

INVESTIGATION OF ABATEMENT APPLICATION

ABATEMENT No: 4481, 4482, & 4483 (Sholy Residence and Commercial Lots)

I. Recommended Action

The Tax Director recommends maintaining the 2018 valuation for all three abatements

Description

a. Background

- i. NDCC 57-23-04 allows property owners to appeal their assessment through the form of an abatement. Mr. Sholy is requesting a reduction in the value of his residence as well as the two lots adjoining S&S Landscaping.
- ii. The requested values are as follows:
 1. Residence - Parcel 01-5710-00700-000 (3510 Park Ave S) \$346,600 to \$325,000.
 2. Commercial Lot - Parcel 01-5450-00050-000 (346 27th Circle S) \$191,000 to \$115,000.
 3. Commercial Lot - Parcel 01-5450-00100-000 (334 27th Circle S) \$207,000 to \$130,000.
- iii. I performed a walkthrough inspection of Mr. Sholy's residence on Tuesday, May 7th as well as a street-side review of both commercial lots.
- iv. The Fargo Assessment office completed a property review of the residence on November 2018 which resulted in no adjustment to the value. Information supporting their value was mailed to Mr. Sholy on November 15th, 2018.
- v. Both commercial lots were part of the Fargo Assessment Office 2017 reappraisal district, which resulted in the increased valuation for the 2018 taxable year.
- vi. Mr. Sholy has submitted no supporting information pertaining to his opinion of value during the abatement. He did state that he felt the residence was inferior to typical two-story dwelling built during that time. He also felt that the commercial land increase could force him to move his business to Harwood or Horace but he did not state what he felt it would sale for.
- vii. The Fargo Assessment Office has submitted a detailed write-up of each individual abatement as seen in **Addenda A**.
- viii. The City of Fargo Commission recommended denial of all three abatements on March 25th, 2019.

b. Conclusion

- i. Mr. Sholy's residence is in normal condition for the age and quality of its build; meaning, it has limited updates since it was built but is well kept and well maintained resulting in limited deferred maintenance. There is shifting of the concrete foundation in the basement that I brought to Mr. Sholy's attention. This isn't seen as a problem at this time but if the cost to cure becomes an issue down the road, additional obsolescence to the property may be warranted at the discretion of the Fargo Assessment Office. My review of

the property reflects that of the current records provided by the Fargo Assessment Office.

- ii. The only information provided to support the valuation of the two commercial properties was provided by the Fargo Assessment Office. Their review arrays vacant land sales of similar zoning and proximity to the subject and supports the current value. It also details commercial lots in the surrounding area demonstrating assessment equity. All adjoining lots in the cul-de-sac have the same base value of \$4.50 per square foot.
- iii. I agree with the comparable sales, assessment equity, and methodology used to support the valuation presented in the packet provided by the Fargo Assessment Office and it is my opinion to maintain the current 2018 value of all three properties.

II. Impact

- a. Any financial impact for the city, county, or other governing body should not be considered in the deliberation of the 2018 assessment of Mr. Sholy's properties, as the issue is whether the assessment is fair, equitable, and a reasonable estimate of the True and Full Value as defined in North Dakota Century Code (NDCC)
 - i. NDCC 57-02-01.15 "*True and full value*" means the value determined by considering the earning or productive capacity, if any, the market value, if any, and all other matters that affect the actual value of the property to be assessed...
 - ii. NDCC 57-02-11.1 *All real property subject to taxation must be listed and assessed every year with reference to its value, on February first of that year.*
- b. It is the Tax Director's position that granting the applicant's request would place the property at an assessment less than similar residential and/or commercial properties in Fargo as seen through the sales and assessment comparison.

III. List of Attachments

- a. Addenda A – Information provided by the City of Fargo Assessment Office
- b. Addenda B – Property Record Card of Residence

Dated Monday, May 13, 2019



Paul Fracassi
Director of Tax Equalization



January 18, 2019

Auditor

Michael Montplaisir, CPA
701-241-5601

Treasurer

Charlotte Sandvik
701-241-5611

Steve Sprague
City of Fargo
PO BOX 2083
Fargo, ND 58107-2083

Dear Mr. Sprague,

Enclosed are the applications for abatement and settlement of taxes submitted by Sholy Company and David Sholy.

Please be reminded that Section 57-23-06 of the North Dakota Century Code states the following: "Within ten days after receiving an application for abatement, the city auditor or the township clerk shall give the applicant a notice of a hearing to be held before the governing body of the city or township, or such other committee as it may designate, in which the assessed property is located. Said hearing shall be set for no more than sixty days after the date of the notice of hearing. The applicant may waive, in writing, the hearing before such governing body or designated committee at any time before the hearing".

Please have your city commission make a recommendation on the back of the abatements, sign them, and return them to this office.

Sincerely,

Michael Montplaisir
Cass County Auditor

dkb

Enclosure

Box 2806
211 Ninth Street South
Fargo, North Dakota 58103

Fax 701-241-5728

www.casscountynd.gov

Addenda A



CITY COMMISSION ACTION

3/25/19 Denied

ASSESSMENT DEPARTMENT

(32)

March 20, 2019

Board of City Commissioners
City Hall
Fargo, ND 58102

Dear Commissioners:

Attached are *Applications For Abatement Or Refund Of Taxes* #4481, #4482, and #4483 for the 2018 tax year filed by David Sholy. Application #4481 is for 346 27th Circle S. requesting a reduction in value from \$191,000 to \$115,000. Application #4482 is for 334 27th Circle S. requesting a reduction in value from \$207,000 to \$130,000. Application #4483 is for 3510 Park Ave. S. requesting a reduction in value from \$346,600 to \$325,000.

334 27th Circle S. and 346 27th Circle S. are primarily unimproved sites utilized as part of the storage yard for the landscaping business S&S Landscaping. 334 27th Circle S. has a small storage building that was moved onto the site in 2012. These sites were part of a land reappraisal effort for 2018 of commercial land between Main Avenue and I-94.

3510 Park Ave. S. is a single family residence which was last reappraised in a mass appraisal using a cost model in 2016. The value was subsequently adjusted in 2017 and 2018 for market changes based on sales ratio analysis of similar properties.

All properties under appeal were valued using the same mass appraisal methods and techniques that were applied to similar properties in the city.

We have included information regarding how these properties were valued and how the values under appeal compare to sales of similar properties. The applicant has provided no appraisal or valuation analysis on these properties to support the valuations requested.

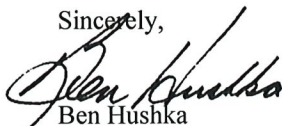
SUGGESTED MOTIONS:

Deny Application For Abatement Or Refund Of Taxes #4481 on 346 27th Circle S. and retain the value of \$191,000 for the 2018 tax year.

Deny Application For Abatement Or Refund Of Taxes #4482 on 334 27th Circle S. and retain the value of \$207,000 for the 2018 tax year.

Deny Application For Abatement Or Refund Of Taxes #4483 on 3510 Park Ave. S. and retain the value of \$346,600 for the 2018 tax year.

Sincerely,


Ben Hushka
Fargo City Assessor

Recommendation of the Governing Body of the City or Township

Recommendation of the governing board of CITY OF FARGO

On MARCH 25, 2019, the governing board of this municipality, after examination of this application and the facts, passed a resolution recommending to the Board of County Commissioners that the application be DENIED

Dated this 17TH day of APRIL, 2019.


City Auditor or Township Clerk

Action by the Board of County Commissioners

Application was _____ by action of _____ County Board of Commissioners.
Approved/Rejected

Based upon an examination of the facts and the provisions of North Dakota Century Code § 57-23-04, we approve this application. The taxable valuation is reduced from \$ _____ to \$ _____ and the taxes are reduced accordingly. The taxes, if paid, will be refunded to the extent of \$ _____. The Board accepts \$ _____ in full settlement of taxes for the tax year _____.

We reject this application in whole or in part for the following reason(s). Written explanation of the rationale for the decision must be attached.

Dated _____,

County Auditor

Chairperson

Certification of County Auditor

I certify that the Board of County Commissioners took the action stated above and the records of my office and the office of the County Treasurer show the following facts as to the assessment and the payment of taxes on the property described in this application.

Year	Taxable Value	Tax	Date Paid (if paid)	Payment Made Under Written Protest? yes/no

I further certify that the taxable valuation and the taxes ordered abated or refunded by the Board of County Commissioner are as follows:

Year	Reduction in Taxable Valuation	Reduction in Taxes

County Auditor

Date

Application For Abatement
Or Refund Of Taxes

**SHOLY COMPANY
(David Sholy)**

Name of Applicant

4481

County Auditor's File No.

Date Application Was Filed With The County Auditor

1/18/2019

Date County Auditor Mailed Application to Township Clerk or City Auditor

1/18/2019
(must be within five business days of filing date)

RECEIVED

JAN 22 2019

FARGO ASSESSOR

Application For Abatement Or Refund Of Taxes
North Dakota Century Code § 57-23-04

File with the County Auditor on or before November 1 of the year following the year in which the tax becomes delinquent.

