

AGENDA
CITY OF CROSSLAKE
DAGGETT PINE ROAD MILL & OVERLAY PROJECT
FINAL ASSESSMENT HEARING
MONDAY, JULY 8, 2024
5:30 P.M. – CITY HALL

1. Call to Order
2. Information Related to Project
 - a. City of Crosslake Road Assessment Policy
 - b. 2022 Final Assessment Roll for Road Improvements
 - c. 2024 Appraisal Report for 2024 Improvements
 - d. City's Proposed Assessments for Daggett Pine Rd Improvements
3. City Engineer – Review Project Costs and Assessment Roll
4. Public Comments
 - a. Letter dated July 1, 2024 from Trish Doede of Moen Beach Trail
5. Council Member Questions and Comments
6. Resolution Adopting Assessment (Council Action-Motion)
7. Adjourn

2.a.

ARTICLE IV. - ROADWAY ASSESSMENTS Adopted 8-12-2019

DIVISION 1. - GENERAL

Sec. 42-88. - Purpose.

The purpose of this policy is to establish a fair and equitable manner of assessing the increase in market value (special benefit) associated with public improvements and maintenance. The procedures used by the city for levying special assessments are those specified by M.S.A. ch. 429 which provides that all or a part of the cost of improvements may be assessed against benefiting properties.

Three basic criteria must be satisfied before a particular parcel can be assessed. The criteria are as follows:

1. The land must have received special benefit from the improvement.
2. The amount of the assessment must not exceed the special benefit.
3. The assessment must be uniform in relation to the same class of property within the assessment area.

It is important to recognize that the actual cost of extending an improvement past a particular parcel is not the controlling factor in determining the amount to be assessed. However, in most cases the method for assigning the value of the benefit received by the improvement, and therefore the amount to be assessed, shall be the cost of providing the improvement. This shall be true provided the cost does not demonstrably exceed the increase in the market value of the property being assessed. The entire project shall be considered as a whole for the purpose of calculating and computing an assessment rate. The city council may hire a professional appraiser to help determine an assessment rate for a particular public improvement project so that the assessment rate does not exceed the "market value benefit" to any parcels to be assessed.

The assessment policy is intended to serve as a guide for a systematic assessment process in the city. There may be exceptions to the process or unique circumstances or situations which may require special consideration and discretion by city staff and the city council.

Sec. 42-89. - Improvements and maintenance costs eligible for special assessment.

The following public improvements and related acquisition, construction, extension, maintenance and repair of such improvements, authorized by M.S.A. §§ 429.021 and 459.14, subd. 7, are eligible for special assessment within the city:

1. Streets, sidewalks, trails, pavements, traffic controls, signs, and striping, mailbox supports, bridges, curbs and gutters, including the beautification thereof.
2. Parking lots.
3. Sanitary sewer and storm sewer systems, including appurtenances, within the corporate limits.
4. Street lights, street lighting systems and special lighting systems.
5. Retaining walls and area walls.

6. Temporary roadways and accesses necessary to maintain traffic in conjunction with an improvement project.
7. Snow, ice, sediment or rubbish removal from streets and sidewalks.
8. Weed elimination from streets or private property.
9. The trimming and care of trees and the removal of unsound trees from any street.
10. The treatment and removal of insect infested or diseased trees on private property.
11. The installation and maintenance of trees, arborvitae, public fountains, community signage, and other landscaping and beautification improvements.

Sec. 42-90. - Initiation of an improvement project.

Public improvement projects can be initiated in the following ways:

1. Public improvements projects may be initiated by petition of owners of at least 35 percent in frontage of the property abutting the proposed improvement. A three-fifths majority vote of the city council is required to commence the project.
2. Public improvements also may be initiated by the city council when, in its judgment, such action is required. A four-fifths majority vote of the council is required to initiate the proceedings.
3. If 100 percent of the affected landowners sign the petition requesting the improvements, then the city may omit the feasibility study and preliminary public hearing as required in M.S.A. ch. 429.
4. The cost of a feasibility study shall be included in the final assessment of the project. If a project is not ordered, then the cost of a feasibility study will be paid by the city.

Sec. 42-91. - Criteria for improvement and acceptance of private roads.

The criteria for improvement and acceptance of private roads are as follows:

1. Receipt of a petition signed by property owners representing at least 35 percent of the front footage adjacent to the road proposed to be improved;
2. All costs associated with obtaining adequate right-of-way either through the voluntary conveyance of right-of-way through a deed to the city or involuntarily through eminent domain shall be considered a project expense for assessment purposes; and
3. If the city adopts a resolution ordering the project to proceed, the road shall be constructed to city road and drainage standards with 100 percent of the project cost assessed to the benefiting property owners.

All affected property owners shall sign a "waiver of irregularity and appeal" and agree to be assessed for all costs. If not, then the city will hire the city's appraiser to determine benefit to proceed or will decide not to proceed.

Sec. 42-92. - Public improvement procedure.

The city will generally follow one of the following methods for public improvement projects:

1. Based on a fixed assessment rate method established using a benefit opinion from a professional appraiser; or
2. Based on the actual final project cost method.

The following steps are provided as a guide for the city council for each of the above methods:

- a. *Fixed assessment rate method.*
 1. Staff reviews petition, developer's or staff's request for submission to council.
 2. Council accepts or rejects petition or request. If based upon a petition, the council adopts a resolution declaring whether the required percentage of property owners has signed. If the petition or request is accepted, council adopts a resolution ordering preparation of a feasibility report which shall include the preparation of a letter report from a professional appraiser, providing a market value benefit opinion, or range of values, that may be applied to the properties proposed to be assessed.
 3. Staff works with the city's engineer to prepare the feasibility report. The report shall provide a preliminary evaluation as to whether the proposed improvement is necessary, cost-effective, and feasible and whether it should be made as proposed or in conjunction with another project. The report shall include the total estimated cost of the improvement, including what share would be assessed and what share would be paid by the city or other funding sources. The report shall include a preliminary estimate of the proposed assessments to benefited properties and may include a "mock" assessment roll showing the proposed cost to each benefitted property. The area of benefit and listing (or legal description) of parcels to be assessed should be included for use in the publication of the public hearing notice.
 4. Council accepts or rejects the feasibility report or requests additional study if deemed necessary. If rejected, no further action is taken.
 5. If the council accepts the feasibility report, the council adopts a resolution accepting the report and orders a preliminary improvement (public) hearing on the improvements. The council, at its discretion, may also adopt a resolution at this stage ordering preparation of the assessment roll and scheduling of an assessment hearing following the preliminary improvement (public) hearing. These public hearings would be held prior to preparation of plans and specifications and prior to construction.
 6. Staff posts and publishes the hearing notice(s) and mails notices to affected property owners as provided in M.S.A. §§ 429.031(a) and 429.061.
 7. Council conducts public hearing(s). Property owners may choose to appeal the proposed assessment. Appeals must be presented to the city in writing at the time of the assessment hearing or before the assessment hearing. Property owners must file their appeal in district court within 30 days of the assessment hearing date, per M.S.A. § 429.081.

8. Within six months of the preliminary improvement hearing date, council adopts or rejects a resolution ordering improvement to be constructed and authorizes preparation of plans and specifications. If the resolution is adopted, the city's engineer prepares final plans.
 9. The city council adopts a resolution approving plans/specs and ordering advertisement for bids.
 10. Bids are received and opened by city staff and engineer. The engineer prepares a bid tabulation and makes a recommendation to the city council to adopt a resolution for awarding a construction contract. At this time, the city council would adopt a resolution certifying the amount to be assessed and adopting the assessment roll. Bonds to finance project costs may be issued at any time before or after the improvements are ordered; however, if bonds are issued before the improvements are ordered, the city assumes the risk and cost of returning the bonds if the project is not ordered.
 11. Staff and/or engineer observes construction for conformance with the approved plans and specifications, and reviews payment requests.
 12. Staff certifies the assessment roll to the county auditor prior to November 15th, so the assessment is included with the property tax statement the following year.
- b. *Final project cost method.*
1. Staff reviews petition, developer's or staff's request for submission to council.
 2. Council accepts or rejects petition or request. If based upon a petition, the council adopts a resolution declaring whether the required percentage of property owners has signed. If the petition or request is accepted, council adopts a resolution ordering preparation of a feasibility report.
 3. Staff works with the city's engineer to prepare the feasibility report. The report shall provide a preliminary evaluation as to whether the proposed improvement is necessary, cost-effective, and feasible and whether it should be made as proposed or in conjunction with another project. The report shall include the total estimated cost of the improvement, including what share would be assessed and what share would be paid by the city or other funding sources. The report shall include a preliminary estimate of the proposed assessments to benefited properties and may include a "mock" assessment roll showing the proposed cost to each benefitted property. The area of benefit and listing (or legal description) of parcels to be assessed should be included for use in the publication of the public hearing notice.
 4. Council accepts or rejects the feasibility report or requests additional study if deemed necessary. If rejected, no further action is taken.
 5. If the council accepts the feasibility report, the council adopts a resolution accepting the report and orders a preliminary improvement (public) hearing on the improvements.
 6. Staff posts and publishes the hearing notice and mails notices to affected property owners as provided in M.S.A. § 429.031(a).

7. Council conducts public hearing.
8. Within six months of the preliminary improvement hearing date, council adopts or rejects a resolution ordering improvement to be constructed and authorizes preparation of plans and specifications. If the resolution is adopted, the city's engineer prepares final plans.
9. Council adopts a resolution approving plans and ordering advertisement for bids.
10. Bids are received and opened by city staff and engineer. The engineer prepares a bid tabulation and makes a recommendation to the city council to adopt a resolution awarding a contract. Bonds to finance project costs may be issued at any time before or after the improvements are ordered; however, if bonds are issued before the improvements are ordered, the city assumes the risk and cost of returning the bonds if the project is not ordered.
11. Staff and/or engineer observes construction for conformance with the approved plans and specifications, and reviews payment requests.
12. When construction is completed, contractor's final payment approved, and final project costs are determined, the city council adopts a resolution declaring costs to be assessed and ordering preparation of the assessment roll. Council adopts a resolution setting the assessment hearing date.
13. Staff publishes the assessment hearing notice, mails notice of hearing date and proposed assessments to the affected property owners as provided in M.S.A. § 429.061.
14. Council conducts the public assessment hearing. Property owners may choose to appeal the proposed assessment. Appeals must be presented to the city in writing at the time of the assessment hearing or before the assessment hearing. Property owners must file their appeal in district court within 30 days of the assessment hearing, per M.S.A. § 429.081. Council may revise the assessment roll and then adopt a resolution certifying the amount to be assessed and adopting the assessment roll. Property owners have 30 days to pay the assessment with no interest charges. City staff certifies the assessment to the county auditor prior to November 15th so that the assessment is included with the property tax statement the following year.

Sec. 42-93. - General assessment policies applicable to all types of improvements.

The cost of any improvement shall be assessed upon property by the improvements based upon benefits received. The city may consider the benefit opinion provided by an appraiser on the range of market value increase (benefit) of a public improvement. The following general principles shall be used as a basis of the city's assessment policy:

1. *Project cost.* The "project cost" of an improvement includes the costs of all necessary construction work required to accomplish the improvements, plus engineering, legal, administrative, financing and other contingent costs, including acquisition of right-of-way and other property. The finance charges include all costs of financing the project. These costs include but are not limited to financial consultant's fees, bond rating agency fee, bond attorney's fees, and capitalized interest. The interest charged to the project shall be included as financing charges.

2. *City cost.* The "city cost" of an improvement is the amount of the total improvement expense the city will pay as determined by council resolution. Where the project cost of an improvement is not entirely attributed to the need for service to the area served by said improvement, or where unusual conditions beyond the control of the owners of the property in the area served by the improvement would result in an inequitable distribution of special assessments, or for any other reason determined by the city, the city, through the use of other funds, may pay such "city cost."
3. *Assessable cost.* The "assessable cost" of an improvement is equal to the "project cost" minus the "city cost."
4. *Interest.* The city will charge interest on special assessments at a rate specified in the resolution approving the assessment roll. If bonds were sold to finance the improvement project, the interest rate shall be two percent more than the average interest rate of the bonds, rounded to the nearest quarter of a percent. If no bonds were sold, the interest rate shall be set at the same rate.
5. *Prepayment.* Property owners may pay their assessments in full (interest free) for a period of 30 days after the adoption of the assessment roll. After such period, interest shall be computed from the date specified in the assessment resolution. The city will transmit a certified duplicate of the assessment roll with each installment, including interest, to the county auditor.
6. *Project assistance.* If the city receives financial assistance from the federal government, the State of Minnesota, the county, or from any other source to defray a portion of the costs of a given improvement, such aid will be used first to reduce the "city cost" of the improvement. If the financial assistance is greater than the "city cost," the remainder of the aid will be placed in the capital improvement fund to be applied towards other city projects.
7. *Assessable property.* Property owned by the city including municipal building sites, parks and playgrounds, but not including public streets, alleys, and right-of-way, shall be regarded as being assessable on the same basis as if such property was privately owned. Private right-of-way shall be assessable. Federal, state, and county owned properties are not considered assessable.

Sec. 42-94. - Policies of reassessment.

The city shall design public improvements to last for a definite period. The life expectancy or service life shall be as stated in the policy statement of this section, or if different, shall be as stated in the resolution ordering improvement and preparation of plans.

Policy Statement

The following are the "life expectancies" or "service lives" of public improvements except as may be otherwise stated in the resolution ordering improvement and preparation of plans.

- (1) Sidewalks—20 years.
- (2) Street improvements, including surfacing and curb and gutter—20 years.
- (3) Ornamental street lighting—20 years.

- (4) Sanitary sewers—30 years.
- (5) Storm sewers—30 years.

Sec. 42-95. - Assessment computations.

The following is the typical city assessment for various specified improvements:

- a. *Street, bridge, trail, and curb and gutter improvements.*
 - 1. *New construction.* New streets are assessed 100 percent to the abutting benefited properties.
 - 2. *Currently maintained bituminous roads.* Street reconstructions and overlays are assessed based on the benefit as determined by the city council based on the city's appraiser determination.
 - 3. *Non-currently maintained roads.* Costs of all improvements, including wetland mitigation, property or easement acquisition, drainage, erosion control measures, widening, clearing, reconstruction, grading, graveling, and paving will be assessed with 100 percent of the cost assessed to benefiting property owners.
 - 4. *Gravel streets.* Upgrading of existing gravel street by adding pavement, is considered new construction and all costs are assessed 100 percent unless the properties do not benefit at that rate. Rates would be determined based on a letter report from a professional appraiser hired by the city.
 - 5. *Currently maintained bridges.* Routine maintenance including inspections, painting, tightening bolts and minor repairs to decking, railings or pilings will be paid by the city. Replacement of a bridge, enhancement, expansions, or major repairs including replacement of components of an existing bridge, including all associated costs, will be special assessed with the city assuming some of the cost, and some cost special assessed to benefiting property owners based on a rate determined by the city council based on a letter report from a professional appraiser hired by the city.
 - 6. *Seal coats.* Seal coats are not being assessed.
 - 7. *Trails.* Bituminous walkways and/or bicycle trails are not assessed, but rather funded by the city.
- b. *Storm sewer improvements.* Storm sewers are assessed on a project-by-project basis, based on a letter report from an appraiser on the range of market value of an improvement to the city. Storm sewers in new subdivisions are considered an assessable improvement on an area basis.

