

**CITY OF DICKINSON**

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**OFFICE OF CITY ASSESSOR**

**Joe J Hirschfeld**

**\*\*MEMO\*\***

DATE: 09/12/2023

TO: Dickinson City Commission  
Dustin Dassinger – City Administrator  
Linda Carlson – Deputy City Administrator

FROM: Joe Hirschfeld – Dickinson City Assessor

SUBJECT: Abatement Hearing

An Abatement application has been filed for the old Southwest Health building owned by McNeill Development, LLP. The property is located at 227 16th St W and the property identification number is 0905-0000-0200.

This building was valued as a taxable building during the 2014 Commercial revaluation and was carrying a value of \$2.5M prior to being purchased by the SW Health Department for \$2.4M in 2016.

Upon purchase, this property became exempt from taxation. This change in classification resulted in a move from the commercial folder to the exempt folder in our CAMA system, whereas the exempt folder did not include a time multiplier and was valued at the base 100%. This corresponding decrease in reported value was artificial, however, Mr. McNeil says that he relied upon this valuation when swapping properties with SW Health.

Upon the transfer of properties, this building was moved back to the commercial folder and a time multiplier was again added, returning the value of the property to \$2.2M in 2022. Mr. McNeil protested this value after the BOE in April 2022, so no change was made, however, the property was reviewed for 2023 with damages and deferred maintenance noted, resulting in a decrease of valuation to \$1,866,600 for 2023.

Mr. McNeil is asking for a value change to \$1,700,000 from \$2,191,100 for 2022. While the existing 2022 value is equitable, extenuating circumstances do exist, regarding the large reliance the public places upon Assessment data beyond that for tax purposes.

While most exempt properties carry no value, posing other issues when changing taxable status, some exempt properties do change back and forth. The Assessing office has elected to amend procedure, making sure that exempt folders carry the same time adjustment as the commercial folder to avoid this occurrence from happening again. This should limit similar concerns; however, the City Commission should be cognizant of setting a precedent in this situation.

Possible motions include:

1. To make no change to the \$2,191,100 value in 2022.
2. To change the value to the owner requested \$1,700,000.
3. To change to some other value\_\_\_\_\_ (possibly the 2023 adjusted value of \$1,866,600).

Staff recommendation is to remain equitable with other commercial properties and make no change; however, a decrease to the \$1,866,600 amount determined in 2023 would not be unreasonable considering the circumstances surrounding this individual parcel.

If you have any questions regarding this property or the abatement process, please feel free to contact me.

Sincerely,

Joe Hirschfeld  
City Assessor