book meetings for specific jurisdictions.
 - Taxpayers in these jurisdictions are notified of the date and time of the meeting on their valuation notices.
 - These meetings may take place at a public facility in that jurisdiction or at the county offices.
 - All of the property information is brought to the meeting or accessed via laptop computers if the meeting is held offsite.
- If the taxpayer and assessor continue to disagree on the market value or classification after meeting at the open book meeting, the taxpayer is free to attend the County Board of Appeal and Equalization.

What is the assessor's role at the open book meeting?

- The assessor must handle each and every appeal presented at the open book meeting.
- County assessor offices may choose to show each taxpayer a short presentation about the assessment and property tax process, how the assessor arrives at the estimated market value and how values have changed in the jurisdiction over the past year.
- The office should have **documentation procedures** in place so taxpayer appeals can be recorded and addressed uniformly.
 - In cases where changes are made, the assessor will need to document these changes, their rationale, and make sure the changes are reflected for that assessment.
 - The office should also have procedures in place for notifying taxpayers of any changes that result from the open book meeting. This notification is important because any changes to the assessment made during the open book process may be further appealed by the taxpayer to the county boards, or to Tax Court.
- If a taxpayer comes to the open book meeting to discuss issues and the **property has not been recently inspected** by someone in the assessor's office, an appointment to view the property (both interior and exterior) should be scheduled.
- The ultimate role for the assessor at the open book meeting is to be sure all questions are addressed and that clear information is shared with property owners. The open book meeting can be used as an avenue to improve public relations.

Local Board of Appeal and Equalization

Local Board of Appeal and Equalization**What is the purpose and function of the local board of appeal and equalization?**

- The purpose of the Local Board of Appeal and Equalization (LBAE) is to provide a fair and objective forum for property owners to appeal their valuations and/or classifications.
- The local board often serves as the first formal step to the appeals process.
- Effective actions taken by the local board may potentially make a direct contribution to attaining assessment equality.
- The local board must address property owners' issues efficiently, fairly, and objectively. They can only make changes that are substantiated by facts and that meet statutory guidelines.
- Any changes must be justified because they have the effect of shifting the tax burden to other properties in the jurisdiction.

Primary Statutory References: [274.01](#); [274.014](#); [274.03](#)

Can an assessor make a change before the LBAE meets?

- Assessors should not make changes to property within the **10-day** "window" between notices of valuation and classification being sent and the date of Local Board of Appeal and Equalization meeting.
- If an assessor feels that a change to valuation or classification needs to be made between the time that notices are sent out and the board convenes, the assessor must notify the property owner at least **ten days** before bringing the issue before the board, thereby to give the property owner a chance to appear before the board as well.

Primary Statutory References: [274.01](#); [274.014](#); [274.03](#)

Who makes up the LBAE?

- Ordinarily, the LBAE is made up of the city council or township board; but it can also be a specially appointed board if a city charter provides for one.
- Some jurisdictions choose to transfer their local board duties to the County Board of Appeal and Equalization and hold open book meetings in lieu of LBAE meetings.

Primary Statutory References: [274.01](#)

Local Board of Appeal and Equalization

Who decides when the meeting is held?

- The **county assessor sets a day and time** for each LBAE meeting and **each jurisdiction must be notified in writing on or before February 15 of each year.**
- The **clerk is responsible for giving published and posted notice** of the meeting **at least 10 days before** the meeting.
 - The publishing typically occurs in the local newspaper of the jurisdiction, and posting typically occurs in the city or town hall.
 - An example of such notice is included at the end of this section.
- Meetings must be held **between April 1 and May 31** of each year.

Primary Statutory References: [274.01](#); [274.014](#); [274.03](#)

What are the basics of the LBAE meeting?

- The LBAE meets at a **centralized location** within the county where the jurisdiction is located, **or at the office of the clerk** to review the valuations and classifications of properties within the jurisdiction.
- The LBAE must hear all appeals regardless of when those appeals were presented to the board. There are **no deadlines to make an appeal as long as the board is convened**. The board should then make a decision on those appeals. The decision may be that an informed decision cannot be reasonably made and they may choose to vote for no change to the property's valuation or classification allowing the taxpayer to continue to the County Board of Appeal and Equalization. The assessor should act on the board's request for information and should respond reasonably to all appeals initiated at any time prior to the LBAE's adjournment.
- The LBAE *"may not make an individual market value adjustment or classification change that would benefit the property if the owner or other person having control over the property has refused the assessor access to inspect the property and the interior of any buildings or structures."* The inspection must be explicitly requested by the assessor and denied by the property owner. While it is important for assessors to have accurate property information to provide support to the LBAE, if access is not requested by the assessor, then there is no access denial and the board may consider a valuation or classification change that benefits the property owner. An assessor's request for access for any other part of the assessment cycle does not qualify as a denial for a formal appeal.
- An assessor must be present to answer any questions and present evidence supporting their values and/or classifications.