Oversizing costs due to larger mains and larger appurtenances are paid for by a combination of availability charges, user charges and/or trunk area assessment charges. Trunk area storm sewer charges are levied to all unplatted property at the time of platting, to re-plats that have not been charged trunk area charges when the land was originally platted, and to re-plats that have been charged trunk area charges when the land was originally platted but where the use is increasing (only the cost difference based on current and prior use is charged).

Normally, storm sewers are assessed on an area wide basis (square foot or acres), but in certain situations the per lot method or adjusted front method may be utilized at the city council's discretion.

The replacement of existing storm sewers is assessed based on benefit value as determined by the city council based on a letter report from a professional appraiser hired by the city.

- c. *Sanitary sewer improvements.* Pursuant to the statute, the city intends to use special assessments, at their discretion, to finance all or portions of the cost of sanitary sewer identified in the statute. Generally, maintenance of sanitary sewer is accounted for with utility funding. Significant improvements to the system, however, may require special assessments to benefiting properties. In all cases, the city reserves the right to combine components of sanitary sewer into one or more calculation, assess for the entire cost of projects, participate at any level in the costs of improvements, or to assess costs using existing rate schedules or benefit opinion as determined by a professional appraiser. Components of sanitary sewer improvements include, but are not limited to:

1. *Sanitary sewer access charge (SAC).* SAC charges identified on existing rate schedules are generally applied at the time building permits are applied for or when service is brought to a property for the first time. The city reserves the right to assess for SAC charges.
2. The city generally pays the costs to oversize trunk lines (over eight inches in diameter for low to moderate-density residential areas or over ten inches diameter for commercial/industrial/high-density residential areas). Remaining costs are generally assessed to benefiting properties. Costs for replacement of trunk improvements are generally included in monthly utility fees and are paid by the city. The city reserves the right to assess for construction or reconstruction of trunk lines.

Costs for new standard size mains are generally assessed to benefiting properties. Costs for replacement of mains are generally included in monthly utility fees and are paid by the city. The city reserves the right to assess for mains.

Costs for new service laterals are generally assessed to benefiting properties. Costs generally include all related appurtenances and restoration, including any work done outside the right-of-way. Assessments will generally be made on a per unit basis or be assessed using existing rate schedules.

- D. *Other improvements.* Based on the city council determination, any other improvements may be fully assessed or assessed in part.

Sec. 42-96. - Interest rate.

The applicable interest rate will be set by the city council and will normally be prorated interest at a minimum annual rate of one percent above the net effective interest rate the city pays for financing of improvement bonds for the project at the date of bond sale. No interest will be charged if the entire amount of the assessment to an individual property is paid within 30 days of the assessment roll being adopted by the city council. If it is not a bonded project, then the city will determine the interest rate.

Sec. 42-97. - Deferment of assessments.

The city may on a case-by-case basis agree to defer assessments on terms and conditions to be determined by the city.

DIVISION 2. - ALLOCATION OF ASSESSMENTS

Sec. 42-123. - City to select allocation method.

The city will determine which one of the methods provided in this division shall be applied to the road improvement project.

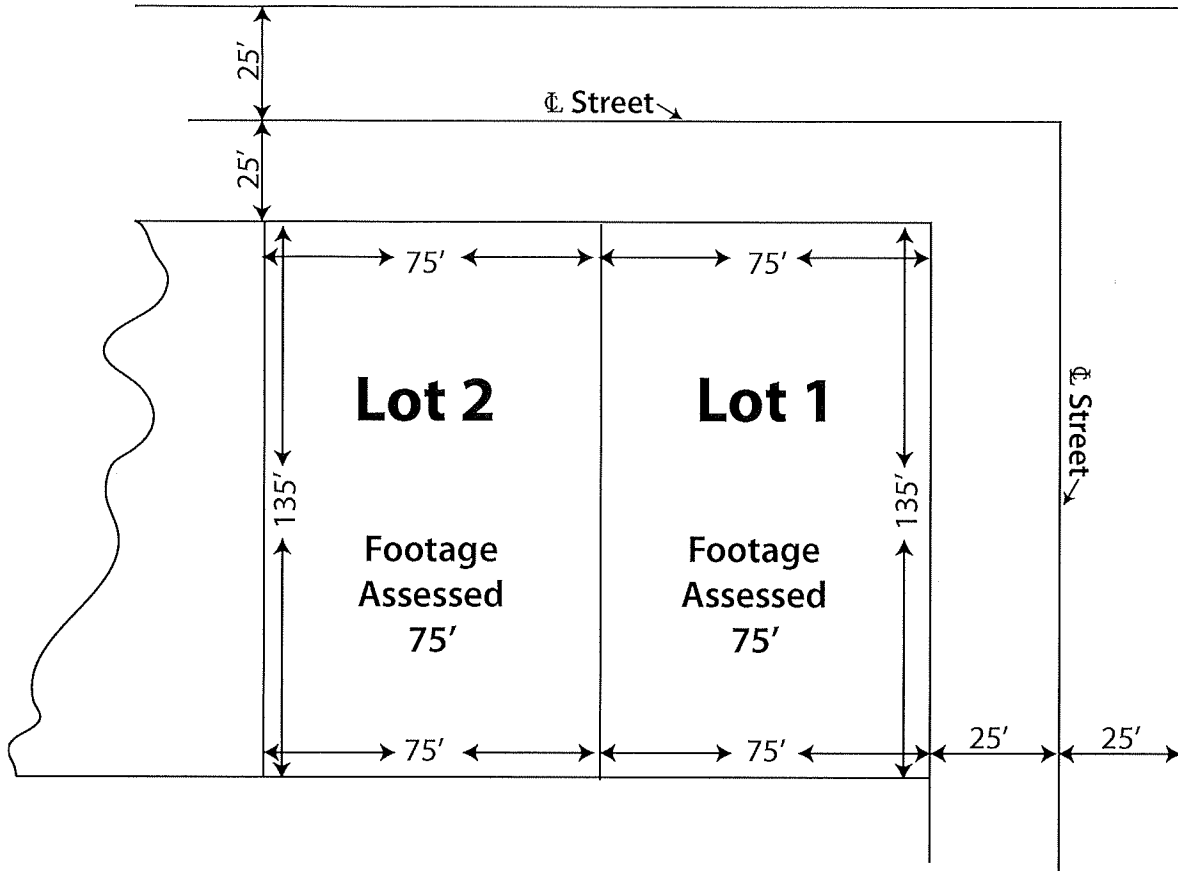
Sec. 42-124. - Equivalent lot basis.

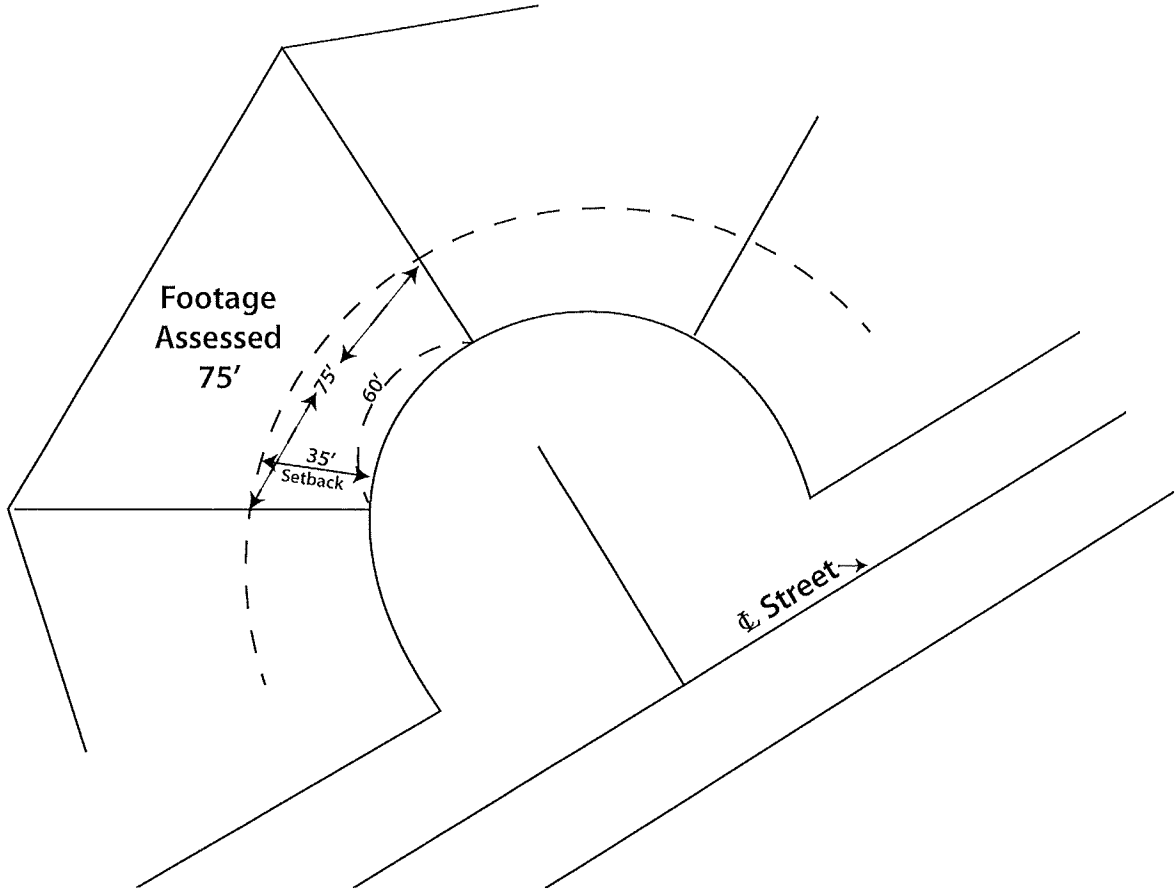
- a. *Residential property.* Generally, assessments will be on an equivalent lot basis comprised of platted lots or metes and bounds lots which cannot be further subdivided. An undeveloped, splittable property may be assigned a number of equivalent lots based upon potential divisions of lots.
- b. *Residential off-street.* Single lots or clusters of lots not having normal frontage on a street but gaining individual driveway or group driveway access to a street will be allocated one equivalent lot for each single-family residence.
- c. *Commercial property.* Generally, assessments will be on a front foot basis unless the council has selected an equivalent lot basis for the project assessment determination.
- d. *Commercial extra costs.* Extra improvements or right-of-way benefitting commercial properties will be assessed only against the commercial property. One hundred percent of the cost of the extra improvements shall be divided by the number of equivalent commercial lots.
- e. *Criteria for determination of equivalent lot.* The following criteria may be used to determine an equivalent lot:
 1. Any lot with an existing structure receives one equivalent lot assessment.
 2. Any vacant platted lot or vacant metes and bounds parcel that meets the minimum lot requirements of the city's zoning regulations shall receive one equivalent lot assessment.
 3. Land that has the possibility of being subdivided may receive one equivalent lot assessment for each potential subdivided lot that meets the minimum requirements of the city's zoning regulations.
 4. Each individual unit in a cooperative or townhouse development may receive an equivalent lot assessment.
 5. A guest cabin and principle structure on one lot that cannot be subdivided due to structure locations shall receive one equivalent lot assessment.
 6. Property and structure combinations that do not fall within the above criteria will be reviewed by the city administrator or designee and city engineer. Typically, an equivalent lot will be determined by the city administrator or designee and city engineer with the city council making the final determination.

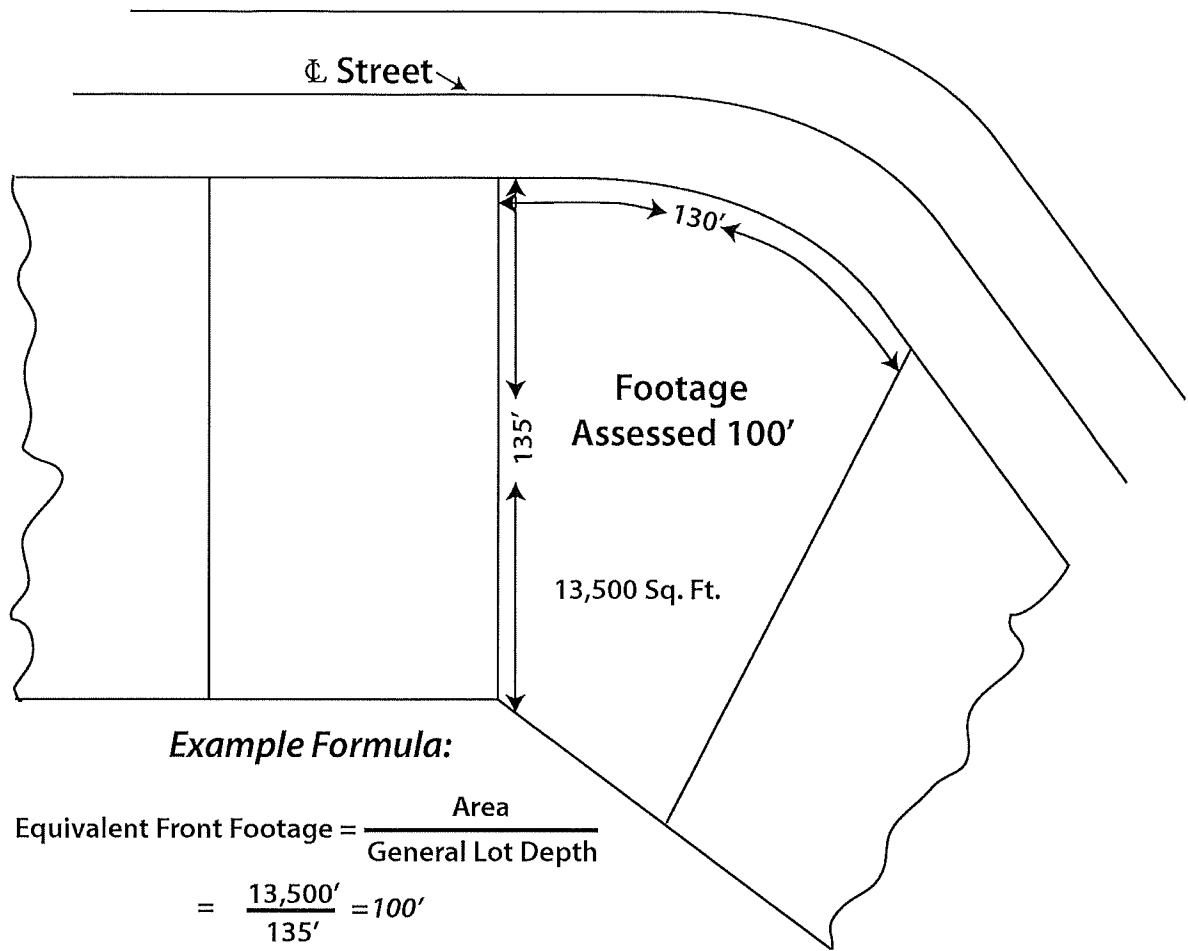
7. If a corner lot is located where one of the abutting roads has been previously black topped, prior to October 13, 1999, the property owner is assessed one equivalent lot. If a lot is a double frontage lot, it will be assessed as either one-half or one equivalent lot as recommended by city staff with consideration to factors such as access, address and other circumstances specific to the property.
8. If a property owner has two or more adjacent lots and the foundation of the principal dwelling is located on both or all of the lots, it is considered one equivalent lot.
9. If a corner lot is located where both abutting roads have not been previously black topped, prior to October 13, 1999, it is assumed that when improvements are made, the first improvement will receive one equivalent lot assessment and the second improvement will receive one-half equivalent lot assessment.
10. A lot will be considered a corner lot if it abuts at an intersection of roadways.
11. When considering assessments, the topography of a property may be taken into consideration. Bluffs and wetlands may affect the suitability of subdividing and building.

