

BOARD OF EQUALIZATION
CITY OF DICKINSON, NORTH DAKOTA

April 9, 2019

Pursuant to due call and notice, with notice of publication in the Dickinson Press, the Board of Equalization met in compliance with North Dakota State Law. The meeting was held on April 9, 2019 commencing at 4:30pm, in City Hall located at 99 2nd Street East.

1. CALL TO ORDER

President Scott Decker called the meeting to order at 4:30pm and directed that a copy of the published notice be included as part of the minutes and tax roll completed.

NOTICE
The City of Dickinson
Board of Equalization
will meet on
Tuesday, April 9, 2019
at 4:30PM at
City Hall, 99 2nd Street
East.
(Published: March 11 & April 7, 2019)

ROLL CALL

Present: President Scott Decker, Commissioners, Jason Fridrich, Sarah Jennings-Trustem, and Nicole Walla. Also present: City Assessor Joe Hirschfeld, City Administrator Joseph Gaa, and City Deputy Administrator Linda Carlson, and Dickinson City Attorney Jan Murtha. Absent: Carson Steiner

2 City Assessor Joe Hirschfeld reported the assessment roll has been completed.

President Decker asks if there is anyone from the public who would like to speak about their property they may do so after we have heard from the two scheduled property owners.

3 ASSESSOR'S REPORT:

Mr. Hirschfeld talked about the trend in the market for residential and commercial properties. Mr. Hirschfeld stated that out of 10,400 parcels, 365 notices of increase were sent out. Notices of Increase were sent out when the property has a 10% increase and a \$3,000 increase. As of the morning of the meeting there were 38 properties who contested their value and 14 corrections that were made, with a

total net change of \$5.7million in value. Mr. Hirschfeld recommends that all values remain as adjusted at this time. President Decker asked if there were any questions at this time about his report. No questions were asked.

4 President Decker stated that there was one residential abatement this year for the 2018 value. Deb Kirschenheiter, Senior Property Appraiser presented the Abatement information for the George and Patricia Ehlis property. Mr. Ehlis has a 2018 value of \$525,700 and is requesting \$425,000. Ms. Kirschenheiter and Mr. Hirschfeld completed an inspection of the property and corrected the property record card which lowered the value to \$492,000. Mr. Ehlis was pleased that an adjustment was made. Assessing staff recommends that the 2018 value of the property be reduced to \$492,000.

Mr. Fridrich made a motion to approve the change in assessment from \$525,700 to \$492,000.

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

5 President Decker is asking that if the public has a property that they would like to contest the assessed value of, they may come forward and speak about their property. President Decker is asking that the public state their name and the property that is being contested.

Dave Bauer, President of Bauer Property Management spoke on behalf of Carlos Royal, who is appealing the values of three of his apartment buildings: Silvergate Townhomes (12 units) 343 9th Avenue E, Century Apartments (120 units) 1156 21st Street W, and Park Place Apartments (12units) 338 1st Avenue E. Mr. Royal is seeking a reduction of the 2019 values on these three properties.

Mr. Bauer talks about State law and fair values. Mr. Bauer read parts of a letter written by Mr. Royal that involve Mr. Hirschfeld. Mr. Royal is asking that the Commission review comparable sales to properties like his, independent appraisals from 2017 and 2018 of these properties and the 2018 State appraisal and reduce his values five percent. Mr. Bauer talks about the comparables that were provided for Mr. Royal's properties and the independent appraisal prepared by Joe Ibach, which has been shown before. Mr. Bauer stated that Mr. Royal handed in his own income and expense sheet to Mr. Hirschfeld. Ms. Trustem questioned a value on Park Place that was put in Mr. Royal's report that differs from the State report value of \$455,000. Mr. Bauer stated that was a mistake within the report.

President Decker clarifies that these values that are being contested tonight are from when the State Board reduced the values for 2018, not what the City of Dickinson assessed them at. President Decker also reminded the commercial property owners that it is very important to complete and hand in the income and expense forms to the Assessing Department in a timely manner.

