

**VILLAGE OF ELM GROVE
BOARD OF REVIEW
May 29, 2019**

***DISCLAIMER – THE FOLLOWING ARE DRAFT MINUTES
AND ARE SUBJECT TO CHANGE UPON APPROVAL
OF THE BOARD OF REVIEW***

Present: President Palmer, Trustees Haas, Irwin, Michalski, Domaszek, Kressin, and Cornell.
Mary S Stredni Village Clerk, Allan Land Assessor, Jeff Thornton Assistant Assessor. Also
present Barbara Dassow – court reporter.

1. Call to Order and roll call
Mary Stredni brought the meeting to order at 5:00 p.m. and took the roll.
2. Select Chairperson and Vice Chairperson
Trustees Haas and Michalski moved and seconded to appoint President Palmer as Chairperson.
Motion carried.
Trustees Michalski and Palmer moved and seconded to appoint Trustee Haas as Vice
Chairperson. Motion carried.
3. Verify member training
Mary Stredni verified that Trustees Cornell and Irwin have met the training requirements.
4. Approval of minutes
Trustees Kressin and Cornell moved and seconded to approve the October 10, 2018 minutes.
Motion carried.
5. Assessor update
Allan Land provided yearly market comparison. There has been more sales of lower price
homes, there is a 6% overall increase for 2019, the assessments are at 93% of equalized value
per the Department of Revenue.
In 2020 will start with re-inspection program. Property owners are no longer required to let the
assessor in to review the property so more information will come from building permits and
MLS listings.
Net new construction for 2019 is approximately \$4,850,000.
6. Receive assessment roll and sworn statements
The Board of Review examined the assessment roll.
7. There were no Scheduled objections

The Board reviewed the Request for Waiver of Board of Review Hearing from North Shore Bank,
for parcel EGV 1112.997 – 15670 W Bluemound Rd., Elm Grove. As the 2019 assessment was
unchanged from 2018, North Shore Bank continues to contest the 2018 assessment of the
property. There is no new testimony from 2018. Allan Land stated that he did not exempt the
property for 2019.

President Palmer and Trustee Haas moved and seconded to accept the waiver. Motion carried.

8. Hearing of Objections

Mary S Stredni stated that James Perry, 14970 Irene Ct. filed the Notice of Intent and an Objection to Real Property assessment on Tuesday May 28, 2019 which was not within the 48 hour period. President Palmer and Trustee Haas moved and seconded to approve hearing the case.

Mary S Stredni swore in James Perry, Allan Land, and Jeff Thornton.

President Palmer asked Perry what his opinion of the assessed value is. Perry stated \$618,775 at 100% valuation.

Perry testified that the land was vacant and he built the home in 2018; the landscaping, driveway, and pool area are not complete. The cost of changes as of January 1, 2019 are \$704,000 plus land. Verified that it does include labor. This is not a traditional home as it includes a 'guest or in-law suite'. Chase Bank would not give him a loan. Testified that the land was gifted to him, by his parents. Does not believe it was ever appraised. President Palmer asked what the insurance value is. Perry stated that he does not know.

President Palmer verified that the parcel is assessed at \$734,600 but Perry believes the in-law suite makes it actually worth less. Again stated that his bank would not give him a loan. Stated that in general not many people would pay the extra for the in-law suite. Also, his parents' house, which is next door, has been on the market since fall and has not sold. He comes to his value by taking the square foot total of the in-law suite and subtracting it out.

Trustee Domaszek arrived at 5:40 p.m.

Trustee Kressin asked if the in-law suite shared anything with the rest of the home. Yes, the garage, an entrance into the house, and laundry facilities.

Allan Land verified that the Waukesha County Register of Deeds has a quit claim deed on file, with a value of \$150,000. Asked if Perry did get a mortgage. Perry testified that he did get a \$600,000 mortgage from Great Midwest Bank. Also testified that he did get an appraisal which set the value at about \$1 million.

Allan Land provided Exhibit – Assessor 1 photos of the home. Noted that on page 2 the pool area did not exist on January 1st and was not included in the assessment. Provided Exhibit – Assessor 2 house plans and Certified Survey Map. Page 3 highlights the 'guest' in-law suite. Allan noted that Fanny May has created a new product which does cover this type of home. Opined that it was Chase Bank's decision to not give a loan to Perry. There are other institutions which do provide mortgages on this type of property. Provided Exhibit – Assessor 3 Pew Research which gives statistics regarding multiple generations living under one roof and that there is now a record number of this type of household. Exhibit – Assessor 4 Considerations when Appraising a Home with an in-law suite which states that there are no negative consequences of having this type of property and you will get the most value for the finished area when the suite is above grade and contiguous to other finished areas as this property has.

Exhibit – Assessor 5 The Growth of Multigenerational Homes by Value Penguin. Shows market evidence that the value of this type of property is not diminished. President Palmer opined that

the pool of buyers may be smaller, but that does not mean they will pay less. Allan stated that as an assessor he has not seen a negative effect. Provided Exhibit – Assessor 6 market grid which gives an estimated fair market value of \$789,900.

Perry stated that even though the assessor stated that there are several options for a mortgage for this type of property, he could not go to his local bank. Opined that Exhibit 3 is not relevant because it also notes that younger children are living with parents, not parents living with their children. Again stated that in the future when he tries to sell there will be fewer buyers and if there are fewer buyers then he will get a lower price. President Palmer asked if there was any reason why in the future the layout could not be changed. It was verified that there is only one gas/electric meter – there is not a separate one for the in-law suite.

Kressin noted that in the past, if there were no comparables for a property constructions costs would be used. So if the costs to date have been \$1 million then the \$734,600 assessed value is less than that. Domaszek verified that the assessor did not add value because of the in-law suite. President Palmer stated that Chase Bank may have chosen not to give a loan but that does not give a value for the property. Perry again stated that his parent's property has not sold

Haas stated that the construction cost plus the land is more than the assessment. As there was no more testimony President Palmer closed the hearing.

Trustees Michalski and Cornell moved and seconded to accept the assessor value as correct as the property owner did not provide any evidence to change the assessment. Motion carried.

9. Acceptance of assessment roll

Trustees Kressin and Irwin moved and seconded to accept the assessment roll. Motion carried.

10. Adjourn

Trustee Michalski and Kressin moved and seconded to adjourn at 7:00 p.m. Motion carried.

Respectfully submitted,

Mary S Stredni
Village Clerk