Local Board of Appeal and Equalization

- **Note:** it is important that the assessor does not direct how the board should rule on each appeal. The assessor should limit their feedback to giving explanations as to why the property was assessed the way it was and other relevant technical information.
- In order to appeal to the County Board of Appeal and Equalization, a property owner must first appeal to the Local Board of Appeal and Equalization, if one is held.
 - For the LBAE meeting to be valid, a quorum of voting members must be present. In addition to a quorum, there must also be at least one trained voting member present at the meeting.
 - If a local board holds a LBAE meeting but fails to meet the training and/or quorum requirement, the assessor should immediately take over the meeting as an open book meeting, and the local board will lose its LBAE meeting as detailed [below](#).

What will happen if a local board has a quorum for an initial meeting, but does not have a quorum for a reconvene?

- It is illegal for the board to conduct a meeting without a quorum.
- If the board does not have a quorum present at a reconvene, the assessor should take over the meeting and **change it to an open book** format. For failing to be in compliance with the quorum requirement, the board would **lose its LBAE** duties as described [below](#).
- The board's decision on any appeals completed and voted upon in the **initial meeting** will stand.
 - However, any unfinished business would have to be addressed by the assessor in the open book meeting.
 - If the property owner and the assessor cannot agree, the property owner can appeal to the County Board of Appeal and Equalization and/or Tax Court.
- The LBAE may recess from day to day until they finish hearing the cases presented, but must adjourn **within 20 days**.
 - A longer period may be approved by the Commissioner of Revenue. The board must apply in writing for an extension; and the commissioner's approval is necessary to legalize any proceedings subsequent to the expiration of the 20-day period.
 - The commissioner will not extend the time for LBAEs to convene beyond May 31st.
- **No action may be taken by the board after May 31.** All taxpayer concerns heard after the initial 20-day period (unless extended by the commissioner) or any concerns brought forth after May 31 must be appealed to the County Board of Appeal and Equalization.

Local Board of Appeal and Equalization

- These meetings are public and must adhere to open meeting laws.
- Board members may not participate in any actions of the board which result in market value adjustments or classification changes to property owned by the board member, the board member's spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew, or niece, or to any property in which the board member has a financial interest. Any relation may be by blood or by marriage.
 - If such **conflict of interest** arises, the remaining board may elect to hear the appeal, if a quorum and trained member remain.
 - If a recusal would negate a quorum or leave no trained member, then no change should be made to the property. The property owner would then be able to appeal to the County Board of Appeal and Equalization.
 - In cases where the board lacks a trained member or quorum, but makes a change, the Commissioner may null and void those changes.
- Taxpayers may appeal in person, in writing, or by representative.
 - If a taxpayer fails to appeal in person, in writing, or by representative to appeal the valuation and/or classification of property, that person may not appeal to the County Board of Appeal and Equalization.
 - This does not apply if an assessment was made after the local board meeting or if the taxpayer can establish not having received the notice of market value at least five days before the meeting.

Primary Statutory References: [274.01](#); [274.014](#); [274.03](#)

What is the assessor's role with the LBAE?

- Give notice to the clerk of the date and time of the Local Board of Appeal and Equalization meeting by no later than February 15.
- Give the board information concerning the state of the real estate market.
- Attend the meeting with assessment books and papers, but do not vote.
- Attend the meeting with maps and tables relating particularly to land values for guidance.
- Raise objections received in writing for review to the local board.
- Provide an alternative review option (open book meeting) as described above, when necessary.
- Provide the Commissioner of Revenue with a record form from the proceedings of the LBAE within ten days of final action of the board.

Primary Statutory Reference(s): Minnesota Statutes, section [274.01](#); [274.014](#); [274.03](#); [274.12](#).

*****Find more information on the assessor's duties during the appeal season in the County Assessor's Office-Roles and Responsibilities during the Appeal Season section found later in this module.*****

Local Board of Appeal and Equalization

LBAE Training

What are the training requirements for local boards of appeal and equalization?

- Minnesota law requires that **at least one member of each local board** must have completed training provided by the Department of Revenue **within the last four years**. Though, the department recommends that all members of the board complete training.

- The training is offered online through the Department of Revenue [website](#) between July 1 and February 1 of each year.

- The training is prepared by property tax administrators from the department, and is usually about 30 minutes in length.

- It includes a presentation and a review of the handbook that details the procedures and responsibilities of the board.

Primary Statutory References: [274.01](#); [274.014](#); [274.03](#).