Mr. Hirschfeld clarifies his comment of "it comes out in the wash" since it has been taken out of context. Mr. Hirschfeld points out three 2019 sales that occurred this year. Mr. Royal purchased three apartment buildings in a multi-parcel sale that are not part of this sales analysis. These three properties are assessed at 8% below the price that Mr. Royal paid. When we talk about the median sales ratio that

is the middle of the market. Some properties will be slightly under assessed and some properties will be slightly over assessed. Joe explains that our office is very consistent and we have to follow State law, we do not target properties for what the sale prices are.

President Decker would like to know if there is anything we can do for the larger apartment buildings? Mr. Hirschfeld thanks Mr. Bauer and Mr. Royal for sending their income information into the office. It is very difficult to determine value for commercial properties off of one income and expense statement because one property does not make a market. Mr. Hirschfeld stated that we could put possibly a 7.5%-10% obsolescence on the improvements of the apartments that are more than 100 units. Ms. Trustem asked Mr. Hirschfeld how the market sales compare from 2018 to 2019. Mr. Hirschfeld replies that the 2017 and 2018 value of apartments were at 98% of sale price. The trend for the 2019 sales that have occurred shows the values to be 92% of sale prices.

Ms. Trustem asked Mr. Hirschfeld why there is a difference between the City values and the State values. Mr. Hirschfeld stated that the rate of return the State used is different from what Mr. Hirschfeld saw in the market. Mr. Hirschfeld then explains rate of return, which is the net gain or loss on an investment over a specific time period.

President Decker would like to recommend looking at a 10% reduction on the improvements to the larger apartment buildings of 100 units or more. Mr. Hirschfeld does not see a problem with making those changes and bringing them before the Board at the next meeting.

Mr. Fridrich asks how the most recent sales compare to Mr. Royal's properties as far as price per unit. After much discussion Mr. Hirschfeld points out that the 3 sales that Mr. Royal purchased in 2019 are a perfect example of the median. The assessed values are at 8% below market.

Mr. Fridrich made a motion to deny a reassessment on Silvergate Apartments.

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Mr. Fridrich made a motion to change the value of Park Place Apartments to \$40,000/unit.

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Century Apartments (120 units) 1156 21st Street W 2019 value is \$6.9 million.

Mr. Fridrich made a motion to table this property to look at the possibility of applying a 10% reduction on the improvements.

MOTION BY: Jason Fridrich SECOND BY: Nicole Walla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Terry Clement, Dickinson has several properties he wishes to dispute the values.

Abode Properties, Inc. (24 units) 1527 10th Avenue W

Temili, Inc. (18 units) 1589 10th Avenue W

Jewel Blue, LLC (12 units) 2150 1st Street W

TMJ Properties, LLC (8 units) 128 23rd Avenue W

Mr. Clement is wondering why the City of Dickinson can't keep the value that the State awarded him in 2018. President Decker asked Mr. Clement if he has spoken with Mr. Hirschfeld. Mr. Clement stated that he has talked to Mr. Hirschfeld 20 times. Mr. Clement stated that he doesn't want any double talk. He wants the City of Dickinson to stay with the numbers that the State came up with. Mr. Clement stated that his one bedroom apartments rent for \$325-\$425/month and his 2 bedroom apartments rent for \$475-\$575/month. Mr. Clement wants the City of Dickinson to leave the State values for a couple years and see what the market does. Mr. Clement says that the City of Dickinson is over built. President Decker clarifies that the city assessed value was not the same as the state valuation. When the State reduced his 2018 value that was only for that one year.

Mr. Clement begins talking about Pheasant Run Properties, LLC at 2236 1st Street W and a rental house at 238 10th Avenue E. Mr. Clement has not talked with Mr. Hirschfeld about these properties but says he will. The rental house was part of the reappraisal area. This property was estimated because the Appraiser did not get into the property.