State of North Dakota _____ Assessment District _____
County of Cass _____ Property I.D. No. 01-5450-00050-000
Name Sholy Company _____ Telephone No. 701-866-9692
Address 2777 - Fiechtner Drive, Fargo, ND 58103-2332

Legal description of the property involved in this application:

346 - 27th Circle South, Fargo, ND 58103

**Lot: 1 Block: 1 Addition: Master Addition Additional:
MASTER LT 1 BLK 1**

Total true and full value of the property described above for the year 2018 is:

Land \$ 191,000
Improvements \$ _____
Total \$ 191,000
(1)

Total true and full value of the property described above for the year 2018 should be:

Land \$ 115,000
Improvements \$ _____
Total \$ 115,000
(2)

The difference of \$ 76,000 true and full value between (1) and (2) above is due to the following reason(s):

- 1. Agricultural property true and full value exceeds its agricultural value defined in N.D.C.C. § 57-02-27.2
- 2. Residential or commercial property's true and full value exceeds the market value
- 3. Error in property description, entering the description, or extending the tax
- 4. Nonexisting improvement assessed
- 5. Complainant or property is exempt from taxation. Attach a copy of Application for Property Tax Exemption.
- 6. Duplicate assessment
- 7. Property improvement was destroyed or damaged by fire, flood, tornado, or other natural disaster (see N.D.C.C. § 57-23-04(1)(g))
- 8. Error in noting payment of taxes, taxes erroneously paid
- 9. Property qualifies for Homestead Credit (N.D.C.C. § 57-02-08.1) or Disabled Veterans Credit (N.D.C.C. § 57-02-08.8). Attach a copy of the application.
- 10. Other (explain) _____

The following facts relate to the market value of the residential or commercial property described above. For agricultural property, go directly to question #5.

1. Purchase price of property: \$ 95,000 Date of purchase: January 18, 2005
Terms: Cash X Contract _____ Trade _____ Other (explain) _____
Was there personal property involved in the purchase price? No Estimated value: \$ _____
yes/no
2. Has the property been offered for sale on the open market? No If yes, how long? _____
yes/no
Asking price: \$ _____ Terms of sale: _____
3. The property was independently appraised: No Purpose of appraisal: _____
yes/no
Market value estimate: \$ _____
Appraisal was made by whom? _____
4. The applicant's estimate of market value of the property involved in this application is \$ 115,000
5. The estimated agricultural productive value of this property is excessive because of the following condition(s): _____

Applicant asks that Excessive tax increase (85.09%) be revised to more
realistic number to accurately reflect property value.

By filing this application, I consent to an inspection of the above-described property by an authorized assessment official for the purpose of making an appraisal of the property. I understand the official will give me reasonable notification of the inspection. See N.D.C.C. § 57-23-05.1.

I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this application is, to the best of my knowledge and belief, a true and correct application.

Signature of Preparer (if other than applicant) _____

Date _____

Signature of Applicant _____

1-15-2019
Date

Sholy Company has filed an application for abatement and refund of taxes on the above referenced property. The application, County Auditor’s File No. 4481, is requesting a value of \$115,000 or a reduction of \$76,000 for the 2018 assessment year.

The applicant provided two letters disputing the value increases but has provided no supporting documentation for the requested value reduction.

Recapped on the left portion of the following table is the value indication from the abatement application and the difference between that value and the Certified 2018 value. Also recapped on the right portion of the table is the “reviewed” 2018 value and the “certified” values for the 2018, 2017, 2016, and 2015 assessment years. Relevant sales and the valuation of competing properties as recapped in following tables provide the basis for the “reviewed” value and support the 2018 “certified” value.

Sholy Company - 346 27 Cir S		Assessment Department				
	Abatement 2018	Reviewed 2018	Certified 2018	Certified 2017	Certified 2016	Certified 2015
Land Value	\$ 115,000	\$ 191,000	\$ 191,000	\$ 106,000	\$ 106,000	\$ 106,000
Improvement Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
True & Full Value	\$ 115,000	\$ 191,000	\$ 191,000	\$ 106,000	\$ 106,000	\$ 106,000
Land Area (sf)	42,444	42,444	42,444	42,444	42,444	42,444
Land Value / sf (Land Area)	\$ 2.71	\$ 4.50	\$ 4.50	\$ 2.50	\$ 2.50	\$ 2.50
Dollar Change (from Respective Value) ¹	\$ (76,000)	\$ -	\$ 85,000	\$ -	\$ -	(Prior Year)
Percent Change (from Respective Value) ¹	-39.8%	0.0%	80.2%	0.0%	0.0%	(Prior Year)
Change Cause		No Change	Land Review / Reappraisal	No Change	No Change	

¹ Dollar & Percent Changes are calculated using the 2018 Certified True & Full Value.

This property was included in a land review / reappraisal effort for the 2018 assessment year, which included all commercially coded land between Main Avenue on the north and I-94 on the south.

The property consists of an unimproved site currently utilized as a storage yard for a local landscape company with all municipal and private services readily available to the site.

Local land sales (recapped in a table on the following page) supports the 2018 certified and reviewed value as recapped in the table above. Also recapped graphically are the land values (on a per square foot basis) of parcels surrounding this property. The income and cost approaches to value are not considered or utilized as this is vacant land and are not applicable valuation methods.

Based on the following analysis, the valuation of this parcel does not appear to be arbitrary, capricious, or excessive but fair and equitable based on the available sales.

ASSESSMENT DEPARTMENT RECOMMENDATION

Retain the current value of \$191,000 as certified for 2018.

The vacant land sales recapped in the table below are all located within the vicinity of the subject property and occurred between January 2014 and October 2015. These vacant land sales are of similar zoning; bracket the subject site in size, with public and private utilities readily available. In addition, one property (in red text below) resold within less than one year and reflects a 16 percent appreciation in sale price. Also recapped is a current listing with an asking price of \$6.72 per square foot (currently valued at \$5.50 per square foot of land area). Overall, these vacant land sales and listing support the current land value of \$4.50 per square foot or \$191,000.

Land Sales

Address	Sale Date	Sale Price Adjusted	Seg SF	Adj \$ / sf	Status At Sale Date	Zoning
3515 4 AVES						
3501 4 AVES	02-Jun-15	\$ 348,100	120,661	\$ 2.88	Unimproved LI	
3803 MAIN AVE						
3817 MAIN AVE	09-Sep-15	\$ 399,300	118,089	\$ 3.38	Unimproved GC	
4215 MAIN AVE	05-Sep-14	\$ 477,800	127,734	\$ 3.74	Small Paving GC	
3454 4 AVES						
3502 4 Ave S	25-Nov-14	\$ 630,600	156,000	\$ 4.04	Unimproved LI	
3117 FIECHTNER DR S	21-Jan-14	\$ 177,200	43,601	\$ 4.06	Unimproved LI	
3117 FIECHTNER DR S	28-Nov-14	\$ 205,200	43,601	\$ 4.71	Unimproved LI	
3402 4 AVES						
425 34 ST S	25-Nov-14	\$ 360,600	85,793	\$ 4.20	Unimproved LI	
19 14 1/2 STN	29-Jul-15	\$ 29,900	6,705	\$ 4.46	Unimproved LI	
777 34 ST S	18-Jun-15	\$ 856,100	164,656	\$ 5.20	Unimproved LI	
2730 7 AVES	12-Sep-14	\$ 150,800	28,178	\$ 5.35	Unimproved LI	
2701 5 AVES	01-Oct-15	\$1,333,000	244,990	\$ 5.44	Unimproved LI	
3401 WESTRAC DR S	24-Mar-14	\$ 487,900	87,120	\$ 5.60	Unimproved LI	
3501 WESTRAC DR S	06-Jan-15	\$ 440,900	78,408	\$ 5.62	Unimproved LI	
3361 WESTRAC DR S	11-Jun-15	\$ 795,300	139,099	\$ 5.72	Unimproved GC	
Minimum	21-Jan-14		6,705	\$ 2.88		
Maximum	01-Oct-15		244,990	\$ 5.72		
Median			102,605	\$ 4.58		
Mean			244,990	\$ 4.60		

ACTIVE LISTINGS AS OF	Jan-19	Adj Asking Price	Seg SF	Adj Asking \$ / sf	Status	Zoning
3361 WESTRAC DR S	LISTING	\$ 934,720	139,099	\$ 6.72	Unimproved GC	

SUBJECT PARCEL	2018 Value	Full Land Value	Seg SF	Value / sf	Status	Zoning
346 27 CIR S		\$ 191,000	42,444	\$ 4.50	Unimproved LI	

Recapped in the table below are sales of parcels located on 27 Circle S. These sales are “old” as they occurred prior to 2014; however, there are two resales (in red text below) indicating an annual compound appreciation rate of 2.3% and 4.2%. When applied to the subject’s original purchase price (including unpaid special assessments), the resulting indicated value is between \$3.75 and \$4.77 per square foot. This also brackets the current valuation of this property.