How do board members know about – and sign up for – training?

- Board members can enter “BAE” in the search function on the department’s website: revenue.state.mn.us.

- The online training is posted on the department’s website so board members may take the course at their convenience.

- Attendees must register prior to taking the online course. This is done on the department’s website. There is also a specially-scheduled time frame for online “catch up” courses each year which follow local elections for board members who are newly elected to office.

What is included in the training?

- The handbook and course developed by the department includes information related to:
 - the **role** of the board in the assessment process,
 - the **legal and policy** reasons for fair and impartial appeal and equalization hearings,
 - board **meeting procedures** that foster fair and impartial assessment reviews and other best practices recommendations,
 - **quorum requirements** for boards, and
 - explanations of **alternate methods of appeal**.

Local Board of Appeal and Equalization

What happens if a LBAE does not have a trained member on February 1st?

- Statute requires that each LBAE that intends to hold a local board of appeal and equalization meeting for the current assessment year must have a trained member by February 1 of that current assessment year.
- If the LBAE does not have a trained member on February 1 of the current assessment year, the board will lose their appeal powers as described [below](#).

Primary Statutory Reference: [274.01](#); [274.014](#)

What happens if a LBAE is forced to transfer their appeals powers?

- If the local board is forced to transfer their powers to the county board for any of the reasons listed above, they will lose their appeal powers at minimum of the current appeals year and the following year.
 - Example: if a quorum is not present at the start of the LBAE meeting in April 2019, the board will lose its powers for the 2019 and 2020 appeals year.
- In order for the local board to be **reinstated**, it must prove compliance with the requirements and present the county assessor with a resolution by February 1 of the assessment year that they wish to hold their LBAE meeting.
 - If the board does not reinstate their powers, the board powers stay with the county until the board reinstates their powers.
 - Example: Board loses their powers in 2019 for non-compliance, they can reinstate their powers by February 1, 2021 to hold a meeting in the spring of 2021.

LBAE Roles and Duties**What are the recommendations for board members?**

- It is recommended that assessors prepare board members ahead of the LBAE meeting to allow them to become familiar with local market activity for the year.
- The assessor should also provide sales information in advance of the meeting.
- Other helpful information may include sales ratio studies by type of property, valuation schedules for land types, valuation information for the district, statutory classification information and corresponding class rates, or review of value changes by property type in the district.

What are the LBAE Powers and Duties?

Generally, a local board determines whether all taxable property in the city or town has been properly placed on the **current** assessment rolls and property valued and classified by the assessor.

- Specifically, LBAEs have the following duties:
 - Reduce the value of a property if market evidence warrants a reduction. The board may not make an individual market value adjustment that would benefit the

Local Board of Appeal and Equalization

- property owner if the property owner has refused access to the assessor to inspect the property (both interior and exterior);
 - Increase the value of a property if market evidence warrants an increase or if improvements are missing from the property record, provided that the taxpayer is notified of the board's intent to increase the value so that they may be allowed an opportunity to appeal;
 - Correct the classification of a property. The board may not make a classification adjustment that would benefit the property owner if the property owner has refused access to the assessor to inspect the property;
 - Add omitted properties to the assessment rolls;
 - Personal property assessments are also within the board's jurisdiction. Personal property includes manufactured homes, storage sheds, or similar improvements located in a manufactured home park, structures on leased public land, and railroad operating right-of-way;
 - Consider and act upon any complaints or objections by taxpayers. Complaints may be made via letter, in person, or by representative.
- No changes in valuation or classification which are intended to correct **errors in judgment** by the county assessor may be made by the county assessor after the board has adjourned.
- The county assessor may continue to correct errors that are **clerical in nature** after the board adjourns up until the tax extension date of that assessment year.
- There are also **several restrictions and limitations** placed on LBAEs. A local board:
 - Cannot consider any prior year assessments;
 - Cannot act on individual tax amounts;
 - Cannot order changes to entire classes of property (by a blanket percentage);
 - Cannot make individual reductions that would reduce the aggregate assessment of a jurisdiction to decrease by more than one percent. If the total reductions would lower the aggregate assessments made by the assessor by more than one percent, none of the adjustments made by the board are valid. (The assessor shall correct any clerical errors or double assessments discovered by the board without regard to the one percent limitation.);
 - Cannot increase a parcel's market value without duly notifying the owner of the intent and allowing the taxpayer an opportunity to appeal;
 - Cannot exempt property;
 - Cannot make changes benefitting a property owner who refuses access to the property by the assessor;
 - Cannot continue a meeting beyond 20 days from the time it convenes without specific approval from the Commissioner of Revenue;
 - Individual board members cannot participate in changes to property owned by relatives or property in which the member has a financial interest;

Local Board of Appeal and Equalization

- Cannot grant inclusion into special programs such as Green Acres, Open Space, Disabled Veterans Homestead Market Value Exclusion, etc.