Mr. Hirschfeld attempts to explain to Mr. Clement how the values are calculated and begins explaining cap rates. Mr. Clement interrupts Mr. Hirschfeld stating he doesn't want to hear about cap rates. Mr. Clement stated that he doesn't want to hear "double talk" and that he only follows the market and rent prices. Mr. Hirschfeld explains the Assessing Department has property owners that swear by cap rates and some that do not. There is much discussion between the Commission and Mr. Hirschfeld about the apartment properties of Abode and Temili.

Ms. Trustem makes a motion to deny the value on Abode Properties, Inc.

Mr. Clement becomes upset with Ms. Trustem's motion and becomes disrespectful. Ms. Trustem explains the State report to Mr. Clement. Mr. Clement continued to be disrespectful to the City Commission. President Decker stated to Mr. Clement that you are not helping your case. Mr. Hirschfeld suggests to table the decision so they can compare the differences between the Abode and Temili

apartment buildings and the land. Mr. Hirschfeld states that our models are cost based and we take in to account the size, garage, and land when determining values.

Mr. Fridrich made a motion to table Abode Properties, Inc. and Temili, Inc. until the next meeting.

MOTION BY: Jason Fridrich SECOND BY: Nicole Walla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Jewel Blue 2150 Ist Street W

Ms. Trustem made a motion to deny the adjustment on Jewel Blue.

MOTION BY: Sarah Jennings-Trustem SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

TMJ Properties 128 23rd Avenue W

Ms. Trustem made a motion to deny the adjustment on TMJ Properties.

MOTION BY: Sarah Jennings-Trustem SECOND BY: Nicole Walla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Sierra Ridge {278 units} 2001-2062 Sierra Commons Rd

Mr. Hirschfeld reports that Sierra Ridge is being represented by Ethan Horn from Ryan Inc. Mr. Horn is not at the meeting tonight and may be at another jurisdiction for their BOE meeting. Mr. Hirschfeld states he quickly reviewed their information and found they used a cap rate of 11.18%. His report from the recent Assessment Analysis which was performed by Vanguard Appraisals, Inc. uses a cap rate of 6.15% which he feels may be high since that rate is for older properties and Sierra Ridge is a newer property. Sierra Ridge Apartments would qualify for the 10% reduction to improvements due to having over 100 units.

Ms. Trustem made a motion to table Sierra Ridge.

MOTION BY: Sarah Jennings-Trustem SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Roers Properties

Prairie Winds Apartments 1(36 units) 442112¹_hStreet W

Prairie Winds Apartments 2 (36 units) 446112¹_hStreet W

West Ridge Apartments (155 units) 1425-1465 Roughrider Blvd

West Ridge Market Center 3275 West Ridge Drive

Vacant lots and unimproved land in West Ridge Subdivision

Jeremy Easum works for Roers Companies and is representing Roers Development, Inc. He is here to dispute several parcels for 2019, with the biggest one being West Ridge Apartments (155 units) 1425-1465 Roughrider Blvd. Roers had an independent appraisal done by CBRE in November 2018 and the value per unit came out to around \$64,000 per unit while the assessed value of West Ridge Apartments is over \$106,000 per unit. Mr. Easum stated that Roers is heavily invested in Dickinson with paying over 6% of the city's total commercial property tax. He apologizes for bringing the materials late as this is a busy time of year for their accounting department. He highlights the packet of information that he presented to the Commission with a list of the parcels they are disputing the valuations on along with their proposed values. They own 260 parcels of land in Dickinson, and are disputing 27 parcels.

President Decker is asking Mr. Easum about the unimproved land and if the land was platted or not. The land is platted. The board would like more information on the unimproved land.

Ms. Trustem made a motion to table all the unimproved land since they just received all this information at the meeting.