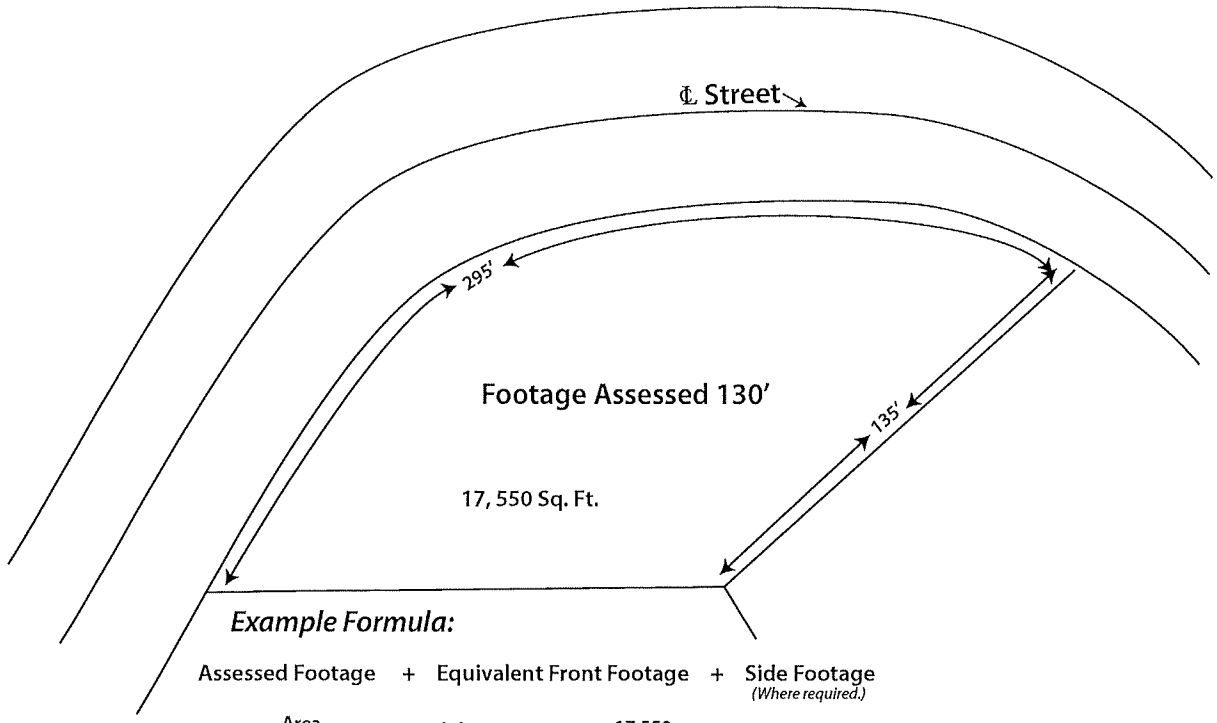
Sec. 42-125. - Front footage basis.

- a. *Corner lots.* Corner lots 200 feet or less in depth will normally be assessed for the front, not the side or the rear. Depths in excess of 200 feet will be assessed as additional frontage based on each additional foot in excess of 200 feet.
- b. *Front lots.* Assessment will be for the shortest side of a platted or metes and bounds lot.
- c. *Side lots.* Assessment will be for the longest side of a platted or metes and bounds lot.
- d. *Determination of front footage.* In many cases, the front footage of a lot is not immediately apparent. Therefore, it is necessary to determine an equivalent front footage which will maintain an equitable distribution of costs. The following rules will be used to determine an equivalent front footage:
 1. On all lots of a generally rectangular shape, straight front footage shall be used.
 2. On cul-de-sacs, sharply curved streets, and irregular shaped lots, front footage shall be measured at the normal house setback line.
 3. On "pie-shaped" lots and irregular shaped lots where other rules do not apply, equivalent front footage shall be calculated by dividing the square footage of the lot by the general lot depth of the subdivision.
 4. On a combination of rectangular and pie-shaped or irregular shaped lot, equivalent front footage will be determined on straight front footage plus the remainder in accordance with applicable rules.
 5. A minimum front footage may be set for all lots to be no less than the nominal front footages for the project area.



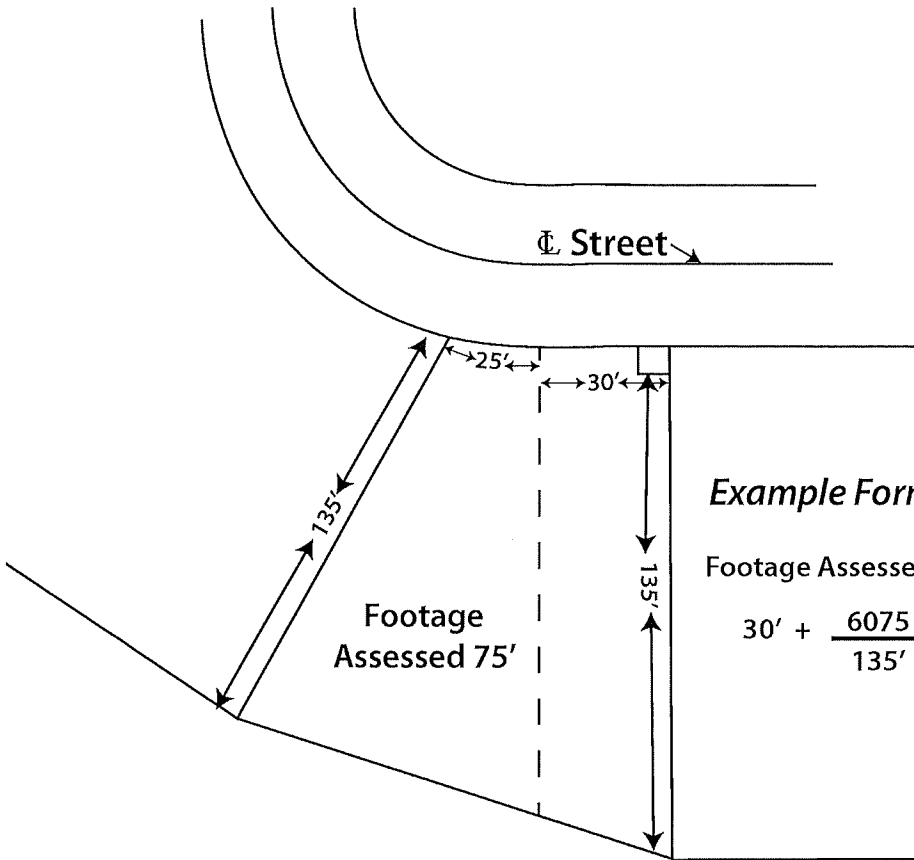






Example Formula:

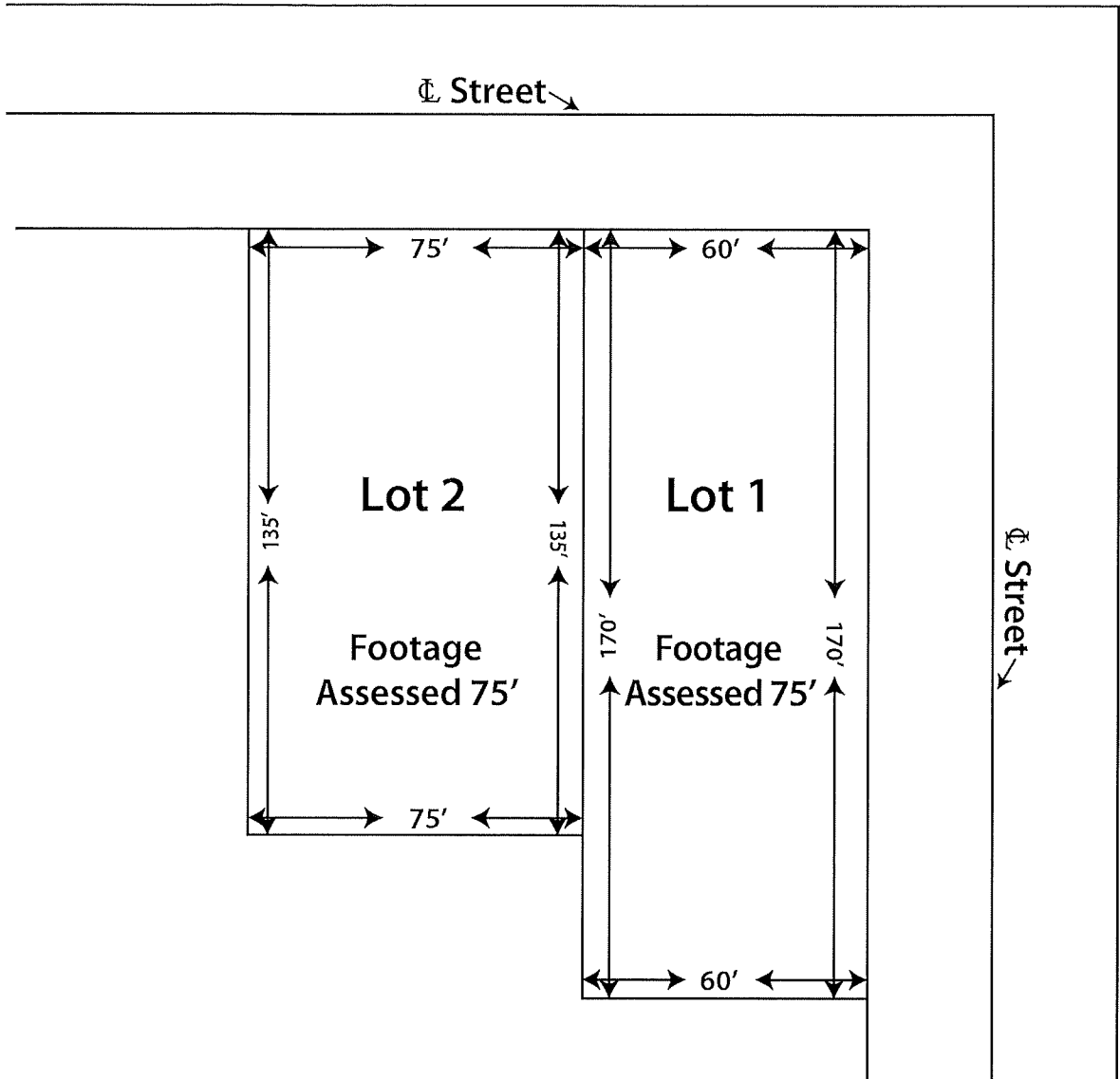
Assessed Footage	+	Equivalent Front Footage	+	Side Footage <small>(Where required.)</small>	=	
$\frac{\text{Area}}{\text{General Lot Depth}}$	+	$\left(\frac{1}{3} \times 165\right)$	=	$\frac{17,550}{135}$	+	
				$\frac{55}{\text{(Where required.)}}$	=	
				130	+	
				55	=	
						185' Total



Example Formula:

$$\text{Footage Assessed} = 30' + \frac{\text{Area of } \pi}{135'}$$

$$30' + \frac{6075}{135'} = 30 + 45 + 75$$



DIVISION 3. - DEFERRAL FOR SENIOR CITIZENS AND RETIRED PERSONS WITH DISABILITIES

Sec. 42-149. - Determination of deferral assessment.

The city council may defer the payment of any special assessment made for local improvements constructed by the city within the city when, in its discretion, it determines by a three-fifths vote of the city council that the property upon which said assessment is to be levied is occupied as a homestead by one or more owners of the property who is 65 years of age or older, or retired by reason of permanent and total disability when payment of the assessment would create a hardship upon the owners thereof.

Sec. 42-150. - Filing for deferred status.

An applicant must file an application for deferred status within 30 days of the adoption of the final assessment roll or by September 15 of the year preceding the year for which deferral is requested, whichever is later, in order to be eligible for the deferral program in the succeeding year. All deferral applications must be made on forms approved by the city administrator and submitted to the city clerk's office.

Sec. 42-151. - Criteria for determining whether applicant has permanent and total disability.

Retirement by reason of permanent and total disability shall be deemed prima facie to exist when the applicant presents a sworn affidavit by a licensed medical doctor attesting that the applicant is unable to be gainfully employed because of a permanent and total disability.

Sec. 42-152. - Criteria for determining hardship.

