Staff Report for 2022 State Board of Equalization

September 5, 2022
File No: 2022-WEST FARGO-HULL  
Prepared By: Property Tax Division
County or City: City of West Fargo
Appellant: Hull Family Partnership LLC c/o Pivotal Tax Solutions
Issue: Appeal of property valuation

Summary: The property owner requests a reduction in valuation on Parcel number 02-0082-00020-000, located at 1630 E 13th Ave, West Fargo.

Analysis: The 2022 assessed value for this parcel is $3,037,600. Hull Family Partnership LLC request a reduced assessed value of $2,620,172. Hull Family Partnership asserts that economic and market conditions surrounding the subject property support a lower valuation.

Property Tax Division staff did an onsite visit on August 15, 2022. The subject property currently occupied by Pet Smart is a 23,567 square foot retail building with a 3,200 square foot addition, which is leased to a small retailer.

Two approaches to value were considered for this appeal, the cost approach and the sales approach. The cost approach was provided by Hull Family Partnership and West Fargo City Assessor, Mr. Nick Lee. West Fargo applies a sales or market adjustment to the cost based on commercial sales within the city. Hull Family Partnership’s cost analysis identified adjustments applied to the costs using local and regional multipliers. The base cost of the two opinions to value is $70.50. The adjustments to the base cost indicate a difference, which creates the difference between the assessed value and the requested reduced value.

The sales approach was considered using sales provided by the city assessor. Property Tax Division staff’s sales analysis indicates the sale adjustment identified in the city’s cost approach is supportable.

Based on our analysis, the City of West Fargo’s assessment of the subject property is assessed correctly.

Recommendation: No action required.