MOTION BY: Sarah Jennings-Trustem SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Regarding the vacant land parcels, Mr. Hirschfeld stated that there was a 50% reduction in values between 2018 and 2019 which would have been part of the land residual study prepared by Vanguard Appraisals, Inc. Mr. Hirschfeld calls on Mr. Bob Ehler, President of Vanguard Appraisals, Inc. to explain his process of how he arrived at the values in the Assessment Analysis prepared for the City of Dickinson. He worked with Mr. Hirschfeld to analyze the commercial properties. They sent out income and expense forms to all the income producing properties and compared that to the sales that occurred to arrive at market rents and capitalization rates. They concluded that a 6.65% cap rate was indicated by the market. This information was applied to all 12 operating statements that were received for apartment buildings and compared them to the market rent with the 6.65% cap rate. They compared the sales approach and the income approach to select properties to determine indicated value. The model that the City uses is a cost model so that was also compared, therefore using all three approaches

to value. The results indicated that a 20% economic obsolescence should be given to all of the apartments.

There were no sales on the large apartments and not enough income data to use the income approach. When reviewing some additional information that just came in, recent sales in the Williston market and looking at cap rates it was determined that the large apartment complexes do need a 10% reduction.

Mr. Ehler, addresses the appraisal that Roers submitted tonight on the West Ridge Apartments. He notes one of the comparable properties used was a distressed sale and should not have been used, but when you remove that sale and compare the rest of the sales, the values align. The appraisal also used an inflated cap rate which gives a much lower value to the appraised property. This shows how the distressed sale, which is not an arm's length sale, affects the appraisal. President Decker agrees with Mr. Ehler on this point.

Ms. Trustem made a motion to deny the vacant land by parcel due to the recent Assessment Analysis prepared by Vanguard Appraisals, Inc. which includes 2505-0500-0700, 2500-0300-0600, 2509-0200-1700, 2509-0200-1400, 2509-0200-1200, 2509-0200-1300 and 2509-0200-0800.

MOTION BY: Sarah Jennings-Trustem SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Mr. Fridrich made a motion to deny Prairie Winds 1 Apartments (36 units) 4421 12th Street W and Prairie Winds 2 Apartments (36 units) 4461 12th Street W.

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

West Ridge Market Center 3275 West Ridge Drive

West Ridge Market Center strip mall has 9 units. The 2019 value is \$5,279,700 and Roers is asking for a value of \$2,270,000. Mr. Fridrich asks about offices, income statements, and how much vacancy there has been since it was built. Mr. Hirschfeld would like to review the property record card and wouldn't be against adding obsolescence due to the vacancies. Mr. Ehler explains that there have been vacant lot sales recently that were used in the analysis. This is considered when determining vacancy obsolescence.

Mr. Easum states the vacant parts of the strip mall are just a shell and dirt floors. They wait to see what the tenants want for plumbing before the concrete goes in. Mr. Hirschfeld states that he does not recall receiving income information on this property. Mr. Fridrich would like to see the income statements and more information on this parcel before making a decision and suggests to Mr. Easum

that it may be in his best interest to provide that information. Mr. Decker would like to see financial information on occupancy and rental rates.

Mr. Fridrich made a motion to table this parcel to review more information.

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

West Ridge Apartments (155 units) 1425-1465 Roughrider Blvd

West Ridge Apartments is over 100 units and would qualify for the 10% reduction.

Ms. Trustem made a motion to table West Ridge Apartments.

MOTION BY: Sarah Jennings-Trustem SECOND BY: Nicole Walla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Custer Crossing (108 units) 1541-1763 Carroll Street

Mr. Hirschfeld reports that Custer Crossing contacted him in the last day or two and would like to have their value reduced to their purchase price. It was the distressed sale referenced in the appraisal that was spoken about earlier. It is over 100 units and would qualify for the 10% reduction.

Mr. Fridrich made a motion to table Custer Crossing for more information.

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

7. No properties to add to the assessment list.

8. Mr. Fridrich made a motion to accept the values presented except those that were tabled.

MOTION BY: Jason Fridrich SECOND BY: Nicole Walla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

9. Real Estate Exemptions

Ms. Trustem made a motion to approve the Real Estate Property Tax Exemptions.