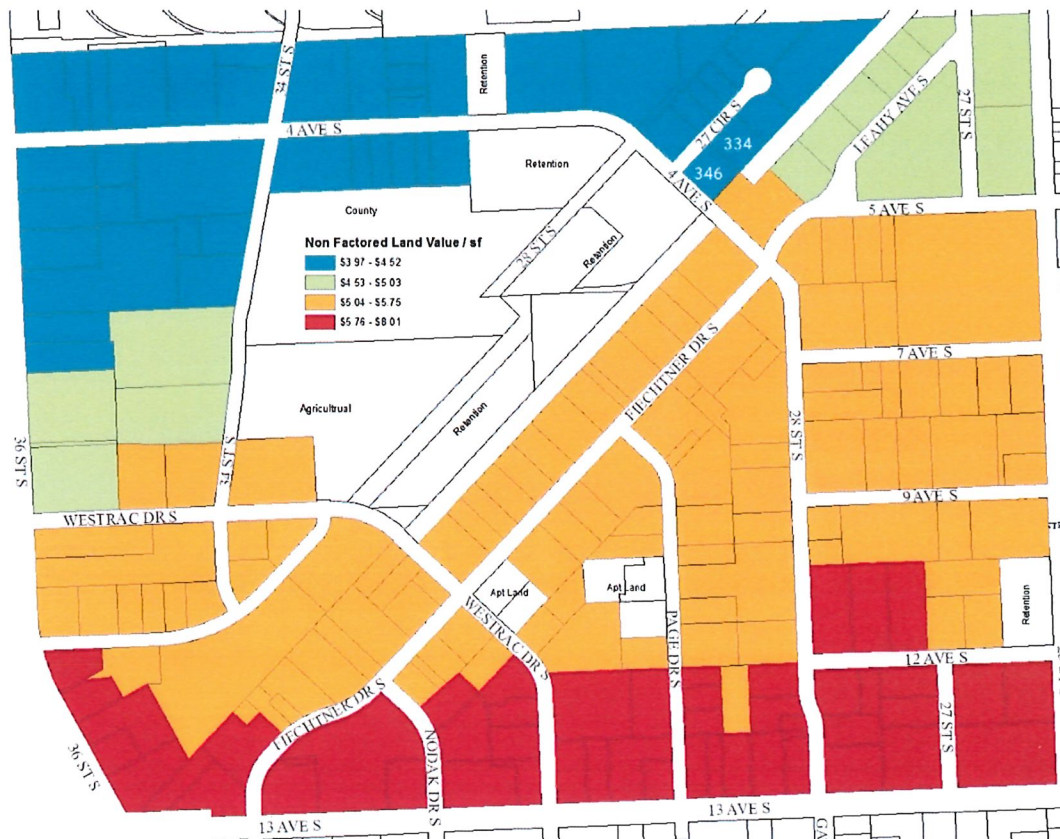
Address	Parcel No	27 Circle S Land Sale	Sale Date	Contract	Specials	Sale Price Adjusted	Seg SqFt	Adj Sale \$ / SF	Comp Rate	Zoning
346 27 CIR S	01-5450-00050-000									
334 27 CIR S	01-5450-00100-000		12-Jan-05	\$200,000	\$37,800	\$237,800	84,888	\$ 2.80		LI
345 27 CIR S	01-5450-00350-000		01-Aug-05	\$112,500	\$10,900	\$123,400	42,460	\$ 2.91		LI
345 27 CIR S	01-5450-00350-000		14-Aug-12	\$153,900	\$10,500	\$164,400	42,460	\$ 3.87	4.2%	LI
333 27 CIR S	01-5450-00300-000		14-Jun-06	\$106,300	\$ 8,500	\$114,800	42,504	\$ 2.70		LI
322 27 CIR S	01-5450-00150-000		02-Apr-07	\$102,500	\$ 8,000	\$110,500	40,750	\$ 2.71		LI
322 27 CIR S	01-5450-00150-000		30-Jul-10	\$110,800	\$ 7,400	\$118,200	40,750	\$ 2.90	2.3%	LI
300 27 CIR S	01-5450-00201-000		06-Jun-08	\$225,000	\$ 9,500	\$234,500	129,360	\$ 1.81		LI
321 27 CIR S	01-5450-00250-000		10-Jun-09	\$115,000	\$ 8,100	\$123,100	40,853	\$ 3.01		LI
309 27 CIR S	01-5450-00203-000		22-Sep-11	\$170,000	\$ 8,300	\$178,300	67,685	\$ 2.63		LI
315 27 CIR S	01-8433-00020-000		10-Oct-12	\$ 70,000	\$ 3,400	\$ 73,400	19,586	\$ 3.75		LI

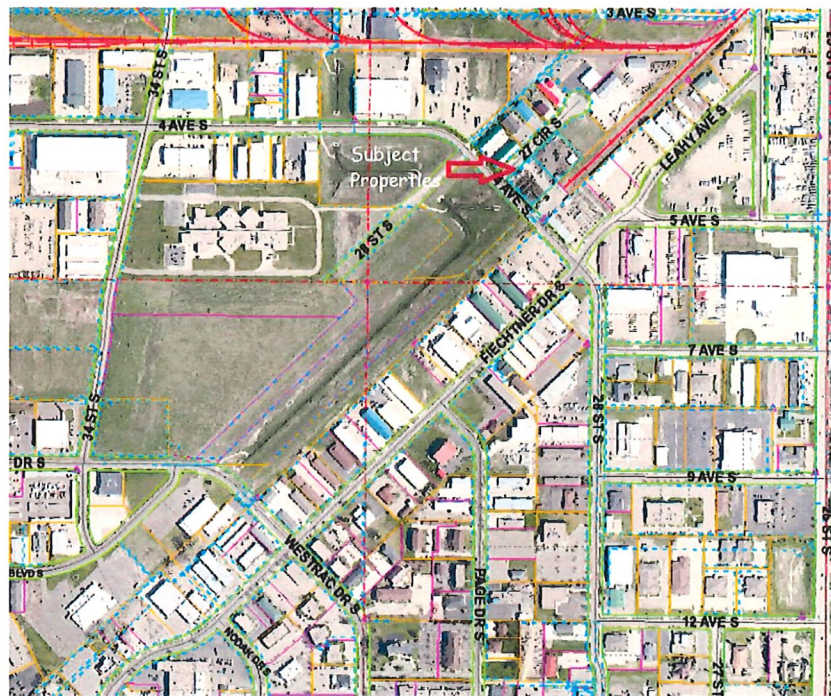
Appreciated Value of Subject Parcel based on Annual Compound Rate of Resale of 345 \$4.77 4.2%
 Appreciated Value of Subject Parcel based on Annual Compound Rate of Resale of 322 \$3.75 2.3%

In a letter dated April 10, 2018, Mr. Sholy indicated he offered \$80,000 for a portion of the former rail right-of-way surrounded by his current holdings that consists of approximately 20,300 sf or \$3.94 per square foot. The counter offer by BNSF was \$95,000 or \$4.67 per square foot. The graphic below depicts the approximate portion of the rail right-of-way parcel sought.



The graphic below displays the current land value on a per square foot basis for the parcels bounded by 25 St S on the east, the rail right-of way on the north, 36 St S on the west, and 13 Ave S on the south. The land values along 4th Ave S appear consistent ranging in value from \$3.97 and \$4.52 per square foot of land area and are the lowest values per square foot within this quadrant.





Subject Location Area (Spring 2017 – Fargo GIS Map)



Subject Property (Spring 2017 – Fargo GIS Map)

Recommendation of the Governing Body of the City or Township

Recommendation of the governing board of CITY OF FARGO

On MARCH 25, 2019, the governing board of this municipality, after examination of this application and the facts, passed a resolution recommending to the Board of County Commissioners that the application be DENIED

Dated this 17TH day of APRIL, 2019.

[Signature]
City Auditor or Township Clerk

Action by the Board of County Commissioners

Application was _____ by action of _____ County Board of Commissioners.
Approved/Rejected

Based upon an examination of the facts and the provisions of North Dakota Century Code § 57-23-04, we approve this application. The taxable valuation is reduced from \$ _____ to \$ _____ and the taxes are reduced accordingly. The taxes, if paid, will be refunded to the extent of \$ _____. The Board accepts \$ _____ in full settlement of taxes for the tax year _____.

We reject this application in whole or in part for the following reason(s). Written explanation of the rationale for the decision must be attached.

Dated _____,

County Auditor

Chairperson

Certification of County Auditor

I certify that the Board of County Commissioners took the action stated above and the records of my office and the office of the County Treasurer show the following facts as to the assessment and the payment of taxes on the property described in this application.

Year	Taxable Value	Tax	Date Paid (if paid)	Payment Made Under Written Protest? yes/no

I further certify that the taxable valuation and the taxes ordered abated or refunded by the Board of County Commissioner are as follows:

Year	Reduction in Taxable Valuation	Reduction in Taxes

County Auditor

Date

Application For Abatement
Or Refund Of Taxes

**SHOLY COMPANY
(David Sholy)**

Name of Applicant

4482

County Auditor's File No.