Primary Statutory References: [274.01](#); [274.014](#); [274.03](#)

What are the duties of the clerk?

The town or city clerk has the following duties relating to LBAEs:

- work with the county assessor to establish meeting dates for the board
- coordinate with the board to ensure a quorum and trained member will be present
- publish and post notice of meetings at least ten days prior to the date of the meeting
- have a sign-in sheet for all appellants
- take minutes as part of town or city record
- return all necessary records to the county assessor in a timely manner
- *An example of published/posted notice for local boards of appeal and equalization is such:*

Important Information Regarding Assessment and Classification of Property

This may affect your [#YEAR#] property tax payments.

Notice is hereby given that the Board of Appeal and Equalization of the [City/ Township Name] shall meet on [date], [time], at [location]. The purpose of this meeting is to determine whether taxable property in the jurisdiction has been properly valued and classified by the assessor, and also to determine whether corrections need to be made.

If you believe the value or classification of your property is incorrect, please contact your assessor's office to discuss your concerns. If you are still not satisfied with the valuation or classification after discussing it with your assessor, you may appear before the local board of appeal and equalization. The board shall review the valuation, classification, or both if necessary, and shall correct it as needed. Generally, an appearance before your local board of appeal and equalization is required by law before an appeal can be taken to your county board of appeal and equalization.

Special Board of Appeal and Equalization

What is a Special Board of Appeal and Equalization?

- The council or governing body of any city may appoint a special board of appeal and equalization to which it may delegate all of the powers and duties of a local board of appeal and equalization.
- The special board serves at the direction and discretion of the appointing body, subject to the rules and restrictions as any other LBAE.

Local Board of Appeal and Equalization

- The appointing body determines the number of members, the compensation and expenses to be paid, and the term of office of each member.
- **At least one member of the special board must be an appraiser, Realtor, or other person familiar with property valuation in the assessment district.**
- At least one member must also have met the **training requirements** for LBAE members.

Primary Statutory References: [274.01](#)

LBAE Documentation and Reporting Requirements

The department requires that two forms be completed for each local board.

1. The **Certification Form** must be completed and signed by all members present to ensure that the quorum and trained member requirements were met, even if no taxpayers attended the meeting.
 - The county assessor, or delegate, must certify that the trained member and quorum requirements were met or certify that they took over the meeting and changed the format to an open book meeting.
 - All board members must also certify that they made no changes to property owned by a board member, a relative or family member of a board member, or to any property in which a board member has a financial interest.
 - A Certification Form must be completed and signed for each LBAE meeting, including any reconvenes.
 - At the end of the meeting, the assessor must take possession of the Certification Form.
 - The original Certification Form shall be kept at the assessor's office so it is accessible if it needs to be reviewed by a Department of Revenue Property Tax Compliance Officer.

2. Only one **Record Form** needs to be returned to the Department of Revenue. However, it must reflect all board actions. Therefore, it must list:
 - assessments of property added to the tax rolls with the market value for each;
 - appeals brought before the board, indicating the action taken by the board (including all appeals for which the board voted "no change");
 - assessments that have been increased or decreased with the market value for each;
 - all class changes; and
 - all changes that the county assessor brought to the board for action, indicating the action taken by the board even if it was "no change."

- Minnesota law requires the county assessor to submit any changes made at LBAE meetings (**the Record Form**) to the Commissioner of Revenue **within 10 days following the final action** of the board.

Local Board of Appeal and Equalization

What are some important requirements for the record form?

- The local board must keep accurate and detailed records of appeals on the Record Form.
- The form is an Adobe LiveCycle form.
 - All required information will be identified on the form.
 - For more information on how to use the form, please visit our [website](#).

Primary Statutory References: [274.01](#); [274.014](#)

FAQ's

A local board is one member short of a quorum. One of the missing members called and is running late. Should we wait for the missing board member or should the meeting change to an open book meeting?

- It depends on the situation. Some criteria for consideration include:
 - Are people waiting?
 - How many people are waiting?
 - Are these people willing to wait longer or are they under time constraints?
 - What is the expected time frame before the quorum requirement is will be met?
- The assessor will have to use his/her judgment to decide if and when the meeting should change to an open book format.
- The department understands that many varied circumstances are certainly going to come into play.
- If a situation should arise where the board cannot start at the scheduled time, good judgment, common sense, and professional courtesy should prevail in decision making.
- The *Board of Appeal and Equalization Handbook* indicates that it is “very important that the board members and all required attendees arrive at the meeting on time and the meeting begins as scheduled. This shows respect for the people who are appealing to the board, and also shows that you value their time.”
- There is no “hard line” in setting an acceptable or reasonable time to wait before an official determination of a quorum is made. The department cannot advise any specific time frame that is appropriate to wait (10 minutes, 30 minutes, etc.).
- There is not a specific number of constituents that can be kept waiting before a change in format is appropriate.