A deferment may not be granted unless it would be a hardship for the applicant to make the payments. Regardless of whether the applicant is applying because the applicant is 65 years of age or older or the applicant is retired by reason of permanent and total disability, a hardship shall be deemed prima facie to exist when all the following apply:

1. The annual gross income of the applicant and the applicant's spouse, if any, according to their federal income tax return for the preceding year plus their tax exempt income for the preceding year cannot exceed the amount equal to 200 percent of the most current federal poverty guidelines and schedule for family size, for the county. If no such return was made, the city administrator shall require the applicant to submit other pertinent information to show that this qualification is met.
2. The special assessment to be deferred exceeds \$1,000.00.
3. Notwithstanding the foregoing, the city council may determine that a hardship exists on the basis of exceptional and unusual circumstances pertaining to an applicant not caused by the above standards; but any determination shall be made in a nondiscriminatory manner and shall not give the applicant an unreasonable preference or advantage over other applicants.

Sec. 42-153. - Interest on deferred assessment.

All deferred special assessments granted under this division shall accrue interest on the principal amount at the same rate established for the assessment, as if no deferment was granted. Said interest shall be due and payable upon termination of the deferred status.

Sec. 42-154. - Termination of right of deferred payment.

- a. Deferrals granted under this division shall terminate and the amount deferred, together with accumulated interest, shall become due upon the occurrence of any of the following events:
 - 1. The death of the owner qualified for deferral status, provided that the surviving spouse is otherwise not eligible for the deferred benefits provided hereunder.
 - 2. The sale, transfer or subdivision of the property or any part thereof, including sale by contract for deed.
 - 3. If the property should for any reason lose its status as the homestead of the applicant.
 - 4. If for any reason the city council shall determine that there would be no hardship to require immediate or a partial payment of the deferred assessment.
- b. At the time of the termination of the deferred status, the city council may, in its discretion, provide for payment of said deferred sum in installment payments in accordance with the terms of the original assessment.

DIVISION 4. - DEFERRALS FOR UNIMPROVED PROPERTY

Sec. 42-177. - Improvement defined.

Improvement shall be defined for purposes of this division as any construction or work which requires a zoning permit from the city.

Sec. 42-178. - Payment deferment upon unimproved property.

The city council may, upon approval of the appropriate application by a three-fifths vote of the city council, defer the payment of the first installment, and all subsequent installments, of any special assessment levied upon unimproved property until a designated future year, or until the construction of improvements thereon, or the platting or subdivision of the property, upon such terms and conditions and based upon such standards and criteria as may be provided by resolution of the city council.

Sec. 42-179. - Accrued interest.

All deferred special assessments granted under this section shall accrue interest on the principal amount at the same rate established for the assessment, as if no deferment was granted. Said interest shall be due and payable annually at the same time as the principal installments of the assessment would have been payable if not deferred.

Sec. 42-180. - Termination of deferred status.

Upon the expiration of the deferred status or upon the construction of improvements on the property, or upon the platting or subdivision of the property, the outstanding principal and interest shall be payable in equal installments over the remaining years of the assessment.

2. b.

WILD WIND RANCH DRIVE, CROSSLAKE, MINNESOTA						
FINAL ASSESSMENT ROLL						
PARCEL NUMBER	OWNER NAME	OWNER ADDRESS	ASSESSED	AMOUNT	ASSESSED	AMOUNT
21-Jul-22		PROPOSED ASSESSMENT PER LOT	\$	4,000.00		
14320580	WILD WIND RANCH ESTATES ASSOC INC C/O DELARO LAND COMPANY	PO BOX 141 CROSSLAKE, MN 56442	0	\$	0	\$
14320579	WILD WIND RANCH ESTATES ASSOC INC C/O DELARO LAND COMPANY	PO BOX 141 CROSSLAKE, MN 56442	0	\$	0	\$
14320578	SWENSON, BRADLEY D & JOLENE M	14618 WHITEBIRCH LN CROSSLAKE, MN 56442	1	\$	1	\$ 4,000.00
14320577	WILLIAMS, THELMA MARIE	33985 WILD WIND RANCH DR CROSSLAKE, MN 56442	1	\$	1	\$ 4,000.00
14320576	CLEMENS, JAMES R & SUZANNE M	PO BOX 865 CROSSLAKE MN 56442	1	\$	1	\$ 4,000.00
14320575	BUERSKEN, MATTHEW J	P O BOX 158 CROSSLAKE, MN 56442-0158	1	\$	1	\$ 4,000.00
14320574	TREBIL, STEVEN & JO ANN	33929 WILD WIND RANCH DR CROSSLAKE MN 56442	1	\$	1	\$ 4,000.00
14320573	ERICKSON, DARREN L	33921 WILD WIND RANCH DR CROSSLAKE MN 56442	1	\$	1	\$ 4,000.00
14320572	LUZAR, NEIL	PO BOX 105 CROSSLAKE, MN 56442	1	\$	1	\$ 4,000.00
14320571	SCHRUPP DAVID H & ANN R REV TRUST	33873 WILD WIND RANCH DR CROSSLAKE, MN 56442	1	\$	1	\$ 4,000.00
14320570	HAINES, DOUGLAS J & TERESA J	33853 WILD WIND RANCH DR CROSSLAKE, MN 56442	1	\$	1	\$ 4,000.00
14320569	FALLGREN, CRAIG L & KITTY L TRUST	33833 WILDWIND RANCH DR CROSSLAKE MN 56442	1	\$	1	\$ 4,000.00
14320568	FALLGREN, CRAIG L & KITTY L TRUST	33833 WILDWIND RANCH DR CROSSLAKE MN 56442	1	\$	1	\$ 4,000.00
14320567	THEMMES, DEEANN CARLSON	PO BOX 194 CROSSLAKE, MN 56442	1	\$	1	\$ 4,000.00
			12	\$	12	\$ 48,000.00
14320697	COTTER, TERI LYNN	33885 COUNTY ROAD 3 CROSSLAKE MN 56442				

RUSHMOOR BOULEVARD AND TRAIL, CROSSLAKE, MINNESOTA						
FINAL ASSESSMENT ROLL						
21-Jul-22						
PARCEL NUMBER	OWNER NAME	OWNER ADDRESS	PROPOSED ASSESSMENT PER LOT	ASSESSED	AMOUNT	
14180651	VEACH, JERI S REV TRUST 10-15-07	389 ORONO ORCHARD RD S		1	\$ 4,000.00	
14180653	VEACH, JERI S REV TRUST 10-15-07	389 ORONO ORCHARD RD S		1	\$ 4,000.00	
14170629	DUITSMAN, HENRY A	36484 RUSHMOOR BLVD		1	\$ 4,000.00	
14170628	FISCHER, DAVID & MARIE FAMILY TRUST	36412 RUSHMOOR BLVD		1	\$ 4,000.00	
14170627	FISCHER, DAVID & MARIE FAMILY TRUST	36412 RUSHMOOR BLVD		1	\$ 4,000.00	
14170626	ROY, NICHOLAS & KRISTINA	36394 RUSHMOOR BLVD		1	\$ 4,000.00	
14170625	BOGDANOVICH, DONALD D REV TRUST	4139 BURTON LN		1	\$ 4,000.00	
14170556	SWOVERLAND, GARY A & SHEILA M	6205 SHADYVIEW LN N		1	\$ 4,000.00	
14170555	SWOVERLAND, GARY A & SHEILA M	6205 SHADYVIEW LN N		1	\$ 4,000.00	
14170554	GEROIN, JON E & KAREN F	894 HYLAND CT		1	\$ 4,000.00	
14170553	LARSEN, NIKOLAUS L D	1805 W LAKE ST UNIT 402		1	\$ 4,000.00	
14170551	ELEVAGE RL LLC	10901 BALTIMORE ST NE		1	\$ 4,000.00	
14170552	ELEVAGE RL LLC	10901 BALTIMORE ST NE		1	\$ 4,000.00	
14170549	DELCO LLC	12780 RUSHMORE BLVD		1	\$ 4,000.00	
14170548	HEMMANN, NORBERT P TRUST (1/2 INT)	1871 ORCHARD HEIGHTS LANE		1	\$ 4,000.00	
14170547	HAGLUND, MICHAEL J & KELLY A	1306 FIR AVE		1	\$ 4,000.00	
14170546	KEIFFER, JOHN W & JEANNE M	3861 LINDEN DR W		1	\$ 4,000.00	
14170545	HOMAN, JESSICA R & DEAN A	12850 RUSHMORE BLVD		1	\$ 4,000.00	
14170544	PEITSO, CHARLES M & PEITSO, MARGARET E FAMILY TRUST	1702 ALDRICH COURT		1	\$ 4,000.00	
14170543	WEBER, KUNZA, CUNDIFF, LLC C/O NATIONAL RECOVERIES INC	12896 RUSHMOOR BLVD		1	\$ 4,000.00	
14170542	ROWE, GARY L & WENDY M	14735 HWY 65 NE		1	\$ 4,000.00	
14170541	HEUERMAN, TROY & KRISTIN G	12910 RUSHMOOR BLVD		1	\$ 4,000.00	
14170539	HESS, AARON & JULIE	1835 EAGLE RIDGE RD		1	\$ 4,000.00	
14170538	ZEMBAL, ROGER F &	9106 SCENIC PINE DR		1	\$ 4,000.00	
14170537	ZEMBAL, ROGER F &	17465 166TH ST SE		1	\$ 4,000.00	
14170536	FISH FAMILY TRUST	17465 166TH ST SE		1	\$ 4,000.00	
14170535	FISH FAMILY TRUST	26788 CALICO CT		1	\$ 4,000.00	
14170534	BREMER, DAVID & STACEY	26788 CALICO CT		1	\$ 4,000.00	
14170533	NELSON REV TRUST DTD 3/8/16 NELSON, RON S & BECKY J TRSTEEES	8094 2057TH ST W		1	\$ 4,000.00	
14170532	NELSON REV TRUST DTD 3/8/16 NELSON, RON S & BECKY J TRSTEEES	8785 SUNSET CT		1	\$ 4,000.00	
14170531	DUITSMAN, HENRY A	302 EAST OAK AVE		1	\$ 4,000.00	
14170508	HAGLUND, MICHAEL J & KELLY A	302 EAST OAK AVE		1	\$ 4,000.00	
14170507	NELSON, RON S & BECKY JO REVOCABLE TRUST	36484 RUSHMOOR BLVD		1	\$ 4,000.00	
14170506	OTTERLEI, JON L TRUSTEE OF JON OTTE	3861 LINDEN DR W		1	\$ 4,000.00	
14170505	OTTERLEI, JON L TRUSTEE OF JON OTTE	302 EAST OAK AVE		1	\$ 4,000.00	
		2216 FLORENCE LN		1	\$ 4,000.00	
		2216 FLORENCE LN		1	\$ 4,000.00	

14170504	OTTERLEI, JON L TRUSTEE OF JON OTTE	2216 FLORANCE LN	SOUTH SAINT PAUL MN 55075	1	\$	4,000.00
14170503	OTTERLEI, JON L TRUSTEE OF JON OTTE	2216 FLORANCE LN	SOUTH SAINT PAUL MN 55075	1	\$	4,000.00
				39	\$	156,000.00

BIRCH NARROWS ROAD, CROSSLAKE, MINNESOTA					
FINAL ASSESSMENT ROLL					
21-Jul-22					
		PROPOSED ASSESSMENT PER LOT		\$ 4,000.00	
PARCEL NUMBER	OWNER NAME	OWNER ADDRESS	ASSESSED	AMOUNT	
14100712	VAN HECKE, ROBERT REV TRUST (1/2) &	1501 SW 54TH TER	1	\$ 4,000.00	
14100711	FUITH, LORRIE J	730 S COLLIER BLVD UNIT 601	1	\$ 4,000.00	
14100695	CLAPPER, JAMES S & KAREN A	115 W PLEASANT LAKE RD	0.5	\$ 2,000.00	
14100694	ROTT TRUST DATED 5-3-06 CAROL ANN ROTT TRUSTEE	2612 W CROWN KING DR	0.5	\$ 2,000.00	
14100693	HUBBARD, JEFFREY D & ELIZABETH M	6780 MASON ST NE	0.5	\$ 2,000.00	
14100692	BISPING, DAVID M & CINDY K	15250 BIRCH NARROWS RD	0.5	\$ 2,000.00	
14100686	PENCE, CHARLES D & NANCY	1397 SW 28TH ST	0.5	\$ 2,000.00	
14100685	SWANSON, TIMOTHY J & JILL	15501 HIGHLAND HTS DR	0.5	\$ 2,000.00	
14100684	PAPA OWLS LANDING REV TRST(UND 1/2 INT)& LOT 3542	PO BOX 17370	0.5	\$ 2,000.00	
14100503	GIBBONS-BAKER, KAY S TRUST	15192 BIRCH NARROWS RD	0.5	\$ 2,000.00	
14100683	ASTURIAS, ELIZABETH TRUST	4640 YORK AVE S	0.5	\$ 2,000.00	
14100682	MCADAM, MARK S & CHOUANARD-MCADAM,	7679 ARCHER LN N	0.5	\$ 2,000.00	
14100681	KELLY, WAYNE A RESIDENTIAL TRUST	15600 MEDINA RD STE 200	0.5	\$ 2,000.00	
14100674	KELLY, WAYNE A RESIDENTIAL TRUST	15600 MEDINA RD STE 200	1	\$ 4,000.00	
14100670	KELLY, WAYNE A RESIDENTIAL TRUST	15600 MEDINA RD STE 200	1	\$ 4,000.00	
14110516	FUITH, THOMAS E TRUST AGREEMENT	730 S COLLIER BLVD UNIT 601	1	\$ 4,000.00	
14110515	UNITED STATES OF AMERICA	0	0	\$ -	
14100668	STOREY, KIM TRUST AGREEMENT	1812030TH PL N	1	\$ 4,000.00	
14100667	BRIGHTONBEA LLC	10906 BENTWATER LANE	1	\$ 4,000.00	
14100666	BANCROFT FAMILY TRUST, EARL C &	6479 HAMLET DR UNIT A	1	\$ 4,000.00	
14100665	BONFE, ANTHONY W & MARY E	746 IVYWOOD CIR N	1	\$ 4,000.00	
14100664	AASLAND, BONNIE L & STEPHEN E ERTZ	15394 BIRCH NARROWS RD	1	\$ 4,000.00	
14100663	ROCHEFORD, LINDA M FAMILY TRUST	3390 MAPLEWOOD RD	1	\$ 4,000.00	
14100662	SCHRADER, WILLIAM J & JUDITH ANN	17165 COUNTY RD 36	1	\$ 4,000.00	
14100661	RINGENBERG, MARK & KRAUTBAUER, NICOLE &	4185 STRAWBERRY LN	1	\$ 4,000.00	
14100660	MYERS, MICHAEL J & MARILYN D	2682 MEADOW VISTA WAY	1	\$ 4,000.00	
14100659	PRESCOTT, PAUL GREGORY & MARY ANN	15294 BIRCH NARROWS RD	1	\$ 4,000.00	
14100658	CHASE, LYNETTE M REVOCABLE TRUST	13155 GALLERIA PL	1	\$ 4,000.00	
14100657	MEARS, TIMOTHY S	15266 BIRCH NARROWS RD	1	\$ 4,000.00	
14100656	JOHNSTON, STEVEN R & LISA M TRUST	PO BOX 843	1	\$ 4,000.00	
14100655	DILLINGHAM, JOHN W & MITZI L	18704 JASMINE WAY	1	\$ 4,000.00	
	YAGER, DENNIS M & JEANNINE A JOINT REVOCABLE TRUST DTD				
14100654	11/29/16	419 EDGEWATER DR	1	\$ 4,000.00	
14100647	MUHLSTEIN, MARK LEE & LAURA BETH	17783 72ND PL N	1	\$ 4,000.00	
14100646	KOVACEVICH, TERENCE JOSEPH &	9631 SPANISH MOSS RD UNIT 3911	1	\$ 4,000.00	
	VAN LITH REVOCABLE TRUST C/O GREGG & CAROL VAN LITH				
14100645	TRUSTEES	15594 BIRCH NARROWS RD	1	\$ 4,000.00	
14100644	LEDOSQUET, JEFFREY P & DORCA J	15588 BIRCH NARROWS RD	1	\$ 4,000.00	
14100643	HOLIE, CHARLES E & CHERYL	13200 GIRARD AVE S	1	\$ 4,000.00	
14100642	ALWY, AMANDA	15564 BIRCH NARROWS RD	1	\$ 4,000.00	

