

The Mandan Board of Equalization met in regular session at 7:08 p.m. on April 7, 2020 in the Ed “Bosh” Froehlich Room at City Hall. Present were Mayor Helbling and Commissioners Braun, Rohr, Larson and Davis. Also present were City Administrator Neubauer and City Assessor Kimberly Markley. Mayor Helbling called the meeting to order and invited Assessor Markley to come forward to present the 2020 Annual Board of Equalization Report. This is the City Board of Equalization meeting and this is the only item on the Agenda. Due to the COVID-19 appellants were provided information and encouraged to submit their appeals via email and mail.

Assessor Markley stated that this is the 2020 Annual Assessment Report of the City Assessing Department and is a summary of the 2020 assessment roll. Any changes in value that the local, county or state Boards of Equalization may make will be reflected in the final assessment. She explained that the procedures of assessment and appraisal are conducted under guidance from the North Dakota Tax Commissioner’s Office, the North Dakota Century Code and nationally recognized standards of mass appraisal of real property. North Dakota law requires assessors to value or appraise property at true and full value as of February 1<sup>st</sup> of each year. There are three approaches to valuing real property: (1) Sales approach uses sales of similar properties to determine value. (2) Cost approach is land value and the depreciated cost of improvements. (3) Income approach estimates present value of future benefits.

The City of Mandan has a total parcel count of 8,861 consisting of:

Residential = 6,650

Commercial = 806

Vacant Lots = 864

Exempt Parcels = 538

Ag Land = 3

Property Class

Residential = 69%

Commercial and Vacant Lots = 29.9%

Exempt = 1.1%

Ag Land = 0.003%

The 2020 assessment roll total market value is \$2,172,284,190. This is an increase from the 2019 assessment roll total of \$93,427,590 or 4.5%. Of this increase the new construction contributed \$27,926,300 consisting of: Residential new construction costs were \$17,562,500 and Commercial costs were \$10,363,800.

#### RESIDENTIAL INCREASES

- 340 sales that took place in 2019 were used for determining the 2020 assessment year. There was a small market increase for 2020.
- Residential increased \$68,054,000 or 4.8% overall (new construction, remodel, exemption expired, zone review, annexation)

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## RESIDENTIAL REVIEW

Areas reviewed as part of the normal rotation (a map was shown overhead of the zones)

- Zone 7 (West of 6th Street NW and between Main street and 14th St NW)
  - ~ Sent letters and knocked on doors.
  - ~ If we did not do an interior inspection we reviewed the information we had in our computer system and checked GIS maps.
- Zone 8 (South of Main Street to Heart River and between and 10th Ave SW and Riverwood Ave SE)
  - ~ We reviewed our information in the computer and maps.
- Reviewed and adjusted land values in many residential areas including Zone 1 & 2, Lakewood 9<sup>th</sup> and 34<sup>th</sup> Avenue SE
- Adjusted townhomes in some areas of town as the townhomes are selling higher than assessed value.

## COMMERCIAL INCREASES

A total of 47 sales took place in 2018 & 2019 were used in determining the 2020 assessment year. Commercial increased \$25,373,590 or 3.9% overall. These are overall totals and do not reflect any decreases for example; annexations, taxable to exempt.

## COMMERCIAL REVIEW

- Reviewed commercial lots in the Memorial Hwy and Old Red Trail areas and equalized lots (working on getting them assessed at around \$4.00 sq. ft.).
- Reviewed bays and equalized values.
- Apartments adjusted with income information through Vanguard.

## Notices of Increase

The Assessing Office sent out 867 notices of increase this year (down from the previous year's 439 notices) consisting of:

New construction = 124

Lots-new plats filed = 46

Exemptions removed were 7 and exemptions reduced were 2

1 & 2 year new construction expired = 69

Remodeling & other adjustments = 614

Annexation = 5

## Non-Discretionary Exemptions (Required by law NDCC 28-22-02 & 40-01-07)

Public Hospitals

Cemeteries

Nursing Homes

Non-Profit Organizations

Public Schools

City/County/State owned property (If properties are leased they are taxed)

Blind Exemption

Wheel Chair Exemption

Churches and Non Profit/Clubs

Discretionary Exemptions (These are at the discretion of the local governing body / presented before the commission/offered to the public NDCC 57-02)

- 2 Year New Construction = 99  
2019 & 2020
- 1 Year New Construction = 59  
2020
- Renaissance Zone/TIF = 15
- New Business Exemption = 2
- Payments in Lieu of Taxes = 1
- Total = 176

Percentage Allocation by Exemption Type - Exemptions requiring applications  
Non-Discretionary = 2.5% of total assessed value

Blind Exemption  
Wheelchair Exemption  
Non-Profits/Clubs

Discretionary = 1.4% of total assessed value

2 Year New Home Exemption  
Renaissance/TIF  
New Business Exemption  
Payments in lieu of Taxes Exemption  
Commercial/Residential Remodel Exempt  
1 year New Home Exemption

Credits Offered – Reimbursed by the State:

1. Homestead Property Tax Credit

The Homestead Property tax credit is a North Dakota property tax credit that reduces the property taxes of eligible individuals. Eligibility requirements:

Individuals who are 65 years of age or older, or individuals who are permanently and totally disabled and if your income is \$42,000 or less per year. There were 312 participants.

2. Disabled Veterans Property Tax Credit

Enacted in 2009 by the North Dakota State Legislature, the disabled veteran's credit is a property tax credit that is available to veterans with disability of 50% or greater. There were 147 participants.

QUESTIONS REGARDING COVID-19

There have been several questions regarding the current COVID-19 health crisis. Of note:

- If this health crisis has a negative impact on sales it will be reflected in the 2021 values.
- The 2020 values are based on sales information from 2018 and 2019.