Local Board of Appeal and Equalization

- The decision to change the format to an open book meeting is an important one, and it should only be made with due cause. Keep in mind, once the assessor has changed the format to an open book meeting for lack of having a quorum, **it cannot be changed back even if a quorum is formed later.**

An individual shows up at the local board meeting and asks, “How did you come up with my value?” He was not appealing his value. Should we list his appearance on the Record Form?

- Everyone that **appears** before the board should be listed on the Record Form. For consistency purposes, we recommend noting the person’s appearance before the board and selecting no change if a change wasn’t made by the board. This will allow the taxpayer to appeal to the county board if they choose to do so.

How might LBAE duties be transferred to the county?

- The board may voluntarily transfer its powers and duties to the county board and no longer perform the function of a local board.
- Before a board transfers its duties, the jurisdiction’s governing body must give **public notice** of the meeting at which the proposal for transfer is to be considered.
- A transfer of duties must be **communicated to the county assessor**, in writing, before December 1 of any year to be effective for the following year’s assessment.
- The transfer may either be permanent or for a specified number of years, provided that the transfer **cannot be for less than three years**.
 - The length of the transfer must be stated in writing or it will be deemed **permanent**.
 - A town or city **may renew** its option to transfer its duties to the county board after the time limit has expired.
- The option to transfer is only available to a town or city whose assessment is done by the county. This means that in order to exercise this option, the **local jurisdiction must give up its local assessor**.
- Property owners in jurisdictions that have chosen this option would be provided with an open book meeting option in lieu of a Local Board of Appeal and Equalization. Property owners who are not satisfied with the results of the open book meeting may appeal to the County Board of Appeal and Equalization and/or Tax Court.
- If a LBAE fails to meet quorum and/or training requirements, the board must transfer its duties to the county for a minimum of two assessment years. In this situation, the jurisdiction would lose the right to hold its local board of appeal, but it would be able to retain its local assessor.

Local Board of Appeal and Equalization

- Property owners in a jurisdiction that has chosen to transfer its Local Board of Appeal and Equalization duties to the county would be provided with an open book meeting in place of the local board. Property owners who are not satisfied with the outcome of the open book meeting may appeal to the County Board of Appeal and Equalization and/or Tax Court.
- The local board can be reinstated by resolution of the governing body of the city or town and upon proof of compliance with training requirements. The resolution and proof of compliance must be provided to the county assessor by February 1 to be effective for the same assessment year.

Primary Statutory Reference(s): Minnesota Statutes, section [274.01](#)



MEMORANDUM

Item 4

Re: 2020 City of Excelsior Objectives

Date: January 6, 2020

To: City Council

From: Kristi Luger, City Manager

Included in the packet is the 2019 City of Excelsior Objectives Progress Report. The report has the following sections:

First Column (No Title)	Whether the City Council and/or a Commission was responsible for the goal. The following are the abbreviations used in the report: CC = City Council, PR = Park and Recreation Commission, and PC = Planning Commission.
Second Column (Goal)	The goal is listed.
Third Column (Action)	If the goal has an action item, the action item is listed.
Third Column (Status and Recommendation)	Status – The current status of the goal is stated (complete, ongoing, or no progress) along with a brief update on any work that is being done or has been done on the goal. Recommendation – Staff’s recommendation on how to address the item in 2020.

The first five pages of the report lists the progress that was made on the 2019 objectives. At the bottom of the last page are items that the Council may want to consider adding to their list of 2020 objectives.

When determining the list of goals for 2020, the Council should think about the number of goals they want to focus on. There are 23 work sessions remaining this year, and many of the meetings are already dedicated to various topics.

- 4 meetings – Joint meetings with Commissions and the Chamber
- 7 meetings – 2021 Budget
- 12 meetings (approximately) – Available to discuss City Council goals

In the past, the Council has agreed on a list of goals and then prioritized them so that staff knows where to focus their time. Also included in the packet is a draft of the 2020 City of Excelsior Objectives with the 2019 priority rankings. This draft list assumes that the Council agrees with all of staff’s recommendations and includes all the items the Council may want to consider in 2020. Staff

recommends that the Council delay some of the items to 2021 since it is unrealistic to expect that the City will get to all 36 action items listed in the draft list of objectives.

Council Actions:

- Review each goal/action item and determine whether to keep, modify, delete, or postpone it.
- If time permits, the Council should either collectively prioritize the remaining items or agree to submit their individual rankings to staff.