14100641	SAMSEL, ERIC A & RACHEL L	18823 IRVONA AVE	LAKEVILLE MN 55044	1	\$	4,000.00
14100640	KING, PETER & KATHLEEN	15536 BIRCH NARROWS RD	CROSSLAKE MN 56442	1	\$	4,000.00
14100639	GRAFFUNDER, CRAIG W & TAMMY K	17309 BAY CIR	WAYZATA MN 55391	1	\$	4,000.00
14100638	ENGSTROM, MARK T & MARLENE A	4635 UNDERWOOD LN	PLYMOUTH MN 55427	1	\$	4,000.00
14100637	MARXER, MARK A & JENA L	3750 NE 26TH AVE	LIGHT HOUSE POINT FL 33064	1	\$	4,000.00
14100636	VANHECKE, ROBERT F & SHARON	1501 SW 54TH TER	CAPE CORAL FL 33914	1	\$	4,000.00
14100635	FUITH, LORRIE J TRST DATED 12/18/06	730 S COLLIER BLVD UNIT 601	MARCO ISLAND FL 34145-6034	1	\$	4,000.00
14100634	HOLIE, CHARLES E & CHERYL	13200 GIRARD AVE S	BURNSVILLE MN 55337	1	\$	4,000.00
14100633	BOREALIS LP	601 CARLSON PKWY #1290	MINNETONKA, MN 55305	1	\$	4,000.00
14100632	KING, PETER & KATHLEEN	15536 BIRCH NARROWS RD	CROSSLAKE MN 56442	1	\$	4,000.00
14100515	KELLY, WAYNE A RESIDENTIAL TRUST	15600 MEDINA RD STE 200	MINNEAPOLIS, MN 55447	1	\$	4,000.00
14100514	DILLINGHAM, JOHN & MITZI	15559 BIRCH NARROWS RD	CROSSLAKE MN 56442	1	\$	4,000.00
14100516	KELLY, WAYNE A RESIDENTIAL TRUST	15600 MEDINA RD STE 200	MINNEAPOLIS, MN 55447	1	\$	4,000.00
14100669	YAGER, DENNIS M & JEANNINE A JOINT REVOCABLE TRUST DTD 11/29/16	419 EDGEWATER DR	POLK CITY FL 33868	1	\$	4,000.00
				45.5	\$	182,000.00
	Not on WSN list. Does not touch BNR R/W					
	Not on WSN Feasibility List					

2.C.

Report Type

Real Estate Consulting
Letter Report (Restricted Appraisal)

Effective Date

January 28, 2024

Client

City of Crosslake
Attn: Phil Martin, P.E.
756 Design Road, Suite 200
Baxter, MN 56425

Subject Properties

Street Improvement Project
Daggett Pine Road
Crosslake, MN 56442



File # G2312016

Prepared By:

Ethan Waytas, MAI, Appraiser
William R. Waytas, SRA, Appraiser

Nagell Appraisal Incorporated

12805 Highway 55, Suite 300
Plymouth, Minnesota 55441
Tel: 952.544.8966 | Fax: 952.544.8969

NAGELL APPRAISAL INCORPORATED

12805 Highway 55 #300
Plymouth, MN 55441
Established in 1968

Phone 952-544-8966
Fax 952-544-8969

City of Crosslake
Attn: Phil Martin, P.E.
756 Design Road, Suite 200
Baxter, MN 56425

Report Date: January 30, 2024

To Phil Martin:

Per your request, this is a letter report to assist the city for guidance regarding a street improvement project within Crosslake.

The following information outlines the scope and intent of this document:

Client:	City of Crosslake
Intended User:	City of Crosslake
Note:	Only the client and name intended user can rely upon this report.
Effective Date:	January 28, 2024
Report Type:	Restricted Appraisal (as a restricted appraisal, this report may not contain supporting rationale for all of the opinions and conclusions as stated. This information is retained in the workfile)
Intended Use:	The intended use of this report is for decision-making purposes regarding a road project and part of establishing the special assessments;
Value Provided:	Market Value (as is), see rear of report for definition
Interest Provided:	Fee Simple, real estate only (no FF&E, business value, etc.)
Subject Property:	This report provides a summary of benefit ranges as well as benefit for specific properties. These properties are identified later in this report.
Scope of Work:	The appraiser (Ethan Waytas, MAI) reviewed sales, rents, listings, and costs in the market. Erin Waytas, MAI (MN Certified General License 40368620) completed a drive-by viewing of the project area from the right-of-way. The market was analyzed to indicate a benefit range that would be applicable to the project. In addition, the appraiser has completed a cursory review of the zoning and future land use plan. Other research includes prior discussions with market participants and discussion with the city regarding the project.

Letter of Transmittal – Continued

- Inspection:** Erin Waytas, MAI (MN Certified General License Number 40368620) completed a drive-by viewing of the project area from the right-of-way. This viewing occurred on January 28, 2024. The appraiser also reviewed county information, information on the internet, Google Street View Photos, MLS photos, etc. for preliminary property information. More property information is included in the addenda.
- Sales Comparison Approach:** Sales data was analyzed to indicate a market benefit range.
- Income Approach:** This approach was not applied at this time, as it is considered less reliable given the project and scope of assignment.
- Cost Approach:** This approach was considered regarding new road costs and physical depreciation.
- Uses in Project Area:** Most uses appear to be residential or vacant land.
- Report Assistance:** Ethan Waytas, MAI wrote the report and analyzed the market data. William R. Waytas, SRA read the report and agreed with the conclusions.

Note: Relevant information and analysis is retained in the workfile. This restricted appraisal provides a conclusion of market benefit range. If additional property information is provided, including an interior inspection, conclusions could differ from the indicated market benefit range.

PROJECT

The City of Crosslake is proposing to complete a mill and overlay of the streets within the project area. Per comments from the city engineer, 1.5" of pavement would be removed and then replaced with a new layer of asphalt pavement (1.5" thick).

Per request, you desire to know the benefit (if any) as it impacts properties in the project area.

AREA DESCRIPTION

The City of Crosslake is a northern Minnesota Community located just north of Brainerd. The Twin Cities are about 2.5 hours to the south, which makes the area an appealing summer destination for cabin owners. The Whitefish Chain of Lakes is a set of 14 interconnected lakes situated between the communities of Crosslake, Pequot Lakes, and Pine River. The chain has some of the highest valued lakefront in Minnesota. Access to most shopping and surrounding communities is within 30 minutes. Highway 3 is the major road that provides access to surrounding communities. Most existing buildings in the area are of average to good+ quality. No apparent adverse influences.

The population for Crosslake in 2010 was 2,141, up from 1,893 in 2000—a 13.1% increase. The 2020 census population is 2,394, an 11.8% increase.

Single family homes generally range in value between \$150,000 and \$2,000,000+ (lake property) in the City Limits with a median of about \$490,000 (MLS statistics). The city is a mixture of residential (lake front and non-lake front), industrial, and commercial. Most homes are average to good quality.

IDENTIFIED SUBJECT PROPERTIES

No specific properties are identified at this time.

EXISTING STREETS & UTILITIES

Physical Condition of the Existing Road: The existing road improvements are paved asphalt with no curb or gutter. The road condition, based on the visual inspection of the streets, is rated to be Average -.

Physical Condition of Existing Utilities: The properties in the project area have private well and septic. The city indicated that there are no utility improvements as part of this project.

Functional Design of the Road: The existing road is dated, in Average - condition, and is showing signs of cracking, small potholes, etc.

Road infrastructure in poor to fair condition does not meet the expectations of typical market participants in this market for re-development, resale, and/or updating current uses. Overall, the existing street improvements are in Average - condition, are beginning to look dated (or function) and reflect likewise on the adjoining properties.

PROPOSED IMPROVEMENTS

The City of Crosslake is proposing to complete a mill and overlay of the street within the project area. Per the city engineer, 1.5" of pavement would be removed and then replaced with a new layer of pavement (1.5" thick).

Per request, you desire to know the benefit (if any) as it impacts properties in the project area.

Given the existing condition of the road, the proposed project is logical.

If any of the above descriptions change, the benefit due to the project could differ.

HIGHEST AND BEST USE

The subject project area is located in the northern portion of the city in an area of mostly residential and vacant land uses.

The City of Crosslake is a northern Minnesota Community that is comprised of multiple, well-known lakes. One of the main industries of the city is tourism to the nearby lakes and cabin owners. A majority of the city is comprised of residential and wooded land. There are also some industrial, office, and commercial uses as well.

Existing owners in the project area appear to update their property as needed when site and building components wear out or become dated. Owners in the overall area commonly pave their driveways, either with asphalt or concrete. Therefore, it is logical to update the road infrastructure to the subject properties, as these are essential property characteristics that are expected in the market.

An informed buyer would consider the condition of the road, traffic flow, and traffic management. A well-constructed and good condition road provides aesthetic appeal to a property and efficient/safe traffic flow. Given a choice, a potential informed buyer would likely prefer a newer road in good condition over a deteriorating road in inferior condition.

If replacement of components of real estate near the end of their economic life in a home or building is postponed, it can be costlier in the long run; delays in replacing components can result in incurring higher interim maintenance costs and potential difficulty in marketing the property. Also, it is typical for the cost of the replacement of an improvement to increase over time. It is logical and prudent for market participants to update/replace dated components when needed.

When considering the project area, current market, zoning, future land use, etc., the highest and best use of the surrounding properties in the project area is for the continued various uses with the proposed infrastructure improvements.

DISCUSSION OF MARKET BENEFIT

Listed below are the factors that will be taken into consideration concerning the potential benefit to the properties.

<u>Description</u>	<u>Existing Improvements</u>	<u>Change</u>
1) Road Surface	Average -	Good, mill & overlay
2) Base Condition	Average	Average
3) Curb	None	None
4) Drainage	Average	Average
5) Storm Sewer	None	None
6) City water	None	None
7) City sewer	None	None
8) Sidewalk	Partial, asphalt on norther side of road	Partial, asphalt on norther side of road
9) Street Lights	Average	Average
10) Functional Design of Road	Dated	Good, new
11) Traffic Management	Average	Average
12) Pedestrian Use (biking, walking, etc.)	Fair	Good
13) Median	n/a	n/a
14) Road Proximity to Properties	n/a	n/a
15) Dust	n/a	n/a
16) Visual Impact on Properties	Dated	Good

Based on the preceding grid, the subject properties will improve in 4 of the 16 categories. Market participants generally recognize that roads need replacing when nearing the end of a long economic life or updating when the surface condition is deteriorating.

A typical buyer in the subject market commonly prefers a good condition paved road surface versus a poor or fair paved condition road. In addition to visual benefit, new street improvements provide better and safer use for pedestrians (biking, walking, stroller, rollerblading, etc.) and drivers. The proposed project will enhance the appeal of adjoining properties, potential for updating, and resale of homes.

Based on past appraisals, experience, and general market information, it is not uncommon for properties similar to those in the subject market to realize an increase in price for new street improvements.

Discussion of Market Benefit – Continued

Given the scope of the project, properties in the area with the proposed street improvements could see the following benefits (presented as a range). The benefits reflect properties with direct access or frontage along the road. Indirect benefit for properties not abutting the road is not provided in this report.

- **Single-Family Residential - Lake Frontage** \$2,000 to \$3,500 per buildable lot
- **Single-Family Residential - Non-Lake Frontage** \$1,500 to \$3,000 per buildable lot
- **Commercial** \$0.15 to \$0.25 per SF of useable site area

- **Vacant Residential Land (large lot) – Non-Lake Frontage (0 to 5 acres)** \$0.05 to \$0.10 per SF of useable site area
- **Vacant Residential Land (large lot) – Non-Lake Frontage (5+ acres)** \$0.01 to \$0.03 per SF of useable site area

Note: The above ranges would be applied to a hypothetical 7-acre site with the first 5 acres receiving the primary benefit and the next 2 acres the secondary benefit.

- **Vacant Residential Land (single-homesite) – Lake Frontage (0 to 1 acre)** \$2,000 to \$3,500 per buildable lot
- **Vacant Residential Land (large lot) – Lake Frontage (1 to 5 acres)** \$0.06 to \$0.12 per SF of useable site area
- **Vacant Residential Land (large lot) –Lake Frontage (5+ acres)** \$0.02 to \$0.04 per SF of useable site area

Note: The above ranges would be applied to a hypothetical 7-acre site with the first 5 acres receiving the primary benefit and the next 2 acres the secondary benefit.

- **Religious (improved or vacant land) – Non-Lake Frontage (0 to 5 acres)** \$0.08 to \$0.12 per SF of useable site area
- **Religious (improved or vacant land) – Non-Lake Frontage (5+ acres)** \$0.01 to \$0.03 per SF of useable site area

Note: The above ranges would be applied to a hypothetical 7-acre site with the first 5 acres receiving the primary benefit and the next 2 acres the secondary benefit.