- A. To approve the Real Estate Property Tax Exemptions under NDCC 57-02.2-02 & 03 and 57-02-08 (35) (36).

MOTION BY: Sarah Jennings-Trustem SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

10. Mr. Fridrich made a motion to continue the meeting on April 24, 2019 at 9:00 am.

Adjournment: Motion carried to adjourn meeting at 6:48pm

MOTION BY: Jason Fridrich SECOND BY: Sarah Jennings-Trustem

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed

The Board of Equalization meeting will reconvene on Wednesday, April 24, 2019 @ 9:00 am determined at the April 9th, 2019 Board of Equalization meeting.

1. President Scott Decker called the continuation meeting to order at 9:01 am.

Present: President Scott Decker, Commissioners Jason Fridrich, Carson Steiner, Nicole Walla. Also present: City Assessor Joe Hirschfeld, City Administrator Joe Gaa, Deputy City Administrator Linda Carlson, and Dickinson City Attorney Jan Murtha.

Absent: Sarah Jennings-Trustem

The following 23 properties and Roers's 16 vacant lots are to be discussed:

Century Apts. - Carlos Royal 160-0100-0101 1156 21st Street W

West Ridge Apts. 2500-0100-0200 1425-1465 Roughrider Blvd.

Custer Crossing 1631-0500-1100 1541-1763 Carroll Street

Stoneridge 1678-0100-0100 2641 Dakota Blvd

Dakota West Apts. 1674-0100-0100 2540-2598 4th Street W

West View 1673-0300-0100 2501-2593 4th Street W

Lincoln Meadows 8021-0200-0200 3372-3482 4th Avenue E

Sierra Ridge 1168-0200-0100 2001-2062 Sierra Commons Rd

Raven Ridge 1188-0300-0100 1053-1153 Koch Street

Mallard Apts. 1189-0700-0100 1275-1431 Mike Street

Falcon Heights Apts. 1189-0500-0100 1276-1430 Mike Street

Dickinson Meadows Apts. 1189-0400-0100/01011 620-1680 & 1520-1600 Mike Street

South Park Place Apts. 1835-0100-0100 721-785 3th Street SW

Terry Clement Properties:

Abode Apts. 1140-0600-26011 527 10th Ave W

Temili Apts. 1140-0600-2300 1589 10th Ave W

Pheasant Run Properties 1670-2900-13012260 1st Street W

Pheasant Run 1670-2900-1302 2256 1st Street W

Pheasant Run 1670-2900-1303 2252 1st Street W

Pheasant Run 1670-2900-1304 2248 1st Street W

Pheasant Run 1670-2900-1305 2244 pt Street W

Pheasant Run 1670-2900-1306 2240 1st Street W

Pheasant Run 1670-2900-1307 2236 1st Street W

West Ridge Market Center 2505-0400-0600 3275 West Ridge Drive

Roers Vacant Lots:

2610-0500-0100

2610-1500-0100

2610-1500-0200

2610-0400-0100

2610-0400-0200

2610-0400-0300

2610-0400-0400

2610-0400-0500

2610-0400-0600

2610-0400-0700

2610-0400-0800

2610-0400-0900

2610-0400-1000

2610-0500-0200

2610-0600-0100

2610-1400-1800

2. Mr. Hirschfeld talks about his report. Mr. Hirschfeld made the necessary adjustments to the properties that were tabled from the last Board of Equalization meeting on April 9th, 2019. Mr. Hirschfeld stated that with the adjustments made this resulted in a decrease of \$40 million in value to commercial properties. Mr. Hirschfeld recommends that no additional changes be made to the adjusted values of 2019. Mr. Hirschfeld explains with a power point the formula that goes into determining the value of commercial properties. Mr. Hirschfeld showed the Commission how he determined the value of Century Apartments. Mr. Steiner is pleased with the work of Mr. Hirschfeld and Mr. Bob Ehler of Vanguard Appraisals, Inc. The Commissioners were pleased that the Assessing Department is staying consistent with how the values are determined.