1/18/2019

Date Application Was Filed With The County Auditor

1/18/2019

Date County Auditor Mailed Application to Township Clerk or City Auditor

(must be within five business days of filing date)

RECEIVED

JAN 22 2019

FARGO ASSESSOR

Application For Abatement Or Refund Of Taxes

North Dakota Century Code § 57-23-04

RECEIVED
CASS CO AUDITOR
JAN 18 2019 AM 10:59

File with the County Auditor on or before November 1 of the year following the year in which the tax becomes delinquent.

State of North Dakota Assessment District
County of Cass Property I.D. No. 01-5450-00100-000
Name Sholy Company Telephone No. 701-866-9692
Address 2777 - Fiechtner Drive, Fargo, ND 58103

Legal description of the property involved in this application:

334 - 27th Circle South, Fargo, ND 58103

Lot: 2 Block: 1 Addition: Master Addition Additional:
MASTER LT 2 BLK 1

Total true and full value of the property described
above for the year 2018 is:

Land \$ 207,000
Improvements \$
Total \$ 207,000 (1)

Total true and full value of the property described
above for the year 2018 should be:

Land \$ 130,000
Improvements \$
Total \$ 130,000 (2)

The difference of \$ 77,000 true and full value between (1) and (2) above is due to the following reason(s):

- 1. Agricultural property true and full value exceeds its agricultural value defined in N.D.C.C. § 57-02-27.2
2. Residential or commercial property's true and full value exceeds the market value
3. Error in property description, entering the description, or extending the tax
4. Nonexisting improvement assessed
5. Complainant or property is exempt from taxation. Attach a copy of Application for Property Tax Exemption.
6. Duplicate assessment
7. Property improvement was destroyed or damaged by fire, flood, tornado, or other natural disaster (see N.D.C.C. § 57-23-04(1)(g))
8. Error in noting payment of taxes, taxes erroneously paid
9. Property qualifies for Homestead Credit (N.D.C.C. § 57-02-08.1) or Disabled Veterans Credit (N.D.C.C. § 57-02-08.8). Attach a copy of the application.
10. Other (explain)

The following facts relate to the market value of the residential or commercial property described above. For agricultural property, go directly to question #5.

1. Purchase price of property: \$ 105,000 Date of purchase: January 18, 2005
Terms: Cash X Contract Trade Other (explain)
Was there personal property involved in the purchase price? No yes/no Estimated value: \$
2. Has the property been offered for sale on the open market? No yes/no If yes, how long?
Asking price: \$ Terms of sale:
3. The property was independently appraised: No yes/no Purpose of appraisal:
Market value estimate: \$
Appraisal was made by whom?
4. The applicant's estimate of market value of the property involved in this application is \$ 130,000
5. The estimated agricultural productive value of this property is excessive because of the following condition(s):

Applicant asks that Excessive tax increase (74.29%) be revised to more realistic number to accurately reflect property value.

By filing this application, I consent to an inspection of the above-described property by an authorized assessment official for the purpose of making an appraisal of the property. I understand the official will give me reasonable notification of the inspection. See N.D.C.C. § 57-23-05.1.

I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this application is, to the best of my knowledge and belief, a true and correct application.

Signature of Preparer (if other than applicant)

Date

Signature of Applicant

1-15-2019 Date

Sholy Company has filed an application for abatement and refund of taxes on the above referenced property. The application, County Auditor’s File No. 4482, is requesting an overall value of \$130,000 or a reduction of \$77,000 for the 2018 assessment year.

The applicant provided two letters disputing the value increases but has provided no supporting documentation for the requested value reduction.

Recapped on the left portion of the following table is the value indication from the abatement application and the difference between that value and the Certified 2018 value. Also recapped on the right portion of the table is the “reviewed” 2018 value and the “certified” values for the 2018, 2017, 2016, and 2015 assessment years. Relevant sales and the valuation of competing properties as recapped in following tables provide the basis for the “reviewed” value and support the 2018 “certified” value.

Sholy Company - 334 27 Cir S		Assessment Department				
	Abatement 2018	Reviewed 2018	Certified 2018	Certified 2017	Certified 2016	Certified 2015
Land Value ¹	\$ 114,000	\$ 191,000	\$ 191,000	\$ 106,000	\$ 106,000	\$ 106,000
Improvement Value ¹	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
True & Full Value	\$ 130,000	\$ 207,000	\$ 207,000	\$ 122,000	\$ 122,000	\$ 122,000
Building Area (sf)	1,600	1,600	1,600	1,600	1,600	1,600
Land Area (sf)	42,442	42,442	42,442	42,442	42,442	42,442
Total Value / sf(Bldg Area)	\$ 81.25	\$ 129.38	\$ 129.38	\$ 76.25	\$ 76.25	\$ 76.25
Improvement Value / sf(Bldg Area)	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
Land Value / sf(Land Area)	\$ 2.69	\$ 4.50	\$ 4.50	\$ 2.50	\$ 2.50	\$ 2.50
Dollar Change (from Respective Value) ²	\$ (77,000)	\$ -	\$ 85,000	\$ -	\$ -	(Prior Year)
Percent Change (from Respective Value) ²	-37.2%	0.0%	69.7%	0.0%	0.0%	(Prior Year)
Change Cause		No Change	Land Review / Reappraisal	No Change	No Change	

¹ Applicant reflected entire value on land.

² Dollar & Percent Changes are calculated using the 2018 Certified True & Full Value.

This property was included in a land review / reappraisal effort for the 2018 assessment year, which included all commercially coded land between Main Avenue on the north and I-94 on the south.

The property consists of a site primarily utilized as a storage yard (with a small storage building of nominal value) for a local landscape company with all municipal and private services readily available to the site.

Local land sales (recapped in a table on the following page) supports the 2018 certified and reviewed value as recapped in the table above. Also recapped graphically are the land values (on a per square foot basis) of parcels surrounding this property. The income and cost approaches to value are not considered or utilized as this is primarily vacant land and are not applicable valuation methods.

Based on the following analysis, the valuation of this parcel does not appear to be arbitrary, capricious, or excessive but fair and equitable based on the available sales.

ASSESSMENT DEPARTMENT RECOMMENDATION

Retain the current value of \$207,000 as certified for 2018.

The vacant land sales recapped in the table below are all located within the vicinity of the subject property and occurred between January 2014 and October 2015. These vacant land sales are of similar zoning; bracket the subject site in size, with public and private utilities readily available. In addition, one property (in red text below) resold within less than one year and reflects a 16 percent appreciation in sale price. Also recapped is a current listing with an asking price of \$6.72 per square foot (currently valued at \$5.50 per square foot of land area). Overall, these vacant land sales and listing support the current land value of \$4.50 per square foot or \$191,000 plus the improvement value of \$16,000 for a total value of \$207,000.

Land Sales

Address	Sale Date	Sale Price Adjusted	Seg SF	Adj \$ / sf	Status At Sale Date	Zoning
3515 4 AVE S						
3501 4 AVE S	02-Jun-15	\$ 348,100	120,661	\$ 2.88	Unimproved LI	
3803 MAIN AVE						
3817 MAIN AVE	09-Sep-15	\$ 399,300	118,089	\$ 3.38	Unimproved GC	
4215 MAIN AVE	05-Sep-14	\$ 477,800	127,734	\$ 3.74	Small Paving GC	
3454 4 AVE S						
3502 4 Ave S	25-Nov-14	\$ 630,600	156,000	\$ 4.04	Unimproved LI	
3117 FIECHTNER DR S	21-Jan-14	\$ 177,200	43,601	\$ 4.06	Unimproved LI	
3117 FIECHTNER DR S	28-Nov-14	\$ 205,200	43,601	\$ 4.71	Unimproved LI	
3402 4 AVE S						
425 34 ST S	25-Nov-14	\$ 360,600	85,793	\$ 4.20	Unimproved LI	
19 14 1/2 STN	29-Jul-15	\$ 29,900	6,705	\$ 4.46	Unimproved LI	
777 34 ST S	18-Jun-15	\$ 856,100	164,656	\$ 5.20	Unimproved LI	
2730 7 AVE S	12-Sep-14	\$ 150,800	28,178	\$ 5.35	Unimproved LI	
2701 5 AVE S	01-Oct-15	\$1,333,000	244,990	\$ 5.44	Unimproved LI	
3401 WESTRAC DR S	24-Mar-14	\$ 487,900	87,120	\$ 5.60	Unimproved LI	
3501 WESTRAC DR S	06-Jan-15	\$ 440,900	78,408	\$ 5.62	Unimproved LI	
3361 WESTRAC DR S	11-Jun-15	\$ 795,300	139,099	\$ 5.72	Unimproved GC	
Minimum	21-Jan-14		6,705	\$ 2.88		
Maximum	01-Oct-15		244,990	\$ 5.72		
Median			102,605	\$ 4.58		
Mean			244,990	\$ 4.60		

ACTIVE LISTINGS AS OF	Jan-19	Adj Asking Price	Seg SF	Adj Asking \$ / sf	Status	Zoning
3361 WESTRAC DR S	LISTING	\$ 934,720	139,099	\$ 6.72	Unimproved GC	

SUBJECT PARCEL	2018 Value	Full Land Value	Seg SF	Value / sf	Status	Zoning
334 27 CIR S	\$ 191,000		42,442	\$ 4.50	Improved w/ LI	

The improvement was moved onto this parcel in 2012 from a location near 25 St S (current location of the Border States warehouse) and consists of a 1,600 sf curvet style Quonset constructed in 1955. This building is valued at a flat rate of \$10.00 per square foot of building area or \$16,000. The current replacement cost approximates \$31,000 or \$19.60 per square foot of building area.

