DAKOTA COUNTY ASSESSING SERVICES

ADMINISTRATION CENTER
651-438-4200

MEMO

DATE: February 28, 2023

TO: Dakota County Commissioners

FROM: Scott Lyons, Assessing Services Director

RE: 2023 Value Update

Valuation notices for 2023 market values will be mailed March 10, 2023. There are approximately 138,286 notices being mailed to manufactured home, real and personal property owners. An additional 22,840 property owners will receive electronic notices via email which is a 12% increase over this mailing last year (20,455 in 2022).

Market value changes varied across property types for the 2023 assessment for taxes payable in 2024. Residential property values have increased on average between 2 – 5%, with a few areas exceeding 6%. Apartment increases vary by property type and generally increased 3 – 18%. Commercial increases vary by property type and generally increased 7 – 12% with some property types remaining flat. Industrial property increased 17 – 25% with some property seeing increases above or below this range depending on type and location. Agricultural land estimated market values increased on average 11%, while taxable values, which we receive from the MN Department of Revenue (Green Acres and Ag Preserve) increased about 19%. Due to revaluation and market trends, there are some areas/parcels that had above/below average value changes. Exempt property changes vary by individual properties and the value of exempt properties are not included in the market value totals below. Railroad and utility valuations are assessed and certified by the MN Department of Revenue by June 30th and July 15th, respectively. Changes in value for these state assessed property types are unknown and will not be reflected in the following taxable market value totals.

Countywide taxable market values, including new construction, increased approximately 7.06% to $72.4 billion. The total net tax capacity has increased 8.04% for the 2023 assessment, taxes payable in 2024, to $842,975,000; 6.21% of the increase is attributed to changes in the real estate market and 1.83% is attributed to new construction. Tax base figures will likely decrease slightly as the year goes on due to valuation and classification changes. Additionally, the legislature may make changes that impact market value and/or tax capacity values. The effect of any legislative actions will not be known until mid-summer.

In summary, the 2023 **estimated** market value (EMV) is $73.7 billion; the **taxable** market value (TMV) is $72.4 billion. The 2022 EMV was $69.06 billion; TMV was $67.63 billion. Attached is a comparison of taxable market value and local tax capacity by property usage.

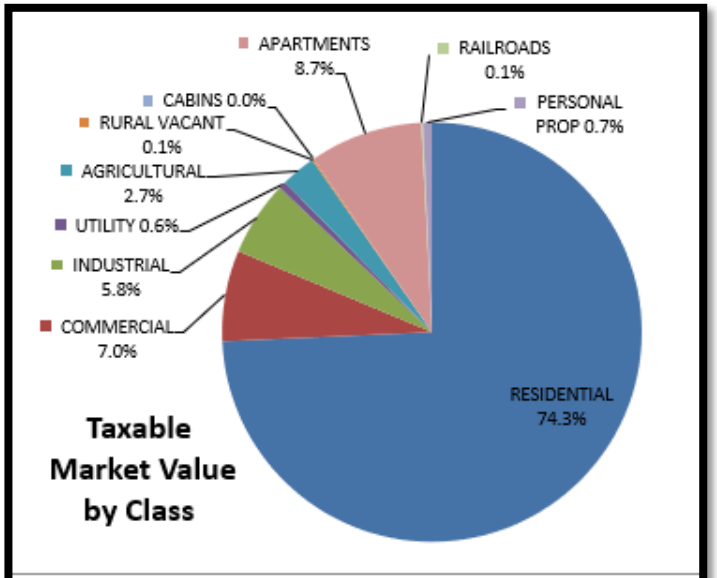
Open Book and Board of Appeal and Equalization attendance is expected to be similar to last year. Attached is the schedule for the 2023 Open Book Review Period and Board of Review meeting for your information.