**2019 CITY OF EXCELSIOR OBJECTIVES
PROGRESS REPORT**

Goal #1: Promote Excelsior as a Destination by Enhancing Public Assets

	Goal	Action	Status and Recommendation
CC	Review Additional Single-Family Standards, a Residential Overlay District, and Zoning Changes		<p>Ongoing – The Residential Review Board Research Committee is actively working on creating a draft process by which a Review Board would review new single-family homes and significant additions and hopes to be done by January. The Planning Commission has been discussing objective standards and has made a recommendation on variance ordinance amendments.</p> <p>Recommendation – Keep action item as is.</p>
CC	Determine How to Expedite the Pavement Management Program while Maintaining Manageable Levy Increases	Explore solutions to temporarily repair streets that will not be addressed in the near future	<p>Ongoing – The Council was provided a quote to complete an edge mill and overlay on Maple Street and Third Street. The Council has not determined how they want to proceed.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
		Determine scope and timing of Area 2 (currently defined as George Street, Lafayette Avenue, and West Lake Street)	<p>Ongoing – The Council is planning to complete Area 2 in 2020.</p> <p>Recommendation – Change action item to, ‘Complete Area 2 (George Street, Lafayette Avenue, and West Lake Street)’.</p>
		Determine scope and timing of Area 3 (currently defined as Maple Street, Smith Street, and Third Street)	<p>No Progress – The Council has not determined the scope and timing of Area 3.</p> <p>Recommendation – If the Council is still interested in this action item for 2020, keep item as is.</p>
CC	Improve the College Lake Neighborhood	Evaluate potential pedestrian facility options on Water Street and College Avenue	<p>Ongoing – The Council is currently reviewing pedestrian facility options on Water Street and College Avenue.</p> <p>Recommendation – Combine this item with the action item below, which could be titled: ‘Evaluate potential pedestrian facility <u>and roadway</u> options on Water Street and College Avenue.’</p>

		<p>Complete traffic study and discuss what options to further explore</p>	<p>Complete – The traffic study is done, and the Council has discussed what options to explore. Recommendation – Combine this item with the action item above, which could be titled: ‘Evaluate potential pedestrian facility <u>and roadway</u> options on Water Street and College Avenue.’</p>
		<p>Review TIF balance and decide how to utilize the remaining funds</p>	<p>Ongoing – The Council is currently discussing how to utilize the remaining TIF proceeds. Recommendation – Keep action item as is.</p>
		<p>Assess the drainage and water quality at College Lake</p>	<p>Ongoing – The Council is currently discussing how to assess the drainage and water quality at College Lake. Recommendation – Keep action item as is.</p>
<p>CC</p>	<p>Implement The Commons Master Park Plan</p>	<p>Clarify the Commissions’ role with the review process</p>	<p>Ongoing – The HPC and Park & Recreation Commission are currently reviewing a policy that defines their roles with the review process for The Commons Master Park Plan. Recommendation – Keep action item as is.</p>
		<p>Identify the top three project priorities within the Plan</p>	<p>Complete (kind of) – The bandshell has been identified as the top project priority. Recommendation – With the City’s financial resources for park improvements mostly tied up with the bandshell project, the Council should discuss whether there is value to identifying other project priorities.</p>
		<p>Develop a financial plan for implementing a capital project utilizing a combination of \$100,000/year in dock revenue, an approximate balance of \$300,000 in the park improvement fund, grant funding, and philanthropic donations</p>	<p>Complete – The City has developed a financial plan for implementing the bandshell project. Recommendation – The Council should discuss whether to modify or delete this action item.</p>

CC	Improve the Safety at all Pedestrian Crossings	Complete the Mill Street trail feasibility study and evaluate pedestrian facility options for the adjacent neighborhood (Division Street, Second Avenue, and Third Avenue)	<p>Ongoing – The Mill Street trail feasibility study is almost complete; the Council has yet to evaluate pedestrian facility options for the adjacent neighborhood.</p> <p>Recommendation – Keep action item as is.</p>
		Construct Water Street trail crossing	<p>Ongoing – The Water Street trail crossing is scheduled for construction in the spring of 2020.</p> <p>Recommendation – Keep action item as is.</p>
		Research potential grant options to fund additional projects	<p>No Progress – The Council has not had any discussions on which additional projects they are interested in or how those projects would be funded since many grants require the City to fund a certain percentage of the project.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
CC	Water Street Trees	Create a tree replacement plan for the trees on Water Street	<p>Complete – The Council approved a recommendation from the Water Street Tree Committee on a tree replacement plan.</p> <p>Recommendation – Remove action item.</p>
PR	Gazebo by TCF Bank	Research options to replace the gazebo by TCF Bank	<p>Ongoing – The Park & Recreation Commission is close to finalizing their recommendation on what should replace the gazebo by TCF Bank.</p> <p>Recommendation – Keep action item as is.</p>
PC	Formula Business Ordinance	Consider implementing a formula business ordinance to protect Excelsior’s character	<p>No Progress – The Planning Commission has not had any discussions on a formula business ordinance.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>