Discussion of Market Benefit – Continued

- **Public (improved or vacant land)
– Non-Lake Frontage (0 to 5 acres)** \$0.08 to \$0.12 per SF of useable site area
- **Public (improved or vacant land)
– Non-Lake Frontage (5+ acres)** \$0.01 to \$0.03 per SF of useable site area
- **Mobile Home Community** \$0.01 to \$0.03 per SF of useable site area
- **Townhome Units/Condominium Units** \$500 to \$1,000 per unit

Note: The above benefit considers only the scope of the project. Higher value buildings or larger lots are on the upper end of the ranges. Properties on corners, with one street being improved and the other not, might receive less than the above ranges (for example 50% of the benefit).

CONCLUSION

The market benefit range is based on an analysis of the overall market and does not reflect an appraisal of a specific property or properties.

If you have additional questions, please do not hesitate to contact us.

Sincerely,



Ethan Waytas, MAI
Certified General MN 40368613

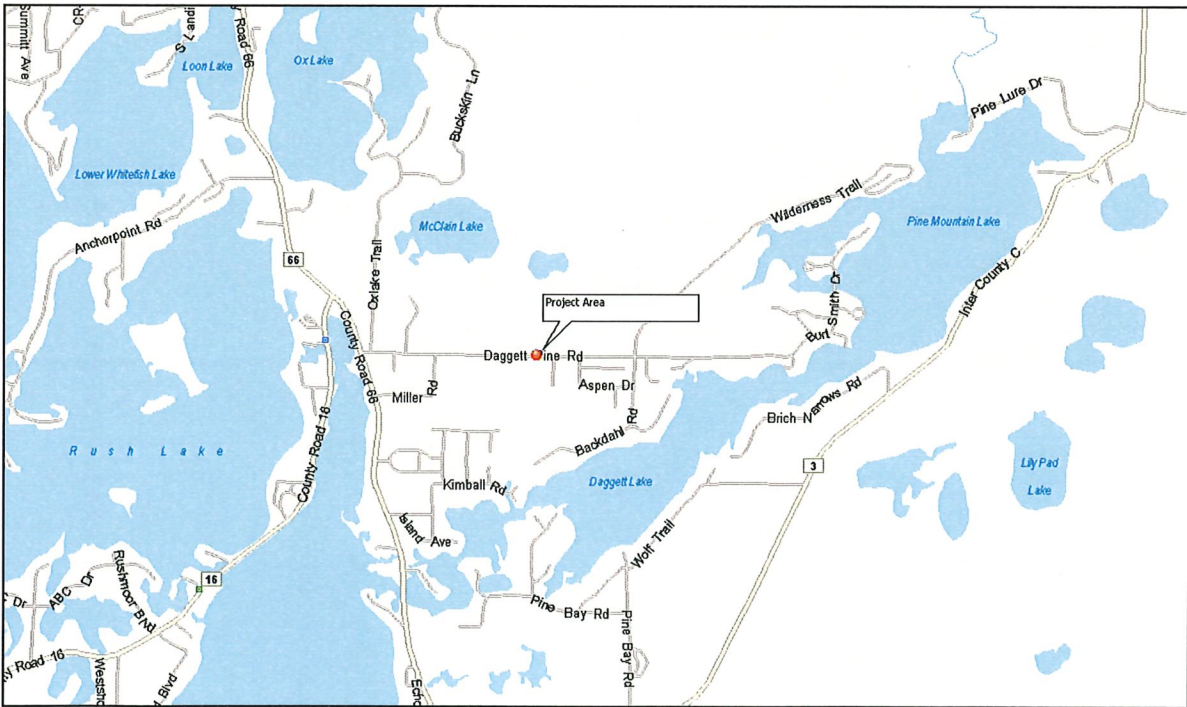
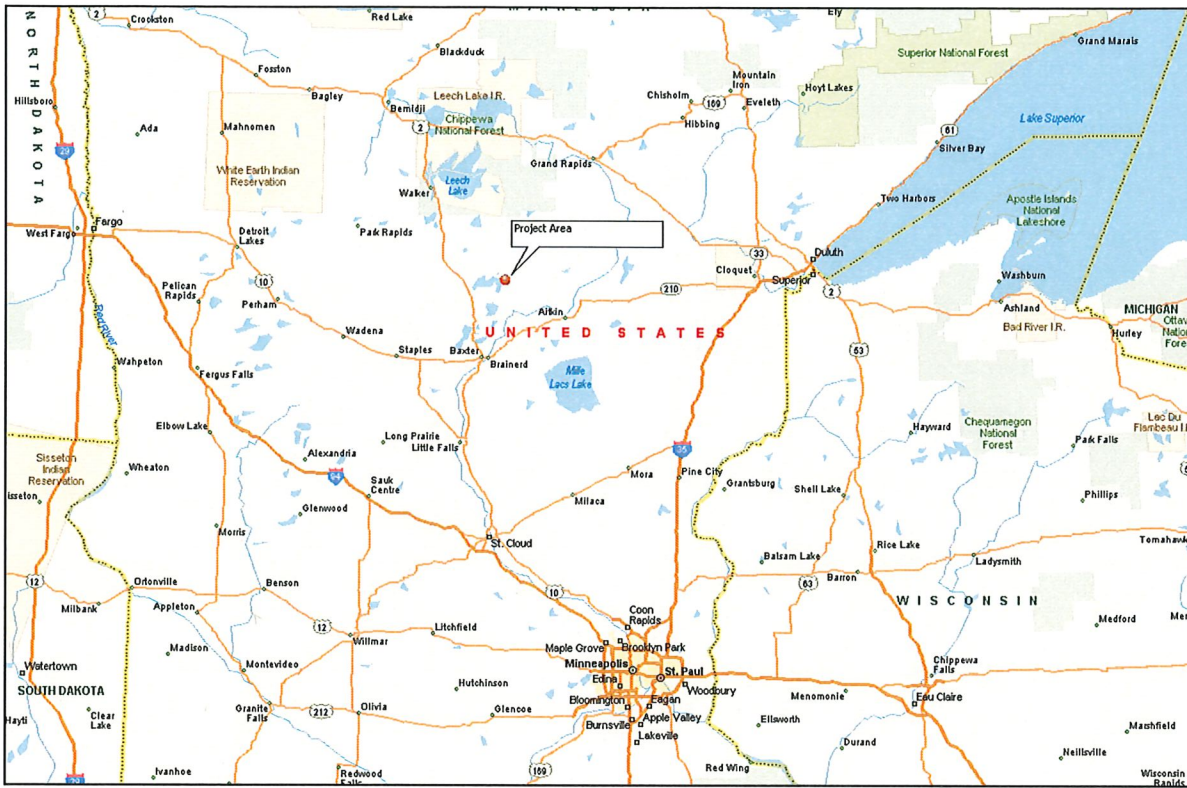


William R. Waytas, SRA
Certified General MN 4000813

Enclosures: Location Map, Aerial Map View of Project, Subject Photos, Qualifications

www.nagellmn.com

LOCATION MAP



AERIAL VIEW OF PROJECT MAP



The red line reflects the indicated project area.

STREET PHOTOGRAPHS



Street view



Street view



Street view



Street view

Street Photographs – continued



Street view



Street view



Street view



Street view

Street Photographs – continued



Street view



Street view



Street view



Street view

Street Photographs – continued



Street view



Street view



Street view



Street view

Street Photographs – continued



Street view



Street view

DEFINITIONS

MARKET VALUE - The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

(A) buyer and seller are typically motivated;

(B) both parties are well informed or well advised, and acting in what they consider their own best interests;

(C) a reasonable time is allowed for exposure in the open market;

(D) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

(E) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: [Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute](#)

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

As stated by USPAP;

Extraordinary Assumption: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions of conclusions.

None noted.

Hypothetical Condition: That which is contrary to what exists but is supposed for the purpose of analysis.

The provided conclusions assume the project is completed on the same day as the effective date.

The above noted assumptions might have affected the assignment results.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analysis, opinions, and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- 8) The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which includes the Uniform Standards of Appraisal Practice.
- 9) Erin Waytas, MAI (MN Certified General 40368620) viewed the project area and identified properties. Ethan Waytas, MAI and William R. Waytas, SRA did not view the project area or identified properties. Ethan Waytas wrote, analyzed, and selected all the data in the report. William R. Waytas read the report, concurred with the findings, and then co-signed the report.
- 10) No one provided significant professional assistance to the person signing this report.
- 11) In accordance with the competency provision USPAP, I have verified that my knowledge, experience and education are sufficient to allow me to competently complete this appraisal. See attached qualifications.
- 12) As of the date of this report, William R. Waytas and Ethan Waytas have completed the requirements of the continuing education program of the appraisal institute.
- 13) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative.
- 14) We **have not** provided services as an appraiser, regarding the subject properties within the 3-year period immediately preceding acceptance to this assignment.


Ethan Waytas, MAI
Certified General MN 40368613
Date: see report


William R. Waytas, SRA
Certified General MN 4000813
Date: see report

QUALIFICATIONS

Appraisal Experience

Presently and since 2006, **Ethan Waytas, MAI** has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. He is currently a full time licensed certified general real estate appraiser, partner, and director of the company's IT department.

Properties appraised:

- **Commercial** - low and high-density multi-family, retail, office, industrial, restaurant, church, strip-mall, fast-food, convenience stores, auto-service and repair, cinema, numerous special use properties, golf courses, and subdivision analysis.
- **Residential** – single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** – extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** – numerous street improvement and utilities projects for both governmental and private owners.
- **Clients** - served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- **Area of Service** - most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Testimony

-- Court, commission, mediation testimony, etc. has been given

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #40368613
Holds the MAI designation from the Appraisal Institute

Education

-- Graduate of the University of Minnesota: College of Science and Engineering, Twin Cities Campus
Bachelor of Science in Computer Science, with distinction, 3.86 GPA.

-- General & Professional Practice Courses & Seminars

- Basic Appraisal Procedures
- Basic Appraisal Principles
- 2012-2013 15-Hour National Uniform Standards of Professional Appraisal Practice
- General Appraiser Sales Comparison Approach
- General Appraiser Income Approach – Part 1
- General Appraiser Income Approach – Part 2
- Advanced Income Capitalization
- General Appraiser Report Writing and Case Studies
- Real Estate Finance, Statistics and Valuation Modeling
- 2014-2015 7-hour National USPAP Update Course
- General Appraiser Site Valuation & Cost Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Concepts & Case Studies
- Quantitative Analysis

Curriculum Vitae -- continued

Appraisal Experience

Presently and since 1985, **William R. Waytas** has been employed as a full time real estate appraiser. Currently a partner and President of the Nagell Appraisal & Consulting, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. Mr. Waytas was employed with Iver C. Johnson & Company, Ltd., Phoenix, AZ from 1985 to 1987.

Properties appraised:

- **Commercial** - low and high-density multi-family, retail, office, industrial, restaurant, church, strip-mall, fast-food, convenience stores, auto-service and repair, hotel, hotel water park, bed & breakfast, cinema, marina, numerous special use properties, and subdivision analysis.
- **Residential** – single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** – extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** – numerous street improvement and utilities projects for both governmental and private owners.
- **Review** – residential, commercial and land development.
- **Clients** - served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- **Area of Service** - most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #4000813.
Appraisal Institute: SRA, Senior Residential Appraiser Designation,
General Associate Member
Employee Relocation Council: CRP Certified Relocation Professional Designation.
International Right-Of-Way Association: Member
HUD/FHA: On Lender Selection Roster and Review Appraiser
DNR: Approved appraiser for Department of Natural Resources

Testimony

-- Court, deposition, commission, arbitration & administrative testimony given.

Mediator

-- Court appointed in Wright County.

Committees

- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
- Chairman of Residential Admissions, Metro/MN Chapter, AI.
- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, AI.
- Elm Creek Watershed Commission, Medina representative 3 years.
- Medina Park Commission, 3 years.

Curriculum Vitae -- continued

Education

- Graduate of Bemidji State University, Minnesota. B.S. degree in Bus. Ad.
- During college, summer employment in building trades (residential and commercial).
- Graduate of Cecil Lawter Real Estate School. Past Arizona Real Estate License.

- **General & Professional Practice Courses & Seminars**
- Course 101-Introduction to Appraising Real Property.
- Numerous Standards of Professional Practice Seminar.
- Fair Lending Seminar.
- Eminent Domain & Condemnation Appraising.
- Eminent Domain (An In-Depth Analysis)
- Property Tax Appeal
- Eminent Domain
- Business Practices and Ethics
- Scope of Work
- Construction Disturbances and Temporary Loss of Going Concern
- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)

- **Commercial/Industrial/Subdivision Courses & Seminars**
- Capitalization Theory & Techniques
- Highest & Best Use Seminar
- General & Residential State Certification Review Seminar
- Subdivision Analysis Seminar.
- Narrative Report Writing Seminar (general)
- Advanced Income Capitalization Seminar
- Advanced Industrial Valuation
- Appraisal of Local Retail Properties
- Appraising Convenience Stores
- Analyzing Distressed Real Estate
- Evaluating Commercial Construction
- Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets

- **Residential Courses & Seminars**
- Course 102-Applied Residential Appraising
- Narrative Report Writing Seminar (residential)
- HUD Training session local office for FHA appraisals
- Familiar with HUD Handbook 4150.1 REV-1 & other material from local FHA office.
- Appraiser/Underwriter FHA Training
- Residential Property Construction and Inspection
- Numerous other continuing education seminars for state licensing & AI

Speaking Engagements

- Bankers
- Auditors
- Assessors
- Relocation (Panel Discussion)

Publications

- Real Estate Appraisal Practice (book): Acknowledgement
- Articles for Finance & Commerce and Minnesota Real Estate Journal

2.d.