Recapped in the table below are sales of parcels located on 27 Circle S. These sales are “old” as they occurred prior to 2014; however, there are two resales (in red text below) indicating an annual compound appreciation rate of 2.3% and 4.2%. When applied to the subject’s original purchase price (including unpaid special assessments), the resulting indicated value is between \$3.75 and \$4.77 per square foot. This also brackets the current land valuation of this property.

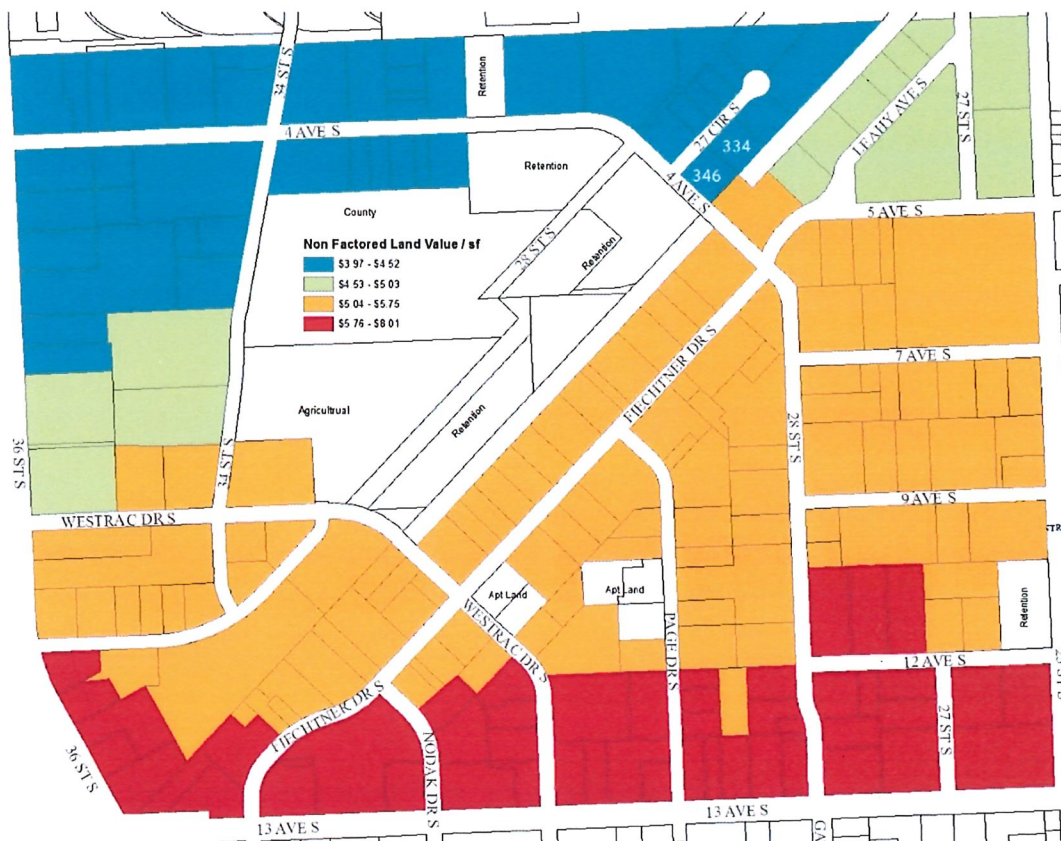
Address	Parcel No	Sale Date	27 Circle S Contract	27 Circle S Land Sales Specials	Sale Price Adjusted	Seg SqFt	Adj Sale \$ / SF	Comp Rate	Zoning
346 27 CIR S	01-5450-00050-000								
334 27 CIR S	01-5450-00100-000	12-Jan-05	\$200,000	\$37,800	\$237,800	84,888	\$ 2.80		LI
345 27 CIR S	01-5450-00350-000	01-Aug-05	\$112,500	\$10,900	\$123,400	42,460	\$ 2.91		LI
345 27 CIR S	01-5450-00350-000	14-Aug-12	\$153,900	\$10,500	\$164,400	42,460	\$ 3.87	4.2%	LI
333 27 CIR S	01-5450-00300-000	14-Jun-06	\$106,300	\$ 8,500	\$114,800	42,504	\$ 2.70		LI
322 27 CIR S	01-5450-00150-000	02-Apr-07	\$102,500	\$ 8,000	\$110,500	40,750	\$ 2.71		LI
322 27 CIR S	01-5450-00150-000	30-Jul-10	\$110,800	\$ 7,400	\$118,200	40,750	\$ 2.90	2.3%	LI
300 27 CIR S	01-5450-00201-000	06-Jun-08	\$225,000	\$ 9,500	\$234,500	129,360	\$ 1.81		LI
321 27 CIR S	01-5450-00250-000	10-Jun-09	\$115,000	\$ 8,100	\$123,100	40,853	\$ 3.01		LI
309 27 CIR S	01-5450-00203-000	22-Sep-11	\$170,000	\$ 8,300	\$178,300	67,685	\$ 2.63		LI
315 27 CIR S	01-8433-00020-000	10-Oct-12	\$ 70,000	\$ 3,400	\$ 73,400	19,586	\$ 3.75		LI

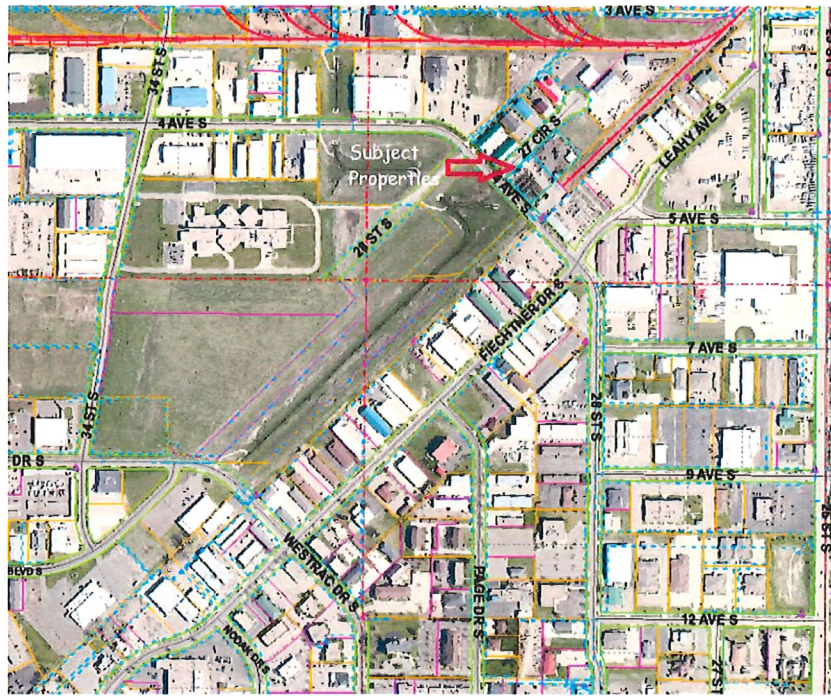
Appreciated Value of Subject Parcel based on Annual Compound Rate of Resale of 345 \$4.77 4.2%
 Appreciated Value of Subject Parcel based on Annual Compound Rate of Resale of 322 \$3.75 2.3%

In a letter dated April 10, 2018, Mr. Sholy indicated he offered \$80,000 for a portion of the former rail right-of-way surrounded by his current holdings that consists of approximately 20,300 sf or \$3.94 per square foot. The counter offer by BNSF was \$95,000 or \$4.67 per square foot. The graphic below depicts the approximate portion of the rail right-of-way parcel sought.



The graphic below displays the current land value on a per square foot basis for the parcels bounded by 25 St S on the east, the rail right-of way on the north, 36 St S on the west, and 13 Ave S on the south. The land values along 4th Ave S appear consistent ranging in value from \$3.97 and \$4.52 per square foot of land area and are the lowest values per square foot within this quadrant.





Subject Location Area (Spring 2017 – Fargo GIS Map)




Subject Property (Spring 2017 – Fargo GIS Map)

Recommendation of the Governing Body of the City or Township

Recommendation of the governing board of CITY OF FARGO

On MARCH 25, 2019, the governing board of this municipality, after examination of this application and the facts, passed a resolution recommending to the Board of County Commissioners that the application be DENIED

Dated this 17TH day of APRIL, 2019 
 City Auditor or Township Clerk

Action by the Board of County Commissioners

Application was _____ by action of _____ County Board of Commissioners.
 Approved/Rejected

Based upon an examination of the facts and the provisions of North Dakota Century Code § 57-23-04, we approve this application. The taxable valuation is reduced from \$ _____ to \$ _____ and the taxes are reduced accordingly. The taxes, if paid, will be refunded to the extent of \$ _____. The Board accepts \$ _____ in full settlement of taxes for the tax year _____.