Goal #2: Align and Simplify City Processes

	Goal	Action	Status and Recommendation
CC PC	Modify the Planned Unit Development Ordinance		<p>Complete – The Council adopted a modified Planned Unit Development Ordinance on June 17, 2019.</p> <p>Recommendation – Remove action item.</p>
CC PC	Amend the 2018 Comprehensive Plan	Update and add the East Side Small Area Plan	<p>Ongoing – The Planning Commission has made a recommendation to the City Council.</p> <p>Recommendation – Keep action item as is.</p>
		Create a workplan to make the Comprehensive Plan a 25-year vision for Excelsior	<p>No Progress – The Planning Commission has not had any discussions on creating a workplan for the Comprehensive Plan.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
CC PR	Evaluate and Complete Any Revisions on Recently Updated Policies	Work with Community for The Commons on completing the revisions on the special event policy and ordinance	<p>Ongoing – Staff is currently working with C4C on the special event policy and ordinance.</p> <p>Recommendation – Keep action item as is.</p>
		Revisit the mooring policy and ordinance at the end of the dock season and recommend any changes to the Council	<p>Complete – The Council adopted a slightly modified Mooring Policy on December 16, 2019.</p> <p>Recommendation – Remove action item.</p>
CC	Improve the Quality of Life for Residents in Parking Meter Zones	Create an ordinance that allows residents to receive temporary parking permits for private events administratively	<p>No Progress – Staff has yet to work on an ordinance.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
		Address residents who don't have driveways	<p>Complete – The Council adopted a Fee Schedule on August 5, 2019 that offers up to two free parking permits for residents who don't have driveways.</p> <p>Recommendation – Remove action item, unless the Council has other ideas for addressing residents who don't have driveways.</p>

PC	Consider Incentives for Preserving 'Cottage Commercial' Properties		<p>No Progress – The Planning Commission has not had any discussions on incentives for Cottage Commercial properties.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
PC	Evaluate Reducing the Size of 'For Lease' Signs		<p>Complete – The Council adopted reduced size regulations on June 3, 2019.</p> <p>Recommendation – Remove action item.</p>

Goal #3: Increase Revenue/Decrease Costs

	Goal	Action	Status and Recommendation
CC	Evaluate the City's Personnel Resources	Review staffing levels and determine how to more effectively reduce employee turnover and increase recruitment	<p>Ongoing – The Council expressed an interest in completing a staffing study in 2020.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
		Consider how to best use the resources of the Council and the Commissions	<p>Ongoing – The Council has had some discussion regarding scheduling a Council/Commission retreat to discuss how to best use the resources of the Council and the Commissions.</p> <p>Recommendation – If the Council is still interested in this action item, keep item as is.</p>
CC	Assess Options for City-Owned Property	Evaluate best uses for the 810 Excelsior Boulevard building and the adjacent cemetery property	<p>Ongoing – The Council is scheduled to review a purchase agreement from 45 North Group at their January 21st meeting.</p> <p>Recommendation – Keep action item as is.</p>
		Consider options for City Hall	<p>No Progress – The Council has not had any discussions regarding options for City Hall.</p>

			Recommendation – If the Council is still interested in this action item, keep item as is.
CC	Develop New Sources of Revenue	Work with state representatives on funding partnerships	Complete – The sales tax was approved in the 2019 legislative session. Recommendation – Remove action item.
		Explore installing parking meters in new areas	No Progress – The Council has not had any discussions on whether to install parking meters in new areas. Recommendation – If the Council is still interested in this action item, keep item as is.
CC	Inflow and Infiltration (I&I) Initiatives	Consider a policy that requires a sewer line inspection whenever a property is sold, remodeled, or demolished	No Progress – The Council has not had any discussions on a policy. Recommendation – If the Council is still interested in this action item, keep item as is.
PR	Explore Installing a Trail in Excelsior-Studer Park		No Progress – The Park & Recreation Commission has not had any discussions on whether to install a trail in Excelsior-Studer Park. Recommendation – If the Council is still interested in this action item, keep item as is.