7

ASSESSMENT WORKSHEET
Daggett Pine Road - Preliminary Assessment Roll

City of Crosslake
22-May-24
PARCEL 14090749

OWNER CITY OF CROSSLAKE

OWNER ADDRESS 13888 DAGGETT BAY RD
CROSSLAKE MN 56442

DAGGETT PINE ROAD			
Road Assessment			Total Assessed
Basis (per parcel)	Parcel		
	\$ 3,500.00	0.5	\$ 3,500.00

ASSESSMENT WORKSHEET

Daggett Pine Road - Preliminary Assessment Roll

City of Crosslake

22-May-24

PARCEL 14090755

OWNER CITY OF CROSSLAKE

OWNER ADDRESS 13888 DAGGETT BAY RD
CROSSLAKE MN 56442

DAGGETT PINE ROAD			
Road Assessment			Total Assessed
Basis (per parcel)	Parcel		
	\$ 2,000.00	0.5	\$ 2,000.00

ASSESSMENT WORKSHEET
Daggett Pine Road - Preliminary Assessment Roll

City of Crosslake
22-May-24
PARCEL 14090762

OWNER CITY OF CROSSLAKE

OWNER ADDRESS 13888 DAGGETT BAY RD
CROSSLAKE MN 56442

DAGGETT PINE ROAD			
Road Assessment			Total Assessed
Basis (per parcel)	Parcel		
	\$ 2,000.00	0.5	\$ 2,000.00

2024 DAGGETT PINE ROAD IMPROVEMENT PUBLIC HEARING City of Crosslake

Crosslake City Hall
July 8, 2024



Presentation

- Background
- Improvement, Scope, Cost
- Improvements Assessment
- Market Value Benefit
- Market Value Benefit Assessment
- Public Input



Background

- ❑ 5-yr Road Improvement Plan
 - ❑ Funding – Bond Sale (Mn Stat 475)
 - ❑ Prioritized Pavement Preservation
 - ❑ Annual Cost Target ~ \$1,000,000
 - ❑ Public Hearing and Adoption October 9, 2023
 - ❑ Partnered with Crow Wing County
 - ❑ Mill & Overlay – Daggett Pine Rd
 - ❑ Aggregate Chipseal ~ 12 miles



Improvement, Scope, Cost

- Daggett Pine Road
 - Bituminous Mill & Overlay
 - Swing Type Mailbox Post Replacement
- Ox Lake Landing to Dream Island Road
- Estimated Cost = \$265,000



Improvements Assessment

- Assessment - Mn Statute 429
- City Ordinance No. 358: Assessment to each parcel at a rate that does not exceed the “market value benefit”
 - Considers opinion of market value benefit
- Assessment Payment
 - After Final Assessment Adopted – in full (interest free if within 30 days) or over time as determined by Council



Improvements Assessment

Appeal

- No appeal to district court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing.

Deferment

- The council may, in its discretion, defer the payment of this special assessment for any homestead property owned by a person 65 years of age or older, one retired by virtue of a permanent and total disability, or a member of the National Guard or other reserves ordered to active military service for whom it would be a hardship to make the payments.



Market Value Benefit

- ❑ Opinion of market benefit range by Nagell Appraisal Incorporated – January 28, 2024
- ❑ Market Benefit Ranges Identified (see report)

	Classification	
	Lake	Non-Lake
SF Residential	\$2,000 - \$3,500 / build/lot	\$1,500 - \$3,000 / build/lot
Commercial		\$0.15-\$0.25/SF of useable area
Vacant Res (single home, 1 ac)	\$2,000 - \$3,500 / build/lot	
Vacant Res large, 1-5 ac)	\$0.06-\$0.12/SF of useable area	
Vacant Res (large, 5+ ac)	\$0.02-\$0.04/SF of useable area	
Vacant Res (0-5 ac)		\$0.05-\$0.10/SF of useable area
Vacant Res (5+ ac)		\$0.01-\$0.03/SF of useable area
Religious (0-5 acres)		\$0.08-\$0.12/SF of useable area
Religious (5+ acres)		\$0.01-\$0.03/SF of useable area
Public (0-5 acres)		\$0.08-\$0.12/SF of useable area
Public (5+ acres)		\$0.01-\$0.03/SF of useable area
Mobile Home Community		\$0.01-\$0.03/SF of useable area
Townhome/Condominium		\$500 - \$1,000/unit



Market Value Benefit Assessment

- City Selects Assessment - Market Value Benefit
 - Primary Benefit
 - \$3,500 - Adjacent Parcels \geq 20 acres
 - \$2,000 - Adjacent Parcels $<$ 20 acres
 - \$500 – Adjacent Parcel Townhome/Condominium
 - Secondary Benefit
 - \$1,000 – Not adjacent parcel with access
- Assessment Proposed = \$157,500
 - 105 parcels in total
 - \$2,000 (assume 15-yr, 5%) = \$192.68 per year



Public Input

Please state your name and address for the record before providing your input.

Thank you for attending.



Daggett Pine Road - Final Assessment Roll							
Crosslake, MN				Total	City	Assessed	
15-May-24		Bituminous Mill & Overlay (Est)		\$265,000	\$107,500.00	\$157,500.00	
						59%	
PRIMARY PROPERTIES							Proposed
PARCEL NUMBER	OWNER	ADDRESS		ZONING/LAND USE	CURRENT USE	Acres	Assessment
1	14080599	61 MARINE & SPORTS NORTH, LLC	13751 DAGGETT PINE RD	CROSSLAKE MN 56442	Limited Commercial	Commerical	1.66 \$ 2,000.00
2	14090764	CROSSLAKE PRESBYTERIAN CHURCH	14444 DAGGETT PINE RD	CROSSLAKE MN 56442	Rural Residential	Religious (5+ acres)	11.69 \$ 2,000.00
3	14090762	CITY OF CROSSLAKE	13888 DAGGETT BAY RD	CROSSLAKE MN 56442	Public	Public (0-5 acres)	1.04 \$ 2,000.00
4	14090761	MARSHALL, FRANK E & SPENCER	10480 80TH ST W	LONSDALE MN 55046	Rural Residential	Vacant Res (5+ ac) Non-Lake	40.92 \$ 3,500.00
5	14090755	CITY OF CROSSLAKE	13888 DAGGETT BAY RD	CROSSLAKE MN 56442	Rural Residential	Public (5+ acres)	9.02 \$ 2,000.00
6	14090749	CITY OF CROSSLAKE	13888 DAGGETT BAY RD	CROSSLAKE MN 56442	Public	Public (5+ acres)	41.01 \$ 3,500.00
7	14090748	CROSSLAKE, EVANGELICAL LUTHERAN CHU	P O BOX 248	CROSSLAKE MN 56442	Rural Residential	Religious (5+ acres)	41.71 \$ 3,500.00
8	14090747	KREITZ-CLOW, EVA MARIE	PO BOX 840	PEQUOT LAKES MN 56472	Shoreland Dist	SF Non-Lake	2.15 \$ 2,000.00
9	14090738	CHATHAM ACQUISITION LLC	3709 GRANDWAY #117	ST LOUIS PARK MN 55416	Rural Residential	Mobile Home Community	38.03 \$ 3,500.00
10	14100707	MARSHALL, MERLE & JASON	513 W WIND AVE	SHAKOPEE MN 55379	Shoreland Dist	Vacant Res (5+ ac) Non-Lake	39.28 \$ 3,500.00
11	14100706	MARSHALL, JOSEPH A & ANTHONY J	20723 JUSTICE CT	LAKEVILLE MN 55044	Shoreland Dist	Vacant Res (5+ ac) Non-Lake	39.29 \$ 3,500.00
12	14100703	JONES, MATTHEW (20%) C/O DENYSE KIMBELL JONES	1840 LOGAN LN	MANDEVILLE, LA 70448	Shoreland Dist	SF Lake	1.55 \$ 2,000.00
13	14100508	MCDANIEL, MARC R & LAURI P	232 KIMBERLY DR	NEW BRIGHTON MN 55112	Shoreland Dist	SF Lake	1.48 \$ 2,000.00
14	14100702	DIKEL, NEVIN DANA &	4201 WOODLAND TRL	GOLDEN VALLEY MN 55422	Shoreland Dist	SF Lake	1.17 \$ 2,000.00
15	14100701	CAMPBELL, WILLIAM C II	3 HIGH CIRCLE WAY	NORTH OAKS MN 55127	Shoreland Dist	SF Lake	1.11 \$ 2,000.00
16	14100700	LARSON, GEORGE & GEORGINE FAMILY TRUST	4240 STEAMBOAT BND # 201	FORT MYERS FL 33919	Shoreland Dist	SF Lake	1.08 \$ 2,000.00
17	14100699	RONZIO, JOSEPH & JOANNE	130 S CASTLEGREEN CIR	THE WOODLANDS TX 77381	Shoreland Dist	SF Lake	0.93 \$ 2,000.00
18	14100698	UTZ, MICHAEL LEE &	7251 236TH ST E	LAKEVILLE MN 55044	Shoreland Dist	SF Lake	0.71 \$ 2,000.00
19	14100697	ABBOTT, DONALD J LIVING TRUST	14455 OLDFIELD RD N	STILLWATER MN 55082	Shoreland Dist	SF Lake	0.85 \$ 2,000.00
20	14100696	OOHOUDT, LISA A TRUST	2618 COON RAPIDS BLVD NW	COON RAPIDS MN 55433	Shoreland Dist	SF Lake	0.37 \$ 2,000.00
21	14100691	OOHOUDT, LISA A TRUST	2618 COON RAPIDS BLVD NW	COON RAPIDS MN 55433	Shoreland Dist	SF Lake	2.19 \$ 2,000.00
22	14100507	YOUNCE, CARL M & CARLA M	37404 DAGGETT LN	CROSSLAKE MN 56442	Shoreland Dist - corner	SF Non-Lake	1.83 \$ -
23	14090812	SKB PETERSON PROPERTIES LLC	13751 DAGGETT PINE RD	CROSSLAKE MN 56442	Limited Commercial	Commerical	0.46 \$ 2,000.00
24	14090715	JONES, SCOTT ALAN & MARY LEE	4276 230TH AVE NW	ST FRANCIS MN 55070	Shoreland Dist	SF Non-Lake	0.96 \$ 2,000.00
25	14090714	SALSEG, JAMES A & BARBARA H	13903 DAGGETT PINE RD	CROSSLAKE MN 56442	Rural Residential	SF Non-Lake	0.96 \$ 2,000.00
26	14090713	BERNDT, MICHAEL C & JOAN M	13931 DAGGETT PINE RD	CROSSLAKE, MN 56442	Rural Residential	SF Non-Lake	0.96 \$ 2,000.00
27	14090712	KOCH, JAMES & JANET	PO BOX 209	WINSTED MN 55395	Rural Residential	SF Non-Lake	0.96 \$ 2,000.00
28	14090711	MARTIN, TIMOTHY A & ANDREA L	37463 MILLER RD	CROSSLAKE MN 56442	Rural Residential - corner	SF Non-Lake	1.08 \$ -
29	14090693	WHITCOMB, KURT ALLEN	2975 COPELAND	MAPLE PLAINE, 55359	Shoreland Dist	SF Non-Lake	0.41 \$ 2,000.00
30	14090688	PAYNE, SANDRA LEE	32537 TIMBERLANE PT	BREEZY POINT, 56472	Shoreland Dist	SF Non-Lake	0.41 \$ 2,000.00
31	14100546	WEGLEITNER, MARTIN	14799 DAGGETT PINE RD	CROSSLAKE, MN 56442	Shoreland Dist - corner	SF Non-Lake	0.47 \$ 2,000.00
32	14100539	KIVIOJA, TERRY	12257 UNITY ST NW	COON RAPIDS MN 55448	Shoreland Dist	SF Non-Lake	0.46 \$ 2,000.00
33	14100538	MEYER, TIMOTHY L & DEBRA L	285 KILBIRNIE WAY	MAHTOMEDI MN 55115	Shoreland Dist	SF Non-Lake	0.46 \$ 2,000.00
34	14100537	BEAN, DIANNE R	PO BOX 396	CROSSLAKE, MN 56442	Shoreland Dist - corner	SF Non-Lake	0.52 \$ -
35	14090581	JASON BACA LLC	32514 COUNTY RD 112	PEQUOT LAKES MN 56472-2408	Rural Residential	Vacant Res (0-5 ac)	1.74 \$ 2,000.00
36	14090577	JASON BACA LLC	32514 COUNTY RD 112	PEQUOT LAKES MN 56472-2408	Rural Residential	Vacant Res (5+ ac)	8.57 \$ 2,000.00
37	14090576	NEMES, ROSELLA I LIVING TRUST	14305 DAGGETT PINE RD PO BOX 769	CROSSLAKE MN 56442	Rural Residential	Vacant Res (5+ ac)	11.57 \$ 2,000.00
38	14090570	CRANE, SANDRA R LIVING TRUST	11969 NORTHGATE LANE	CROSSLAKE MN 56442	Rural Residential - corner	SF Non-Lake	0.97 \$ 2,000.00
39	14090564	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Vacant Res (5+ ac)	7.35 \$ 2,000.00
40	14090549	PAGEL SOLUTIONS INC, AS QI FOR	418 147TH CT NE	BRADENTON FL 34212	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
41	14090550	ANDERSON, JEROME H & SHIRLEY M	37356 CAREFREE DR # 14	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
42	14090551	SCHLAPKOHL, DAVID B &	37356 CAREFREE DR # 16	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.11 \$ 500.00

