

Kenneth A. Tolzmann

Sr. Accredited Minnesota Assessor
Spring Lake Park City Assessor

TO: City of Spring Lake Park
Attn: Mr. Daniel Bucholtz, Administrator

FROM: Kenneth A. Tolzmann, SAMA #1939
Spring Lake Park City Assessor

DATE: April 3, 2023

RE: 2023 Pay 2024 Assessment Report

Introduction

I have prepared this 2023 Assessment Report for use by the City Council and Residents. The Assessment Report includes general information about both the appeals and assessment process, as well as specific information regarding this 2023 assessment.

Minnesota Statutes establish specific requirements for the assessment of property. The law requires that all real property be valued at market value, which is defined as the usual or most likely selling price as of January 2, 2023.

The estimated market values established through the 2023 assessment are based upon qualified sales of Spring Lake Park properties taking place from October 1, 2021 through September 30, 2022. From this sales information, our mass appraisal system is used to determine individual property values. Property owners who have questions or concerns regarding the market value set for their property are asked to contact me prior to this meeting. This allows me the opportunity to answer any questions they might have. I have found that a large number of property owner concerns can be resolved by discussion.

If I am unable to resolve a property owner's concerns regarding their market value, the appeal can be brought to the Open Book Meeting held this year on May 2nd from 1-7pm & May 3rd from 8:30am to 4:30pm at the Anoka County Government Center.

The 2023 Assessment Summary

State Statutes require all real property within the City of Spring Lake Park to be valued at market value as of the January 2nd assessment date. The 2023 assessment has met all assessment standards set by the State of Minnesota.

Statistically, based upon the 108 qualified sales within the City during this sales period, and after value adjustments made accordingly by zone, the final result was an assessment that qualifies as "excellent" in the eyes of the Minnesota Dept. of Revenue with a median sales ratio of 94.33, a coefficient of dispersion of 6.65, and a Price Related Differential of

100.5. There were 3 qualified commercial/industrial sales reflecting a sales ratio of 92.5, as well as 2 qualified apartment sales reflecting a median ratio of 93.8.

Changes to 2023 Residential Building Rates

After analyzing all Qualified Countywide Sales, the residential house rates (based on style) were established by Anoka Co. as follows:

One story down	1.51%	Modified 2 story	down	1.07%	
Bi level	down	3.28%	Expansion (1 ½, 1 ¾ etc)	down	5.83%
Two story up	1.53%	Townhouse (attached)	down	2.25%	
Split level	down	.93%	Townhouse (detached)	up	5.29

Thereupon, on a City basis, sales ratios by zone were analyzed and recalculated and land changes were made adjusting to a 94.5% median ratio. These land/site value changes for this assessment resulted as follows:

SP01 (50's 60's)	up	12%	SP02 (50's 60's 70's)	up	21%
SP03 (70's 80's 90's)	up	6%	SP04 (Exec homes)	up	25%
SP05 (Twin Homes)	up	25%	SP07 (Att Townhomes/Condo)	up	47%
SP08 (Det Townhomes)	up	33%	SP09 (Lakeside Lofts)	up	6%

Correlation of Values:

With respect to the effect these new building & land rates had on the overall market value of the City. For last year's assessment, we saw a total market value of \$830,826,200. Upon the application of the new sales information gathered this past year, the total overall market value of the City rose by 7.9% to \$896,742,200 for this 2023 assessment. Included in this new overall market value is \$6,121,600 in new construction.

In Summary after comparing the new 2023 values to the sales that took place in the City we find that all residential zones (SP01 etc) had ratios at 94.5%,

With respect to Commercial Industrial, County building rates were up significantly for this year. Commercial & Industrial land rates in the City increased by 29% for this assessment. These rate changes are based on the Countywide C/I sales ratio.

2022 Annual Housing Market Report:

I have included in this report, the Minneapolis Assn. of Realtors Residential Real Estate Report which includes much historical data surrounding the state of the real estate market in Spring Lake Park as well as the entire area. The 2022 Report states that market values increased by 11.8% in Spring Lake Park last year. The median sales price went from

\$280,000 in 2021, to \$296,125 in 2022. The MAAR also went on to state that since 2018, median values in Spring Lake Park have increased by 34%. This is indeed good news for homeowners in Spring Lake Park.

Closing

As your City Assessor, it is my priority to represent your community with utmost dignity and respect, and to make every property owner feel as though they are being heard. Obviously, I'm not able to tell everyone just what they want to hear, but it is my hope that through explanation, and discussion, there can be a better understanding.

If there are any questions from members of the City Council or City Staff, or City Residents, please do not hesitate to call me. I am available to City residents always during normal business hours and by appointment on evenings and weekends.

In closing, I would like to take this opportunity to thank the City of Spring Lake Park for allowing me the privilege of serving as your City Assessor. I can assure you that I take the responsibilities of those duties most seriously.

If you or anyone has questions relating to property tax assessment, I would be most pleased to discuss these issues with you. You can reach me at my office at (651) 605-5125 or my cell at (612) 865-2149.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kenneth A. Tolzmann".

Kenneth A. Tolzmann
Senior Accredited Minnesota Assessor #1939
Spring Lake Park City Assessor