2020 Goals from 2019 Goal Setting Session

- Assess Development Opportunities for the East and/or West Parking Lot(s)
- Evaluate Potential Usage of Mitten Pond
- Facilitate Access to Excelsior with Transportation Options (biking, ridesharing, public transit options, etc.)
- Improve St. Alban’s Bay Bridge

New 2020 Goals for the Council to Consider

- Consider Modifying the Spring Road Restrictions Ordinance
- Determine Scope and Timing of Water Street Improvements
- Evaluate Maintenance Options for the East and/or West Parking Lots
- Finalize Scope and Timing of the Met Council Cooperative Project (portions of College Avenue, Water Street, and William Street)
- Research Options for Creating a City-Wide Pedestrian Safety Initiative (such as Vision Zero)

2020 CITY OF EXCELSIOR OBJECTIVES - DRAFT

Goal #1: Promote Excelsior as a Destination by Enhancing Public Assets

	Goal	Action	Current Priority		
			High	Medium	Low
CC	Review Additional Single-Family Standards, a Residential Overlay District, and Zoning Changes				
CC	Determine How to Expedite the Pavement Management Program while Maintaining Manageable Levy Increases	Explore solutions to temporarily repair streets that will not be addressed in the near future	X		
		Complete Area 2 (George Street, Lafayette Avenue, and West Lake Street)			
		Determine scope and timing of Area 3 (currently defined as Maple Street, Smith Street, and Third Street)	X		
		Determine Scope and Timing of Water Street Improvements			
		Finalize Scope and Timing of the Met Council Cooperative Project (portions of College Avenue, Water Street, and William Street)			
CC	Improve the College Lake Neighborhood	Evaluate potential pedestrian facility and roadway options on Water Street and College Avenue			
		Review TIF balance and decide how to utilize the remaining funds			
		Assess the drainage and water quality at College Lake			
		Evaluate Potential Usage of Mitten Pond			
CC	Implement The Commons Master Park Plan	Clarify the Commissions' role with the review process	X		
		Identify the top three project priorities within the Plan	X		
		Develop a financial plan for implementing a capital project utilizing a combination of \$100,000/year in dock revenue, an approximate balance of \$300,000 in the park improvement fund, grant funding, and philanthropic donations	X		

CC	Improve the Safety at all Pedestrian Crossings	Complete the Mill Street trail feasibility study and evaluate pedestrian facility options for the adjacent neighborhood (Division Street, Second Avenue, and Third Avenue)	X		
		Construct Water Street trail crossing	No need to prioritize		
		Research potential grant options to fund additional projects		X	
		Research Options for Creating a City-Wide Pedestrian Safety Initiative (such as Vision Zero)			
PR	Gazebo by TCF Bank	Research options to replace the gazebo by TCF Bank	No need to prioritize		
PC	Formula Business Ordinance	Consider implementing a formula business ordinance to protect Excelsior's character		X	
CC	Transportation	Facilitate Access to Excelsior with Transportation Options (biking, ridesharing, public transit options, etc.)			
		Improve St. Alban's Bay Bridge			
		Consider Modifying the Spring Road Restrictions Ordinance			
		Evaluate Maintenance Options for the East and/or West Parking Lots			

Goal #2: Align and Simplify City Processes

	Goal	Action	Priority		
			High	Medium	Low
CC PC	Amend the 2018 Comprehensive Plan	Update and add the East Side Small Area Plan	No need to prioritize		
		Create a workplan to make the Comprehensive Plan a 25-year vision for Excelsior		X	
CC PR	Evaluate and Complete Any Revisions on Recently Updated Policies	Work with Community for The Commons on completing the revisions on the special event policy and ordinance	Actively working on this goal – no need to prioritize		
CC	Improve the Quality of Life for Residents in Parking Meter Zones	Create an ordinance that allows residents to receive temporary parking permits for private events administratively			X
PC	Consider Incentives for Preserving 'Cottage Commercial' Properties			X	

Goal #3: Increase Revenue/Decrease Costs

	Goal	Action	Priority		
			High	Medium	Low
CC	Evaluate the City's Personnel Resources	Review staffing levels and determine how to more effectively reduce employee turnover and increase recruitment	X		
		Consider how to best use the resources of the Council and the Commissions	X		
CC	Assess Options for City-Owned Property	Evaluate best uses for the 810 Excelsior Boulevard building and the adjacent cemetery property	Actively working on this goal – no need to prioritize		
		Consider options for City Hall	X		
		Assess Development Opportunities for the East and/or West Parking Lot(s)			
CC	Develop New Sources of Revenue	Explore installing parking meters in new areas		X	
CC	Inflow and Infiltration (I&I) Initiatives	Consider a policy that requires a sewer line inspection whenever a property is sold, remodeled, or demolished		X	
PR	Explore Installing a Trail in Excelsior-Studer Park				X

* Items in red have been added by staff to the draft list of objectives in case the Council decides to make them a 2020 goal.