We reject this application in whole or in part for the following reason(s). Written explanation of the rationale for the decision must be attached.

Dated _____,
 _____ County Auditor _____ Chairperson

Certification of County Auditor

I certify that the Board of County Commissioners took the action stated above and the records of my office and the office of the County Treasurer show the following facts as to the assessment and the payment of taxes on the property described in this application.

Year	Taxable Value	Tax	Date Paid (if paid)	Payment Made Under Written Protest? yes/no

I further certify that the taxable valuation and the taxes ordered abated or refunded by the Board of County Commissioner are as follows:

Year	Reduction in Taxable Valuation	Reduction in Taxes

 County Auditor Date

**Application For Abatement
 Or Refund Of Taxes**

Name of Applicant David Sholy

County Auditor's File No. 4483

Date Application Was Filed With The County Auditor 1/18/2019

Date County Auditor Mailed Application to Township Clerk or City Auditor 1/18/2019
(must be within five business days of filing date)

RECEIVED

JAN 22 2019

FARGO ASSESSOR

Application For Abatement Or Refund Of Taxes

North Dakota Century Code § 57-23-04

File with the County Auditor on or before November 1 of the year following the year in which the tax becomes delinquent.

State of North Dakota _____ Assessment District _____
 County of Cass _____ Property I.D. No. 01-5710-00700-000
 Name David Sholy _____ Telephone No. 701-866-9692
 Address 3510 - Park Avenue, Fargo, ND 58103-6275

Legal description of the property involved in this application:

**Lot: 2 Block: 4 Addition: Woodbury Park Addition
 Additional: WOODBURY PARK LT 2 BLK 4 REPLAT
 OF LEXUS 1ST**

Total true and full value of the property described above for the year 2018 is:

Land \$ 346,600
 Improvements \$ _____
 Total \$ 346,600
 (1)

Total true and full value of the property described above for the year 2018 should be:

Land \$ 325,000
 Improvements \$ _____
 Total \$ 325,000
 (2)

The difference of \$ 21,600 true and full value between (1) and (2) above is due to the following reason(s):

- 1. Agricultural property true and full value exceeds its agricultural value defined in N.D.C.C. § 57-02-27.2
- 2. Residential or commercial property's true and full value exceeds the market value
- 3. Error in property description, entering the description, or extending the tax
- 4. Nonexisting improvement assessed
- 5. Complainant or property is exempt from taxation. Attach a copy of Application for Property Tax Exemption.
- 6. Duplicate assessment
- 7. Property improvement was destroyed or damaged by fire, flood, tornado, or other natural disaster (see N.D.C.C. § 57-23-04(1)(g))
- 8. Error in noting payment of taxes, taxes erroneously paid
- 9. Property qualifies for Homestead Credit (N.D.C.C. § 57-02-08.1) or Disabled Veterans Credit (N.D.C.C. § 57-02-08.8). Attach a copy of the application.
- 10. Other (explain) _____

The following facts relate to the market value of the residential or commercial property described above. For agricultural property, go directly to question #5.

1. Purchase price of property: \$ 240,000 Date of purchase: 2005
 Terms: Cash Contract _____ Trade _____ Other (explain) _____
 Was there personal property involved in the purchase price? No Estimated value: \$ _____
yes/no

2. Has the property been offered for sale on the open market? No If yes, how long? _____
yes/no
 Asking price: \$ _____ Terms of sale: _____

3. The property was independently appraised: no Purpose of appraisal: _____
yes/no
 Market value estimate: \$ _____
 Appraisal was made by whom? _____

4. The applicant's estimate of market value of the property involved in this application is \$ 325,000

5. The estimated agricultural productive value of this property is excessive because of the following condition(s): _____

Applicant asks that Property valuation be reduced to a more realistic
number - as current valuation is more than than other similar sites.

By filing this application, I consent to an inspection of the above-described property by an authorized assessment official for the purpose of making an appraisal of the property. I understand the official will give me reasonable notification of the inspection. See N.D.C.C. § 57-23-05.1.

I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this application is, to the best of my knowledge and belief, a true and correct application.

Signature of Preparer (if other than applicant) _____ Date _____ Signature of Applicant [Signature] Date 1-15-2019

David Sholy has filed an application for abatement and refund of taxes on the above referenced property. The application, County Auditor’s File No. 4483, is requesting a total value of \$325,000 or a reduction of \$21,600 for the 2018 assessment year.

The applicant provided two letters disputing the value increases but has provided no supporting documentation for the requested value reduction.

Recapped on the left portion of the following table is the value indication from the abatement application and the difference between that value and the Certified 2018 value. Also recapped on the right portion of the table is the “reviewed” 2018 value and the “certified” values for the 2018, 2017, 2016, and 2015 assessment years. Relevant sales and the valuation of competing properties as recapped in following tables provide the basis for the “reviewed” value and support the 2018 “certified” value.

David Sholy - 3510 Park Ave S		Assessment Department				
	Abatement 2018	Reviewed 2018	Certified 2018	Certified 2017	Certified 2016	Certified 2015
Land Value ¹	\$ 54,300	\$ 54,300	\$ 54,300	\$ 54,300	\$ 54,300	\$ 36,900
Improvement Value ¹	\$ 270,700	\$ 292,300	\$ 292,300	\$ 282,200	\$ 272,400	\$ 259,400
True & Full Value	\$ 325,000	\$ 346,600	\$ 346,600	\$ 336,500	\$ 326,700	\$ 296,300
Building Area (sf)	2,162	2,162	2,162	2,162	2,162	2,162
Land Area (sf)	11,985	11,895	11,895	11,895	11,895	11,895
Total Value / sf (Bldg Area)	\$ 150.32	\$ 160.31	\$ 160.31	\$ 155.64	\$ 151.11	\$ 137.05
Improvement Value / sf (Bldg Area)	\$ 125.21	\$ 135.20	\$ 135.20	\$ 130.53	\$ 125.99	\$ 119.98
Land Value / sf (Land Area)	\$ 4.53	\$ 4.56	\$ 4.56	\$ 4.56	\$ 4.56	\$ 3.10
Dollar Change (from Respective Value) ²	\$ (21,600)	\$ -	\$ 10,100	\$ 9,800	\$ 30,400	(Prior Year)
Percent Change (from Respective Value) ²	-6.2%	0.0%	3.0%	3.0%	10.3%	(Prior Year)
Change Cause		No Change	Index	Index	Mass Appraisal	

¹ Applicant reflected entire value on land.
² Dollar & Percent Changes are calculated using the 2018 Certified True & Full Value.

This property was included in a mass reappraisal effort for 2016 and market trended (indexed) for 2017 and 2018 based on a study of sales of similar type properties.

The property consists of a good grade single-family two-story detached residence built in 2002 with 2,162 square of total living area, a full basement that is approximately 75-percent finished and an attached three-car garage. The most recent inspection occurred in November 2018 at the request of Mr. Sholy at which time a thorough review was completed.

Improved sales (recapped on the following page) supports the 2018 certified and reviewed value as recapped in the table above. The mass appraisal completed as of March 1, 2016 is included for reference (utilizing the cost approach to value), the letter submitted to Mr. Sholy with comparable sales after the review was completed, and the market appraisal completed in 2018. The income approach to value was not considered or utilized as it is not an applicable valuation technique for a single-family property.

Based on the following analysis, the valuation of this parcel does not appear to be arbitrary, capricious, or excessive but fair and equitable based on the available sales.

ASSESSMENT DEPARTMENT RECOMMENDATION

Retain the current value of \$346,600 as certified for 2018.

The following cost approach (mass appraisal) is reflective of the valuation of this property for the 2016 assessment year. Following this reappraisal, the property value was market trended (indexed) for 2017 and 2018.



Printed By: RHARSHBERGER

Printed: 01/25/2019 2:25 PM

As of: 03/01/2016 2:11 PM

Parcel Number 01-5710-00700-000
 Segment 1
 Owner SHOLY, DAVID
 Parcel Address 3510 PARK AVE S FARGO ND 58103
 Mailing Address 3510 PARK AVE S FARGO ND 58103

	Cost	Total
Structure (Based on Area)		
Property Type	Single Family	
Story Height	2 Story	
Grade	Good	
Land Rate Adjustment	Good Low	
Base Price Adjustment (% as Multiplier)	92	
Dwelling (SqFt & \$/SF)	2235	121.04 270,524
Basement (Based on Area)		
Main Floor Square Footage	1,127	
Basement Area (as %)	Full	
Basement Area Deduction Sqr Ft	0	-13.00
Basement Finished (as %)	None	
Basement Area Sqr Ft	0	20.00
Interior Options		
Built In's	Average	1,600
Fireplace(s)	Fireplace	4,400
Air Conditioning	Central	2,600
Bathrooms	2 +	5,200
Other #1		
Other #2		
Other #3		
Exterior Options		
Porch & Deck	None	
Garage Stalls	Three (or Two w/ Loft)	17,300
Extras	None	
Building Before Depreciation		301,624
Depreciation		
Year Built & Age (in Years)	2002	14
Building Condition	Average	
Depreciation (% & Amnt)		-14 -42,227
Func/External Inflation (% & Amnt)		5 12,970
Parcel Totals		
Building After Depreciation		272,400
Land Value		54,300
Parcel Total		326,700
Value / Sq Ft		146
Indicated Value by the Cost Approach		326,700

Following the property review in November 2018, comparable sales were researched which are recapped in the letter submitted to Mr. Sholy on November 15, 2018 as reproduced below.