3. The first 13 properties listed have over 100 apartment units, which would qualify them for 10% obsolescence that was discussed in the prior meeting. Mr. Hirschfeld with the help of Mr. Ehler of Vanguard Appraisals, Inc. created a separate category for apartments of this size. Mr. Hirschfeld wants to point out that Stoneridge 1678-0100-0100 2641 Dakota Blvd, Dakota West Apts. 1674-0100-0100 2540-2598 4th Street W, and West View 1673-0300-0100 2501-2593 4th Street W are owned by the same company, but are separate parcels. The owner treats these units as one property, therefore Mr. Hirschfeld feels they qualify for the obsolescence.

Mr. Dave Bauer is speaking on behalf of Mr. Carlos Royal about Century Apartments. He presents a handout to the Commission and details a chart that Mr. Royal prepared that shows he is definitely being targeted by not receiving a reduction in value like the other properties in town. Mr. Bauer is pleased about the \$5,706,100 new value, but he wants to point out the market as a whole has gone down quite a bit instead of increasing as Mr. Hirschfeld had commented earlier.

President Decker responds by stating that the Assessing Department and the City Commission are not targeting any property owner. He points out that the chart Mr. Bauer presented is not using the city assessed value but uses the value the State determined was fit. If he were to use the city value he would find that the City is not targeting anyone and that Mr. Hirschfeld has been very consistent and fair. President Decker explains that the State can come up with a different value from the city assessment and the City has to follow what the State says.

Mr. Fridrich points out that the City paid Vanguard Appraisals, Inc. \$30,000 for an Assessment Analysis to do a spot check on Mr. Royal's property and all other commercial properties. The City of Dickinson has done every thing that we can do and feels that Mr. Royal will not be satisfied with these values either. President Decker and Mr. Fridrich are comfortable with the values that were presented to the Commissioners. President Decker would like to see a motion on the apartments.

Mr. Steiner made a motion to approve the 2019 values for large apartments that were adjusted and presented by City Assessor Mr. Hirschfeld, which includes the properties of Century Apartments - Carlos Royal 160-0100-0101 1156 21st Street W Century Apts, West Ridge Apts. 2500-0100-0200 1425-1465 Roughrider Blvd, Custer Crossing 1631-0500-1100 1541-1763 Carroll Street, Stoneridge 1678-0100-01002641 Dakota Blvd, Dakota West Apts. 1674-0100-01002540-2598 4th Street W, West View 1673-0300-0100 2501-2593 4th Street W, Lincoln Meadows 8021-0200-0200 3372-3482 4th Avenue E, Sierra Ridge 1168-0200-0100 2001-2062 Sierra Commons Rd, Raven Ridge 1188-0300-0100 1053-1153 Koch Street, Mallard Apts. 1189-0700-0100 1275-1431 Mike Street, Falcon Heights Apts. 1189-0500-0100 1276-1430 Mike Street, Dickinson Meadows Apts. 1189-0400-0100/0101 1620-1680 & 1520-1600 Mike Street, South Park Place Apts. 1835-0100-0100 721-785 3th Street SW.

MOTION BY: Carson Steiner SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

President Decker would like the spreadsheet prepared by the Assessor to be available to the media/website.

Terry Clement has 9 properties that were tabled from the previous meeting. Mr. Clement would like the values of Abode Apartments and Temili Apartments to stay where the State had them, rather than what Mr. Hirschfeld changed them to. There is a \$90,000 difference between the State value in 2018 and the 2019 value. The Abode Apartments 1140-0600-2601 and Temili Apartments 1140-0600-2300 do have differences between the apartments. The Abode Apartments have 24 units, 17-2 bedrooms and 7-1 bedroom 869sqft. Temili Apartments have 18 units, 17-2 bedrooms, 1-1 bedroom, and 991sqft. Mr. Hirschfeld recommends no change to either of these apartments. The Temili Apartments were given extra obsolescence due to excess land that is not very useable. That adjustment brought the value per unit down approximately \$1,000, a total of \$16,000. Mr. Clement stated that he wants the State's values to remain. President Decker asks for a motion to agree with the State, agree with the new 2019 values on the spreadsheet, or come up with our own values.

