

Staff Report for 2023 State Board of Equalization

File No.: 2023-WILLIAMS-WILLISTON-ENERGY PROPERTY PARTNERS LLC 36 S AVE

Prepared By: Property Tax Division

County or City: City of Williston

Appellant: Energy Property Partners LLC

Issue: Appeal of Commercial Property Valuation

Summary: Energy Property Partners LLC, doing business as Halliburton, represented by Kimberly King, Tax Specialist with Halliburton Real Estate Services, is appealing the property value of \$1,638,460 on parcel number 01-860-00-66-94-400 located at 36 S Avenue, Williston, ND.

Analysis: Williams County Board of Equalization approved a 2023 true and full value of \$1,638,460, of which \$1,563,710 is attributable to the improvements and \$74,750 is attributable to the land. Energy Property Partners LLC is requesting a true and full value of \$1,232,352 or \$88 per square foot, which includes land, buildings, and yard items.

Property Tax Division staff completed an onsite inspection of the property with a Halliburton representative on August 28, 2023. Staff also visited with the Williams County Tax Director/Williston City Assessor Darcy Anderson and two City of Williston staff appraisers.

Consideration was given to the three approaches to value. The cost and sales approaches were deemed the most appropriate for this appeal as the property is not an income producing property.

The cost approach to value was considered for this appeal. The cost approach, based on several factors including: characteristics of the property, depreciation, local and regional multipliers, and price per square foot, in no specific order of significance, resulted in an estimated improvement value of \$1,561,585 and land value of \$74,750, for a total true and full value of \$1,636,335, which is slightly less than the county approved true and full value of \$1,638,460.

The sales approach to value was considered for this appeal. Current, comparable sales information was supplied by Ms. Anderson and Ms. King. Due to the unique use of the yard items located on the subject property, the yard items have been removed to create a more similar comparison of the subject property to comparable properties building and lot costs per square foot. The average square foot costs were used to calculate the building and lot values, then the yard items were added back into the total cost. The average improvement value, less yard items, of the comparable sales is \$58.93 per square foot for the building and \$3.37 per square foot for land. This indicates an estimated improvement true and full value

of \$1,691,270, which is slightly more than the approved true and full value of \$1,638,460.

After analyzing the cost and sales approaches to value, a weighted average for sales at \$1,691,270, and cost at \$1,636,335, was used to determine a final true and full value of \$1,674,790. The slight difference between the assessed value and the value calculated by Property Tax Staff does not warrant increasing the assessed values because such opinions of assessment are subjective and can fluctuate depending on how the market is viewed.

Proposal for Review: No action required.