November 15, 2018

David Sholy
3510 Park Ave S
Fargo ND 58103

Address of Property: 3510 Park Ave S

Dear David Sholy:

I have found seven sales of two-story dwellings of same construction quality & condition. There are two sales in the Woodbury area also built by Heritage Homes. I did look at the information you provided and it seems these are mostly bi-level homes and not 2-story dwellings. I did change your square footage to remove the second story at the entry of your home. Your 2018 value will remain at \$346,600/\$160 per sf.

Table with 11 columns: Address, Lot Value, Lvg Area, Baths, Bsmt Area, Bsmt Fin, Gar Stalls, Yr Built, Date Sold, Sale Price, \$ / sf. It lists seven comparable sales and provides Mean (Average) and Median values.

The assessment department strives for equity in property valuations. If at any time in the future you feel you have information that would support a value reduction, please contact our office and schedule a recheck. If you have any questions regarding this information, please contact me at 241-1340.

Sincerely,

Janell S Walz
Class 1 Assessor/Supervisor
jwalz@fargond.gov

3510 Park Avenue S

David Sholy

01-5710-00700-000

David Sholy

In addition to the sales search recapped above, a market appraisal, reproduced below, was also completed.

NAME: asRpt60100
 DATE: 12/24/2018 10:33 AM
 ENTITY: City of Fargo
 USER: JSWaltz

Comparable Parcels From Assessors Database

	Subject	Comp 1	Comp 2	Comp 3	
Property Address:	3510 PARK AVE S	3582 WOODBURY CT S	2524 PARKVIEW DR S	3505 WOODBURY CT S	
Parcel Number:	01-5710-00700-000	01-6530-00070-000	01-5160-00160-000	01-5710-00090-000	
Current Value:		347,900	362,100	342,300	
Property Type:	Single Family	Single Family	Single Family	Single Family	
Story Height:	2 Story	2 Story	2 Story	2 Story	
Homo Area:	Good Low	Good Low	Good Low	Good Low	
Year Built:	2002	2005	1998	2003	
Grade:	Good	Good	Good	Good	
Total Area:	2162	2201	2319	2068	2,500
Condition:	Average	Average	Average	Average	
Basement Area:	Full	Full	Full	Full	
# Stalls:	Three (or Two w/	Three (or Two w/	Two	Two	2,000
# Baths:	3 or 3½	3 or 3½	3 or 3½	3 or 3½	
Basement Finish:	75 %	Full	Full	75 %	
Land Value:	54,300	51,800	53,400	49,600	4,700
# Fireplaces:	Fireplace	Fireplace	Fireplace	Fireplace	
Air Conditioning:	Central	Central	Central	Central	
Built Ins:	Average	Average	Average	Average	
Deck:	Patio	Combination	Combination	None	1,500
Extras:	None	None	None	None	

Recap

Current Value:	347,900	362,100	342,300
Net Sum of Adj:	-1,500	-4,900	10,700
Adjusted Sale Price:	346,400	357,200	353,000
Absolute Sum of Adj:	6,500	10,700	10,700
Number of Adj:	3	5	4
Pct of Adj:	2%	3%	3%
Weight Factor:	45.10	27.40	27.40
Price Per Sq Ft:	158	156	166

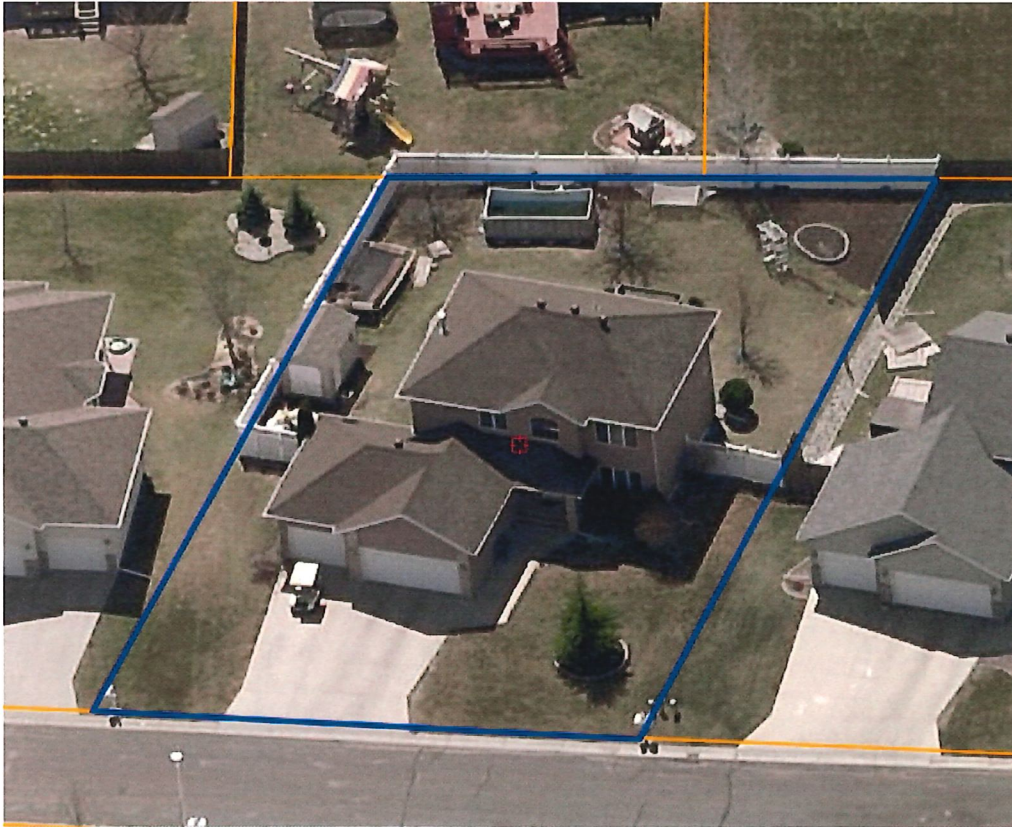
Current Value 346,600 160 / Sq Ft

Indicated Market Value as of 12/24/2018 is 350,800 - 162 / Sq Ft

Land	54,300
Improvement	296,500
Total	350,800


Based on the preceding analysis, the valuation of this property appears fair and equitable.

The graphic below depicts the subject property looking towards the south.



Subject Property – Looking South

THE CITY OF
Fargo
FAR MORE 
ASSESSMENT DEPARTMENT


COPY

April 22, 2019

David Sholy
PO Box 1778
Fargo, ND 58102

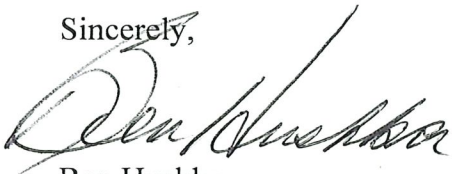
Mr. Sholy:

I have received your letter (copy enclosed) regarding the action the City Commission took on property tax abatements #4481, #4482, and #4483 on March 25, 2019. They voted unanimously to deny all three abatements and retain our valuations on the properties for the 2018 tax year. I have enclosed the text from the archived City Commission minutes.

If you recall, at the City Commission meeting, I told them that their action is merely a recommendation. The County Commission actually takes the formal action on abatements. I sent the information from the City meeting to the County Auditor. You will be contacted by the County Tax Director to schedule the abatement hearing before the County Commission.

If you have any comments or questions, please feel free to contact me.

Sincerely,



Ben Hushka
Fargo Assessor

cc: Paul Fracassi, Cass County Tax Director

From Archived City Commission Minutes of March 25, 2019 Meeting

Applications for Abatement or Refund of Taxes #s 4481, 4482 and 4483 for the 2018 Tax Year Filed by David Sholy for Property Located at 346 27th Circle South, 334 27th Circle South and 3510 Park Avenue South Denied:

The Board received a communication from City Assessor Ben Hushka recommending that the applications filed by David Sholy for Application #4481 for a reduction in value from \$191,000.00 to \$115,000.00 on property located at 346 27th Circle South, for Application #4482 for a reduction in value from \$207,000.00 to \$130,000.00 on property located at 334 27th Circle South and for Application #4483 for a reduction in value from \$346,600.00 to \$325,000.00 on property located at 3510 Park Avenue South be denied. 334 and 346 27th Circle South are primarily unimproved sites utilized as part of the storage yard for the landscaping business S&S Landscaping, he said, and 334 27th Circle South has a small storage building that was moved onto the site in 2012. He said both sites were part of a land reappraisal effort in 2018 for commercial land between Main Avenue and I-94.