Mr. Steiner made a motion to change Abode Apartments from \$1,042,000 to \$997,000 and to keep Temili Apartments value as was presented on the spreadsheet of \$839,100.

MOTION BY: Carson Steiner SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Mr. Clement's Pheasant Run Townhomes 1670-2900-1301, 1670-2900-1302, 1670-2900-1303, 1670-2900-1304, 1670-2900-1305, 1670-2900-1306 and 1670-2900-1307 were at one time considered as one property and were categorized as commercial. In 2017 Mr. Clement asked for them to be split so they could be sold as individual properties. This was requested and completed in 2017. The townhomes are now considered as individual residential properties. One of the townhomes sold in August 2017 for

\$142,100. This sale prompted the Assessing Department to review the property record card for accuracy and make the rest of the townhomes consistent with the others. President Decker requests a motion on Mr. Clement's properties.

Mr. Steiner made a motion to accept the values of the Assessing Department.

MOTION BY: Carson Steiner SECOND BY: Nicole Walla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Roers Properties

There was no one to speak on behalf of the Roers properties at this meeting. Mr. Hirschfeld talked about the West Ridge Market Center. Mr. Hirschfeld stated that there was already 40% obsolescence to the property due to the construction being incomplete. Roers Companies did provide additional information reflecting that the shopping center is 25% occupied; therefore a 38% economic and land obsolescence was added onto the property. The obsolescence can be removed when the spaces are occupied. The old value of 2019 was \$5,344,400 and was reduced to \$3,456,300. President Decker looks for a motion on the West Ridge Market Center.

Mr. Fridrich made a motion to accept the new 2019 value of \$3,456,300 to the West Ridge Market Center 2505-0400-0600.

MOTION BY: Jason Fridrich SECOND BY: Carson Steiner

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

Roers brought forth 14 vacant lots. 2610-0500-0100, 2610-1500-0100, 2610-1500-0200, 2610-0400-0100, 2610-0400-0200, 2610-0400-0300, 2610-0400-0400, 2610-0400-0500, 2610-0400-0600, 2610-0400-0700, 2610-0400-0800, 2610-0400-0900, 2610-0400-1000, 2610-0500-0200, 2610-0600-0100, and 2610-1400-1800.

Mr. Hirschfeld explains the criteria for vacant land according to the State NDCC 57-02-01(1). Parcels 2610-1500-0100 and 2610-1500-0200 meet only 3 of the 7 criteria to be considered as commercial land, therefore he recommends changing the value to an agricultural land value. The value was corrected for 2610-1500-0100 from \$1,593,200 to the new 2019 value of \$112,000. The value for 2610-1500-0200 was corrected from \$1,338,800 to the new 2019 value of \$8,000.

Mr. Hirschfeld explains that the other vacant lots meet 4 or more of the 7 criteria therefore he recommends no change. These lots are also carrying additional obsolescence for vacancy and because they do not have improvements to them, they are already greatly reduced in value. The vacant lots with parcels 2610-0500-0100, 2610-1500-0100, 2610-1500-0200, 2610-0400-0100, 2610-0400-0200, 2610-0400-0300, 2610-0400-0400, 2610-0400-0500, 2610-0400-0600, 2610-0400-0700, 2610-0400-0800,

2610-0400-0900,2610-0400-1000, 2610-0500-0200, 2610-0600-0100, and 2610-1400-1800 are recommended by the Assessing Department to have no change. President Decker is looking for a motion on the Roers vacant lots.