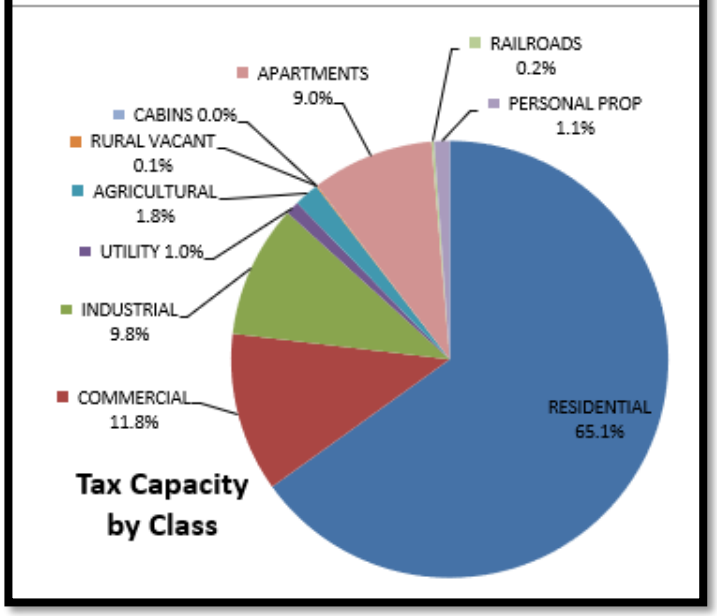
Market value and appeal information that may be helpful has been updated on the website at http://www.co.dakota.mn.us/HomeProperty/Assessing/Pages/default.aspx.

Dakota County Usage Classification Report - Real Estate and Personal Properties

TAXABLE MARKET VALUE	2022 Pay 2023		2023 Pay 2024		
USAGE CLASS	TAXABLE MKT VALUE	% of Total	TAXABLE MKT VALUE	% of Total	% Chg
RESIDENTIAL	51,269,655,382	75.8%	53,797,938,696	74.3%	4.9%
COMMERCIAL	4,612,718,000	6.8%	5,064,720,000	7.0%	9.8%
INDUSTRIAL	3,448,560,100	5.1%	4,185,442,700	5.8%	21.4%
UTILITY	421,624,900	0.6%	425,539,300	0.6%	0.9%
AGRICULTURAL	1,711,076,587	2.5%	1,925,346,241	2.7%	12.5%
RURAL VACANT	86,020,300	0.1%	91,042,300	0.1%	5.8%
CABINS	2,774,700	0.0%	2,866,100	0.0%	3.3%
APARTMENTS	5,494,893,600	8.1%	6,327,086,400	8.7%	15.1%
RAILROADS	86,617,500	0.1%	86,762,900	0.1%	0.2%
PERSONAL PROP	492,676,896	0.7%	497,547,440	0.7%	1.0%
COUNTY TOTALS	67,626,617,965	100.0%	72,404,292,077	100.0%	7.06%

LOCAL TAX CAPACITY	2022 Pay 2023		2023 Pay 2024		
USAGE CLASS	LOCAL TAX CAPACITY	% of Total	LOCAL TAX CAPACITY	% of Total	% Chg
RESIDENTIAL	521,683,663	66.9%	548,737,880	65.1%	5.2%
COMMERCIAL	90,163,210	11.6%	99,195,021	11.8%	10.0%
INDUSTRIAL	68,127,887	8.7%	82,857,386	9.8%	21.6%
UTILITY	8,425,300	1.1%	8,503,614	1.0%	0.9%
AGRICULTURAL	13,750,940	1.8%	15,486,549	1.8%	12.6%
RURAL VACANT	721,401	0.1%	756,447	0.1%	4.9%
CABINS	27,747	0.0%	28,661	0.0%	3.3%
APARTMENTS	66,038,425	8.5%	76,090,648	9.0%	15.2%
RAILROADS	1,729,864	0.2%	1,732,772	0.2%	0.2%
PERSONAL PROP	9,600,612	1.2%	9,586,012	1.1%	-0.2%
COUNTY TOTALS	780,269,049	100.0%	842,974,990	100.0%	8.04%





2023 Valuation Notice Appeal Section

The following appeal options are available:

Open Book Informal Appeal Option
Review Period - March 9, 2023 to May 1, 2023

Complete a Property Inquiry and Appeal Form: at www.dakotacounty.us and search Appeal Form and complete the form, OR

Email: assessing.services@co.dakota.mn.us, OR

Call: 651-438-4200 Monday through Friday 8:00am-4:30pm

Formal Appeal Option
Special County Board of Appeal and Equalization Meeting

June 12, 2023 at the Dakota County Western Service Center
14955 Galaxie Avenue, Apple Valley, MN 55124

Call: 651-438-4200 by May 1, 2023 for an appointment.

Don't wait to appeal or question your **CLASSIFICATION or VALUATION.**

The County Board of Appeal and Equalization Meeting occurs in early June of the valuation year (see specific date above). It is important you contact Assessing Services prior to the County Board of Appeal and Equalization Meeting if you wish to appeal your value or classification to ensure all appeal options are available to you.

Visit www.dakotacounty.us to find property, value, tax and sales information.
Contact information is listed above if you still have questions or concerns.

To receive your valuation notices and tax statements through email, visit www.dakotacounty.us and search *electronic notices.*