Mr. Sholy said he was shocked when he received the tax notices that one lot's value increased 74% and the other 85%; he thought it was a mistake. Comparisons are used to calculate values, he said, and he does not see the similarities. The other sites have high visibility, are on known streets, have electricity, water and sewer, sidewalks and entrances, parking, grass and landscaping, while on his properties at 27th Circle do not. A neighbor was told, in order to build, they would have to excavate gravel for a stable base at a cost of \$90,000.00, he said. Another neighbor was told the same and cancelled his building plans, he said, so even if a similar lot were found, his land would have a \$90,000.00 negative. He said the house at 3510 Park Avenue South is also assessed high and he did not find similarities on the list he was provided. He said the comparables have amenities his house does not have and Trulia and Zillow put the value of the house at \$323,000.00 and \$326,000.00, respectively.

Mr. Hushka said valuations were at \$2.50 per square foot on the area near the land in question and when the land reappraisal was done this year, sales indicated those valuations were quite low. There has been six or seven years between appraisals, he said, which is not unusual when updating land. Most often land values change in developed land, he said, and when land adjustments are done, all the properties are looked at, including the improved sites. The land is vacant so this is why there is a huge increase. He said the action of the Board sends a recommendation to the County Commission.

Commissioner Strand moved based upon Mr. Hushka's recommendation that the applications for Abatement or Refund of Taxes #s 4481, 4482 and 4483 filed by David Sholy for abatement or refund of taxes for the 2018 tax year on property located at 346 27th Circle South, 334 27th Circle South and 3510 Park Avenue South be denied.

Second by Piepkorn. On call of the roll Commissioners Strand, Piepkorn, Gehrig, Grindberg and Mahoney voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

 COPY

Post Office Box 1778
Fargo, ND 58103
April 14, 2019

ASSESSMENT OFFICE
City of Fargo
321 – 4th Street North
Fargo, ND 58102

HELLO:

Can you please advise us regarding the status of our appeal of property taxes?

On March 25, 2019, we appeared at a meeting of Fargo City Commission to argue our case. The Commission voted on it, but we do not know exactly what they voted on! Did they vote:

- to approve our appeal?
- to approve the initial tax amount?
- to transfer the matter elsewhere?

We don't know and no information on it has been received.

The whole process has been so disappointing that we've decided to make the maximum effort on the appeal – including going to District Court.

In any event, can you provide an update? If we hear nothing, we will have no choice but to proceed directly to Court.

Thank you.

Yours truly,


David Sholy

Addenda B

Parcel Information

Page: 1
 Parcel Number: 01-5710-00700-000
 As Of: 2020
 Date Printed: 05/13/2019 9:40 AM

Land Information

Land Address: 3510 PARK AVE S
 FARGO ND 58103
 Mail Address: 3510 PARK AVE S
 FARGO ND 58103
 Legal Owner: SHOLY, DAVID

Status: Active

Date Last Changed:
 5/6/2019 6:58:57 AM

Addition: Woodbury Park

Building Group:

Owner Group:

Block: 4

Lot: 2

Additional: REPLAT OF LTS 1-3, BLK 1, LEXUS 1ST (07/29/1999 B-R, P-41)

Miscellaneous

ID	Land Address	Use	Land	Bldg	Shape	Width:		Depth:		Assessed	Built	Garages	Story Height	Prop Type
			Sq Ft	Sq Ft		Front	Back	1	2					
1	3510 PARK AVE S	R	11,985	2,162	1-Irregular	86	88	138	144	Local	2002	4-Three (or Two w/ Loft)	7-2 Story	1-Single Family

Assessment

Year	Use	Seg	Homstd	Full Appraised			Net Appraised			Assessed		
				Land	Impr	Total	Land	Impr	Total	Land	Impr	Total
2019	R	1		54,300	292,300	346,600	54,300	292,300	346,600	27,150	146,150	173,300
Total:				54,300	292,300	346,600	54,300	292,300	346,600	27,150	146,150	173,300
2020	R	1		54,300	292,300	346,600	54,300	292,300	346,600	27,150	146,150	173,300
Total:				54,300	292,300	346,600	54,300	292,300	346,600	27,150	146,150	173,300

Parcel Information

Page: 2
Parcel Number: 01-5710-00700-000
As Of: 2020
Date Printed: 05/13/2019 9:40 AM

Segment 1, Residential

Year Built 2002		Building Val 292,300	Option Code
Story Height 7-2 Story	# Apt Units	Type Prop 1-Single Family	Grade 4-Good
Bsmt Walls 3-Concrete	Curr. Cond 3-Average	Tot LV SF 2162	Main Flr SF 1108
Bsmt Area 5-Full	Htg Fuel 1-Gas	Type Heat 1-Forced Air	Air Cond 3-Central
Kit Cab Const: 3-HardWood	Bsmt Fin 4-75 %	Bsmt Quality 3-Average	Bsmt Apt 1-None
Interior Walls 1-Sheet Rock	Kit Cab Qual 3-Average	Kit Cab Adeq 2-Adequate	Built-In Adj 2-Average
Dish Wash	Range Hood	Jenaire	Intercom:
Garb. Disp	Blt-In Vac	Microwave	Sec System:
Stove/Oven	G Comp	Door Opener	Misc:
No of FP 3-Fireplace	Doors/Trim 2-Hardwood	Dining Rm 2-Dining Area	Type of FP 3-PreFab
No Rms Main 4	Floor Cover 4-Combination	No of Bath 5-3 or 3½	No of Bdrms 3
Ext Walls 8-Vinyl	No Rms 2nd 3	No Rms Bsmt 0	Floor Plan 2-Adequate
Type Garage 4-Attached	Dormer/LF 0	Roof Design 3-Hip	Roof Cover 1-Asphalt
Porch Cost 1,500.00	No of Stalls 4-Three (or Two w/ Loft)	Gar Qual 3-Average	Porch/Deck 2-Patio
Date Insp 11/15/2018	Extras 101-None	Extra Cost 0.00	Misc Code
Appr. Date 11/15/2018	Appr Name JSW-Janell Walz	Extra Remarks	

SKETCH/AREA TABLE ADDENDUM

Parcel No 01-5710-00700-000

Property Address 3510 Park Ave S

City _____ State _____ Zip _____

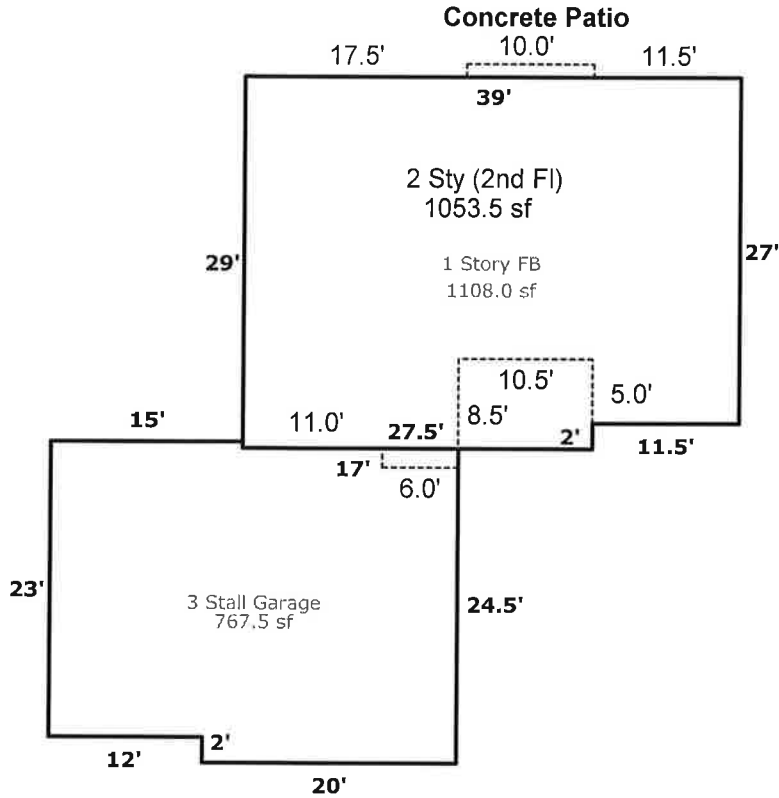
Owner _____

Client _____

Appraiser Name J

SUBJECT

IMPROVEMENTS SKETCH



Scale: 1" = 15'

AREA CALCULATIONS SUMMARY

Code	Description	Factor	Net Size	Perimeter	Net Totals
1SFB	1 Story FB	1.00	1108.00	136.0	1108.00
2S2F	2 Sty (2nd Fl)	1.00	1053.50	151.0	1053.50
GAR	3 Stall Garage	1.00	767.50	114.0	767.50

Comment Table 1

Comment Table 2

Comment Table 3

Net LIVABLE Area (rounded w/ factors) 2162

AREA CALCULATIONS