



Memorandum

Date: 4/11/24
To: Daniel Buchholz, City Administrator Spring Lake Park
From: Patrick D. Maghrak, SAMA, City Assessor
RE: Request For Proposal for City Assessing Services

The City of Fridley hereby proposes a contract with the City of Spring Lake Park to perform assessing services on their behalf. The City has carefully reviewed the request for proposal and believes we can fulfill this contract to the highest degree and benefit of Spring Lake Park.

Our staff consists of a full-time Residential Appraiser, Brian Northenscold, and a full time City Assessor, Patrick Maghrak, who supervises the conduct of Fridley assessing and manages all facets of the commercial, industrial and apartment valuation and classification. Brian Northenscold is both a licensed Assessor and Fee Appraiser in Minnesota with over two decades of experience. Patrick is a licensed Assessor, Fee Appraiser and Real Estate Salesperson in Minnesota with over two decades of experience. The City has employed an intern for the summer months to complete our required 20% review of the real and personal property in the City of Fridley.

If selected, the City would expand the Assessing Division by adding a second full-time Residential Appraiser to assist with the increased responsibilities of assessing for the Spring Lake Park jurisdiction. The City Assessor would manage all facets of both jurisdictions commercial, industrial, apartment and personal property accounts while supervising the conduct of the residential assessment which would be done by Brian Northenscold and a second residential appraiser. Statute requires disclosure for assessors who hold other licenses involved with the sale of, or valuation of real estate. Assessing staff sign this disclosure each year and abide by it so that no conflict of interest occurs. As our office has always done, we work carefully with neighboring jurisdictions to assure equalized assessments.

All Spring Lake Park parcels, real and personal property, would be maintained and managed by the City of Fridley Assessing Division in accordance with state statutes, and as required by statute, under the supervision of the Anoka County Assessor's office. The only additional expense to Spring Lake Park would be appraisal and expert witness fees should a Tax Court

appeal move towards unresolved settlement proposals. As reviewed, no such appeals for a Spring Lake Park parcel have reached that level in the past five years.

Additional benefits to Spring Lake Park would be:

- Responsive access to property tax data requested of all Spring Lake Park governmental divisions.
- Local attention to valuation and classification issues to ensure an equitable and accurate valuation of all Spring Lake Park accounts.
- Courteous and professional response to the residential and business owners of Spring Lake Park.
- Experienced negotiation of Tax Court Petitions with minimal impact on City budgets.

Maintenance and management include:

- Conducting the statutory required 20% quintile review each year.
- Processing of all eCRV with the MN Department of Revenue.
- Response to, and settlement of, all appeals of valuation and classification.
- Analysis and adjustment to all parcels to meet valuation requirements consistent with, and equalized to, all jurisdictions within Anoka County.
- Conducting open book meetings after valuation notices are received by Spring Lake Park property owners.
- Reporting to the appropriate divisions all relevant property tax data needed for TIF, combination/division of parcels, economic development planning and other valuation or classification issues as needed.

The City of Fridley will provide all office, vehicle and employee resources needed to meet the terms of the contract. We would be willing to attend meetings as requested and will field all calls related to valuation or classification issues.

The proposed fee for the services described would be:

Option A: \$55,000 per year; or

Option B: \$45,000 year 1, \$55,000 year 2 and \$65,000 year 3.

The City is open to negotiating different pay structures/escalators that would be of benefit to Spring Lake Park.

The City of Fridley Assessor's office would be proud to maintain and manage Spring Lake Park tax parcels. Our parcel portfolio and market dynamics are closely aligned. As of the January 2nd, 2024, assessment, the City of Fridley had the following parcel profile:

- * 8723 residential parcels.
- * 610 exempt parcels.
- * 494 commercial and industrial parcels.
- * 206 apartment/nursing home parcels.
- * 401 manufactured home accounts.
- * 35 personal property accounts.
- * 16 railroad parcels.
- * 26 tax forfeit; and
- * 4 utility parcels.

The Fridley Assessing division has the experience and knowledge to manage all aspects of the Spring Lake Park assessment. We are confident that you would be provided exceptional service with the City of Fridley as a partner.

Respectfully submitted,



Patrick D. Maghrak, SAMA
City Assessor
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