Assessor Markley announced that if any property owner has a question regarding the value of their property they are to email her with their name and phone number. Due to

social distancing, no sign up sheet is available at this meeting as has been done in the past. Individuals will be contacted within the next few weeks to review their property, and make adjustments if necessary. If adjustments are warranted, the Assessing Office will submit the changes to the Morton County Board of Equalization at the June 4, 2020 meeting @ 7:00 p.m.

For information, please contact the Mandan City Assessing Department at (701) 667-3232, [www.cityofmandan.com](http://www.cityofmandan.com). Attention: Kimberly Markley, City Assessor.

Mayor Helbling opened the meeting via telephone conference to the public and invited anyone to ask questions or provide comments.

That email was sent to acquire information to determine whether or not I should or should not enter a protest. I got the information I requested at 10:45 this morning and I sent all the commissioners an email with my protest. The listings that are shown with my protest in the Agenda is not the material that I had requested nor is it the material that I was sent this morning. If you look at my protest I emailed, the city did a comparison of my home to 8 others that sold in 2019. Most of those homes sold for between \$200,000 and \$210,000. Of these homes, the only assessed valuation that exceeds mine is one home that had an assessed value of \$234,000 in 2019. All the homes that sold are assessed approximately almost \$20,000 less than mine. The selling price of fair market valuation. They make their determination on my home on the basis of those sales And yet those property owners are far less than the opinionated valuation of my home. That's not fair and I don't think it's legal.

Assessor Markley stated that the Commission has received your second email and yes, the sale prices that he mentioned are correct. The list of sales has some of the characteristics of all of the houses and they are not all exactly the same so they will not all be assessed the same. She did a quick review of those properties this afternoon and there are a few things in the subject property that some of the other homes don't have, like a screened-in porch. She feels the assessment is correct and she believes it will sell for what the City has assessed it at.

Mayor Helbling asked Mr. Hohbein if that answered his question. Mr. Hohbein replied that it did not answer his question but is what he expected to hear and that's why he wrote the letter of protest because the city's method of assessment makes no sense.

Assessor Markley replied that she would be willing to work with Mr. Hohbein further before the County Board of Equalization meets, if he agrees to that.

Mr. Hohbein commented that Assessor Markley said that his house has things that other houses don't. He said that most of the homes have at least a single stall garage, some have a double-stall wherein he has no garage. That does not explain the \$20,000 difference in valuation.

Assessor Markley stated she would be willing to look at this again with the appellant before the next Morton County Board hearing.

Mayor Helbling recommended that this matter be set aside allowing time for Mr. Hohbein to meet with Assessor Markley before it goes to the Morton County Board. Upon the City Commission's authorization of any change, Assessor Markley could present a recommendation to Morton County.

Mayor Helbling invited anyone else to come forward and speak.

Ken Royce commented about his property on the strip. He said that this particular piece of property... in last five years from 2015 the property value had risen by 68%, and this is an odd-shaped piece of property, 250 ft wide by 700 ft long, can't build on it, it's in a floodplain, and has easements so it limits my use. My neighbor, RJR rentals, pushes snow on to it

I would like to have you look at it. No income from it and is not useable. Other properties are usable. You said that you base your appraisals on cost basis, sales basis and income basis and I have had no income and a have a hard time selling it. I will send an email to Ms. Markley and we can talk about it at your convenience.

Assessor Markley said she would be happy to review this property with the appellant and she extended a thank you to him for sending the email.

Mayor Helbling stated that Mr. Hohbein and Mr. Royce with work with Assessor Markley to review their property valuations.

Mayor Helbling invited anyone else to come forward and speak or comment. If there is a lapse in communication due to the telecommunication problems occurring, he encouraged anyone to send an email to Kimberly Markley, City Assessor, before midnight tonight. A final announcement was made for anyone to come forward to speak or comment. Hearing none, this portion of the meeting was closed.

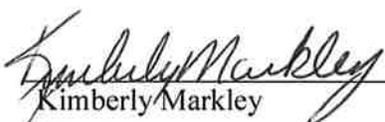
Assessor Markley stated that there were individuals who emailed her that were not listed on the Agenda for discussion at this time. Those emails were forwarded to the City Commissioners. Some of the requests on the list may need physical inspections and some requests were communicated to those appellants advising them the City Assessing Office will work on the requests before the Morton County Board meeting in June 2020. Mayor Helbling stated that Assessor's Markley plan is reasonable. He apologized for the tele-communication issues that have occurred at this meeting.

Based on the report provided and testimony provided at this time, the City Assessing Department respectfully recommended that the assessment roll be approved as submitted.

Commissioner Davis moved to approve the 2020 the Assessment Roll as submitted by the City Assessor's Office. Commissioner Larson seconded the motion. Roll call vote: Commissioner Braun: Yes; Commissioner Rohr: Yes; Commissioner Davis: Yes; Commissioner Larson: Yes; Mayor Helbling. The motion passed.

Commissioner Rohr moved to approve the recommendations for the appeals of protest as submitted by City Assessor Markley and to approve authorization for Assessor Markley to address the appeals. Commissioner Davis seconded the motion. Roll call vote: Commissioner Braun: Yes; Commissioner Rohr: Yes; Commissioner Davis: Yes; Commissioner Larson: Yes; Mayor Helbling. The motion passed.

There being no further action to come before the Board, Commissioner Rohr moved to adjourn the City Board of Equalization meeting. Commissioner Davis seconded the motion. The motion received unanimous approval of the members present. The meeting adjourned at 7:33 p.m.

  
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Kimberly Markley  
City Assessor

  
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Tim Helbling, President  
Mayor, Mandan Board of Equalization