Mr. Steiner made a motion to accept the values and changes of these vacant lots that were on the spreadsheet from the Assessing Department.

MOTION BY: Carson Steiner SECOND BY: Jason Fridrich

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed.

4. No reduction after session of board: After the adjournment of the Board each year, neither the governing body of the city nor the City Board of Equalization shall change or alter any assessment. Neither shall the governing body or the Board of Equalization reduce or abate, or authorize the reduction, abatement or return, of any taxes levied upon such assessments for any cause except that the property assessed was not subject to taxation at the time the assessment was made (NDCC 57-11-06). President Decker is looking for a motion to approve the Assessors report with the assessed value of all property classes.

Mr. Steiner made a motion to approve the Assessors report with the assessed value of all property classes.

MOTION BY: Carson Steiner SECONDBY: Nicole Wolla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed

The values that were presented during this meeting will be presented to the County Board of Equalization on June 4th, 2019 @ 10am.

5. Mr. Fridrich made a motion to adjourn at 9:52 am.

MOTION BY: Jason Fridrich SECOND BY: Nicole Wolla

DISPOSITION: Roll Call vote, Aye 4, Nay 0, Absent 1.

Motion declared duly passed

OFFICIAL MINUTES PREPARED BY:

Heather Avers-Davis, Property Appraiser Tech

APPROVED BY:

Joe Gaa, City Administrator

Scott Decker, President

Board of City Commissioners

Date: _____

Property ID	AKA	Owner/Rep	# of Units	2018 AV	2019 AV	% Change	Per Unit	2015 AV	% Change2
1160-0100-0101	Century Apts	Carlos Royal	120	\$ 7,890,300	\$ 5,706,100	-28%	\$47,551	\$12,104,300	-53%
2500-0100-0200	West Ridge	Roers	155	\$ 17,854,300	\$ 14,516,300	-19%	\$93,654	\$27,091,500	-46%
1631-0500-1100	Custer Crossing	Custer Crossing LLC	108	\$ 13,328,600	\$ 9,964,000	-25%	\$92,259	\$21,056,700	-53%
1678-0100-0100	Stoneridge	2540 4th St W Holdings	60	\$ 6,237,500	\$ 5,075,000	-19%	\$84,583	\$8,932,500	-43%
1674-0100-0100	Dakota West	2541 4th St W Holdings	84	\$ 8,681,300	\$ 7,070,400	-19%	\$84,171	\$12,505,500	-43%
1673-0300-0100	West View	2542 4th St W Holdings	91	\$ 9,454,000	\$ 7,690,700	-19%	\$84,513	\$13,547,625	-43%
8021-0200-0200	Lincoln Meadows	RFM-Trei	204	\$ 21,280,200	\$ 17,276,100	-19%	\$84,687	\$33,342,300	-48%
1168-0200-0100	Sierra Ridge	S&B Dickinson	278	\$ 28,586,200	\$ 23,221,500	-19%	\$83,531	\$45,068,800	-48%
1188-0300-0100	Raven Ridge	Badlands Development	126	\$ 15,259,500	\$ 12,265,000	-20%	\$97,341	\$23,759,400	-48%
1189-0700-0100	Mallard	Mallard Aprtments	189	\$ 13,899,300	\$ 11,289,400	-19%	\$59,732	\$20,300,800	-44%
1189-0500-0100	Falcon Hts	Falcon Apartmetns	207	\$ 14,881,500	\$ 11,966,900	-20%	\$57,811	\$23,494,000	-49%
1189-0400-0100/0101	Dickinson Meadows	Dickinson Pacific	142	\$ 13,582,600	\$ 11,090,700	-18%	\$78,104	\$19,500,000	-43%
1835-0100-0100	South Park Place	South Park Place, LLC	96	\$ 10,264,500	\$ 8,332,000	-19%	\$86,792	\$15,850,300	-47%
Totals				\$ 181,199,800	\$ 145,464,100				