Daggett Pine Road - Final Assessment Roll							
Crosslake, MN				Total	City	Assessed	
15-May-24			Bituminous Mill & Overlay (Est)	\$265,000	\$107,500.00	\$157,500.00	
						59%	
PRIMARY PROPERTIES							Proposed Assessment
PARCEL NUMBER	OWNER	ADDRESS		ZONING/LAND USE	CURRENT USE	Acres	
43	14090552	HUESMANN, LORELIE	PO BOX 744	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
44	14090553	SCHLAPKOHL, BONNIE JEAN	37386 CAREFREE DR # 11	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
45	14090554	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
46	14090555	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
47	14090556	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
48	14090557	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
49	14090558	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
50	14090559	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
51	14090560	CHRISTENSON, PETER A	37440 CAREFREE DR # 4	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
52	14090561	KOZELKA, RICHARD M & SHARON F	37440 CAREFREE DR # 3	CROSSLAKE, MN 56442	Rural Residential	Townhome/Condominium	0.06 \$ 500.00
53	14090562	STANGEL, KEVIN D & JEANNE M	33233 WILDWOOD LANE	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
54	14090563	C & J BUILDERS INC	PO BOX 365	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.05 \$ 500.00
55	14090529	ARVIG, GREGORY G REV TRUST	36227 FOX HUNTER RD	PEQUOT LAKES, 56472	Shoreland Dist - corner	SF Non-Lake	0.51 \$ 2,000.00
56	14090528	ZENZ, DAVID P & REBECCA J	13820 DAGGETT PINE RD	CROSSLAKE, MN 56442	Shoreland Dist	SF Non-Lake	2.52 \$ 2,000.00
57	14090507	LOEW, LEANN	14362 DAGGETT PINE RD #120	CROSSLAKE, MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
58	14090508	SIMMONS, DEBORAH A	14362 DAGGETT PINE RD # 119	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
59	14090509	GATELEY, BRUCE & PATRICIA FAM TRUST	PO BOX 441	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
60	14090510	FOSCHI FAMILY TRUST	14932 BACKDAHL RD	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
61	14090511	PETERSON, JULIEANN NYLAND & DAVID B	BOX 855	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
62	14090512	MAYASICH, MARK & SANDY	14362 DAGGETT PINE RD # 115	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
63	14090513	RUDOLPH, MARY K REVOCABLE TRUST	14362 DAGGETT PINE RD	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
64	14090514	WISE, KENNETH & JENNIFER J	14362 DAGGETT PINE RD #113	CROSSLAKE, MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
65	14090515	BROWN, LINDA SUE	14362 DAGGETT PINE RD # 112	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.01 \$ 500.00
66	14090516	REED, SHARON K TRUST AGREEMENT	P O BOX 306	CROSSLAKE, MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
67	14090517	SCHILLER, JOYCE M & STEPHEN R TRUST	14362 DAGGETT PINE RD LOT 110	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
68	14090518	EMAHISER, DIANE J	14362 DAGGETT PINE RD # 109	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
69	14090519	BERGLUND, RICHARD A & KAREN L	10367 OSSAWINNAMAKEE RD	PEQUOT LAKES MN 56472	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
70	14090520	FOUNTAINHEAD FORTUNE LLC	1188 60TH ST NE	BUFFALO MN 55313	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
71	14090521	HOLMQUIST, JUDY	14362 DAGGETT PINE RD # 106	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
72	14090522	UITZ, HENRY	14362 DAGGETT PINE RD	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
73	14090523	MIKKELSON, CAROLYN L	14362 DAGGETT PINE RD #104	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
74	14090524	MILLARD, IVAN J & KATHRYN A	14362 DAGGETT PINE RD	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
75	14090525	KEIFFER, JOHN W	12850 RUSHMOOR BLVD	CROSSLAKE MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
76	14090526	GRIEP, RICHARD A	14362 DAGGETT PINE RD #101	CROSSLAKE, MN 56442	Rural Residential	Townhome/Condominium	0.02 \$ 500.00
77	14100727	MESNA, LELAND S & ALICE M	15539 DAGGETT PINE RD	CROSSLAKE, MN 56442	Shoreland Dist	SF Non-Lake	0.77 \$ -
78	14100726	BEACH DREAM LLC LLC	12795 TUCKER RD	ROGERS MN 55374	Shoreland Dist	Vacant Res (5+ ac)	19.89 \$ 2,000.00
79	14100510	VANDENBOSCH, RICHARD & LONNIE J	15257 DAGGETT PINE RD	CROSSLAKE MN 56442	Shoreland Dist	Vacant Res (5+ ac)	6.21 \$ 2,000.00
80	14100705	TIMMERMAN, LORI A TRUST U/A 2-2-11	8838 KAGAN COURT NE	OTSEGO, MN 55362	Shoreland Dist	SF Lake	1.22 \$ 2,000.00
81	14100704	TIMMERMAN, LORI A TRUST U/A 2-2-11	8838 KAGAN COURT NE	OTSEGO, MN 55362	Shoreland Dist	SF Lake	1.45 \$ 2,000.00
82	14100653	MESNA, LELAND S & ALICE M	15539 DAGGETT PINE RD	CROSSLAKE, MN 56442	Shoreland Dist	SF Lake	0.59 \$ 2,000.00
83	14100652	SCHREIBER PROPERTIES, LLC C/O ANNA SCHREIBER	2745 W CYPRESS CREEK RD STE B	FORT LAUDERDALE FL 33309	Shoreland Dist	SF Lake	0.18 \$ 2,000.00
84	14100651	SCHREIBER PROPERTIES, LLC C/O ANNA SCHREIBER	2745 W CYPRESS CREEK RD STE B	FORT LAUDERDALE FL 33309	Shoreland Dist	SF Lake	0.51 \$ 2,000.00

Daggett Pine Road - Final Assessment Roll							
Crosslake, MN				Total	City	Assessed	
15-May-24		Bituminous Mill & Overlay (Est)		\$265,000	\$107,500.00	\$157,500.00	
						59%	
PRIMARY PROPERTIES							Proposed
PARCEL NUMBER	OWNER	ADDRESS		ZONING/LAND USE	CURRENT USE	Acres	Assessment
85	14100650	SCHREIBER PROPERTIES, LLC C/O ANNA SCHREIBER	2745 W CYPRESS CREEK RD STE B	FORT LAUDERDALE FL 33309	Shoreland Dist	SF Lake	0.38 \$ 2,000.00
86	14100649	PRIEM, STEPHEN M & RHONDA K	8647 FLAMINGO DR	CHANHASSEN, MN 55317	Shoreland Dist	SF Lake	0.49 \$ 2,000.00
87	14100648	CSERPES, SHARON M TRST DATE 1-22-03, SHARON & FRANK CSERPES TRUSTEES	672 BOUNDARY BLVD	ROTONDA WEST, FL 33947	Shoreland Dist	SF Lake	1.32 \$ 2,000.00
88	14100604	VANDENBOSCH, RICHARD & EDMUND J & VANDENBOSCH, LONNIE	15257 DAGGETT PINE RD	CROSSLAKE, MN 56442	Shoreland Dist	SF Lake	0.64 \$ 2,000.00
89	14100603	SKILLINGSTAD, DENNIS & EILEEN	1800 13TH AVE S	ST CLOUD, MN 56301	Shoreland Dist	SF Lake	0.42 \$ 2,000.00
90	14100602	SKB PETERSON PROPERTIES LLC	13751 DAGGETT PINE RD	CROSSLAKE MN 56442	Shoreland Dist	SF Lake	0.30 \$ 2,000.00
91	14100601	HINDE, JANEL E	8211 TURLE CREEK BLVD	MINNETRISTA MN 55375	Shoreland Dist	SF Lake	0.32 \$ 2,000.00
92	14100600	JACOBSEN, BRADLEY D & KRISTEN M	15369 DAGGETT PINE RD PO BOX 985	CROSSLAKE MN 56442	Shoreland Dist	SF Lake	0.65 \$ 2,000.00
93	14100599	MASKEVICH, ANTHONY E & DARCY L	15889 HARTLEY BLVD S	SHAKOPEE MN 55379	Shoreland Dist	SF Lake	0.43 \$ 2,000.00
94	14100598	ZUREK, JOHN F LIVING TRUST	9185 FLYWAY CIR	EDEN PRAIRIE, MN 55347	Shoreland Dist	SF Lake	0.39 \$ 2,000.00
						Primary	\$ 136,500.00
SECONDARY PROPERTIES							Proposed
PARCEL NUMBER	OWNER	ADDRESS		ZONING/LAND USE	CURRENT USE	Acres	Assessment
1	14090689	PAYNE, SANDRA LEE	32537 TIMBERLANE PT	BREEZY POINT, MN 56472	Rural Residential	SF Non-Lake	0.41 \$ 1,000.00
2	14090690	PAYNE, SANDRA LEE	32537 TIMBERLANE PT	BREEZY POINT, MN 56472	Rural Residential	SF Non-Lake	0.46 \$ 1,000.00
3	14090691	PAYNE, SANDRA LEE	32537 TIMBERLANE PT	BREEZY POINT, MN 56472	Rural Residential	SF Non-Lake	0.46 \$ 1,000.00
4	14090692	WHITCOMB, KURT ALLEN	2975 COPELAND	MAPLE PLAINE, MN 55359	Rural Residential	SF Non-Lake	0.41 \$ 1,000.00
5	14090578	KYCIA, RICHARD PETER & TAMMY LEE	14331 DAGGETT PINE RD	CROSSLAKE MN 56442	Rural Residential	SF Non-Lake	1.42 \$ 1,000.00
6	14090579	BLASKOWSKI, CHRISTOPHER J	8868 NUTHATCH RD	ST JOSEPH, MN 56374	Rural Residential	SF Non-Lake	1.78 \$ 1,000.00
7	14090580	SMITH, AARON & BRITTANY	54196 185TH LANE	GOOD THUNDER, MN 56037	Rural Residential	SF Non-Lake	1.79 \$ 1,000.00
8	14100592	REILLY, JOSEPH M JR & PATRICIA L	20235 N. SUNDANCE WAY	SURPRISE AZ 85374	Shoreland Dist	SF Lake	0.39 \$ 1,000.00
9	14100593	SCHROEDER, STEVEN L REV TRUST	10310 57TH AVE N	PLYMOUTH MN 55442	Shoreland Dist	SF Lake	0.34 \$ 1,000.00
10	14100594	MOORE, DOUGLAS C & ALETTA L	14181 JON CARVER PKWY	CARVER, MN 55315	Shoreland Dist	SF Lake	0.32 \$ 1,000.00
11	14100595	HOVERSTEN, DAVID V	1922 5TH AVE NW	AUSTIN MN 55912	Shoreland Dist	SF Lake	0.28 \$ 1,000.00
12	14100596	FREDRICKSON, BRYAN W & NANCY R	1663 MALLARD DR	EAGAN, MN 55122	Shoreland Dist	SF Lake	0.30 \$ 1,000.00
13	14100597	TENNEY, CAROLYN M & DANIEL R(1/2INT	5980 ROYAL OAKS DR	SHOREVIEW, MN 55126	Shoreland Dist	SF Lake	0.38 \$ 1,000.00
14	14100567	FRIEDERICH, DUANE A & KAREN A	37698 MOEN BEACH TRL	CROSSLAKE MN 56442	Shoreland Dist	SF Non-Lake	0.48 \$ 1,000.00
15	14100568	DOEDE FAMILY REVOCABLE TRUST	1344 BIRCH PARK RD	HOULTON WI 54082	Shoreland Dist	SF Non-Lake	0.46 \$ 1,000.00
16	14100569	RESNIKOFF, ERIC A & NORA A	6920 CROSBY AVE	INVER GROVE HTS, MN 55076	Shoreland Dist	SF Non-Lake	0.52 \$ 1,000.00
17	14100570	SEIBERT-VOLZ, MARCIA & JEROME VOLZ	37668 MOEN BEACH TRL	CROSSLAKE MN 56442	Shoreland Dist	SF Non-Lake	0.53 \$ 1,000.00
18	14100571	FRIEDERICH, DIANNE M REVOCABLE TRUST	5544 WENTWORTH AVE S	MINNEAPOLIS MN 55419	Shoreland Dist	SF Non-Lake	0.52 \$ 1,000.00
19	14100572	HOFFMAN, DARYL J & SUSAN C	8467 ISLAND BREEZE AVE	PANAMA CITY BEACH FL 32413	Shoreland Dist	SF Non-Lake	0.45 \$ 1,000.00
20	14100573	LINDSTAM, STEVEN & SUSAN TRUST AGR	37646 MOEN BEACH TRL	CROSSLAKE MN 56442	Shoreland Dist	SF Non-Lake	0.47 \$ 1,000.00
21	14100728	CUMMINGS, CHRISTOPHER & HEATHER	12795 TUCKER RD	ROGERS MN 55374	Shoreland Dist	SF Non-Lake	1.12 \$ 1,000.00
						Secondary	\$ 21,000.00
						Total	\$ 157,500.00

4.
a.

City Clerk

From: Trish Doede <trish.doede@gmail.com>
Sent: Monday, July 1, 2024 3:55 PM
To: trish.doede@gmail.com; rod.doede@gmail.com; City Clerk
Subject: Proposed Dagget Pine Road Assessment for 37692 Moen Beach Trail



IRONSCALES couldn't recognize this email as this is the first time you received an email from this sender
trish.doede@gmail.com

To whom it may concern,

I am unable to attend the public hearing regarding the proposed assessment for Daggett Pine Road Improvements. Please accept and consider this email as my official comments.

As a property owner on Moen Beach Trail, a private road, we receive no services from the city for maintenance or improvements to our road. We must pay for this out of pocket. While we utilize Daggett Pine Road to access our road, so do the owners on Wilderness Trail, Dream Island Road, Waterwood Ct, Deer Ridge Dr and Miller Road; but, it is my understanding these owners will not be assessed. The rationale I was provided by the City Clerk was that these homeowners will be assessed when their roads are resurfaced. While I understand the rationale of assessing these owners when their own road is done, I do not believe that should equate to assessing the Moen Beach owners now just because it is the only time you can assess them. The operative words in your rationale are 'those homeowners will be assessed when their roads are done'. Our road will never be done by the city and again I reiterate, we must pay out of pocket for our maintenance and improvements. We should not be treated differently than the other homeowners above - you can assess us in the future when and if you ever do improvements to Moen Beach Trail.

I totally understand the need for funding general road maintenance and believe the property taxes I pay should cover that. Based on my property tax statements, each year going back to 2022, 32% of my property taxes went to the city of Crosslake and looking at the 2024 budget (online from 11-15-2023), 65% (\$2.537 million) of the city's general property tax revenues (\$3.918 million) went to the Public Works Department budget line item. I believe this amount covers the maintenance and services I enjoy while driving on Daggett Pine Road or any of the other city roads, because none of it goes to Moen Beach Trail. Over 70,000 people per year access the Community Center by driving on Daggett Pine Road and they are not assessed for using that road - I see Daggett Pine Road in the same way for Moen Beach Trail owners - it is a public road that gets us to where we want to go and we pay for its maintenance through our property taxes.

I would also like to note that if this assessment is somehow approved, the proposed dollar amount does not seem like an equitable split. I understand it was based on the sizes of the properties that border Daggett Pine Road. The great majority of the single family properties being assessed fully border Daggett Pine Road and the mode assessment is \$2000. The largest assessment is \$3500 for a 39 acre property, yet the Moen Beach Trail owners have a singular driveway width access point to Daggett Pine Road and a combined acreage of far less than 39 acres and yet we are being assessed \$1000 each for a cumulative assessment of far more than \$3500. It would seem to me that the \$1000 assessment should be divided

equally among the Moen Beach Trail owners rather than \$1000 each. To be clear though, I do not think Moen Beach Trail owners should be assessed at all.

Thank you for your consideration.
Patricia Doede

6.

**CITY OF CROSSLAKE, MINNESOTA
RESOLUTION NO. 24-____
RESOLUTION ADOPTING ASSESSMENT**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to proposed assessment for the improvement of Daggett Pine Road between CSAH 66 and Dream Island Road; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CROSSLAKE, MINNESOTA:

1. Such proposed assessments, a copy of which is attached hereto and made part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of ____ years, the first of the installments to be payable on or before the first Monday of January 2025, and shall bear interest at the rate of ____% per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2024. To each subsequent installment when due shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City of Crosslake, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the County Auditor the entire amount of the assessment remaining unpaid, with interest accrued to December 31st of the year in which such payment is made. Such payment must be made before November 15th or interest will be charged through December 31st of the next succeeding year.
4. The City Administrator shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax list of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the Crosslake City Council this 8th day of July, 2024.

David Nevin
Mayor

Charlene Nelson
City Clerk