

MINUTES
LANCASTER COUNTY BOARD OF EQUALIZATION
TUESDAY, FEBRUARY 21, 2023
IMMEDIATELY FOLLOWING THE BOARD OF COMMISSIONERS MEETING
COUNTY-CITY BUILDING, ROOM 112

COMMISSIONERS: Christa Yoakum, Chair; Sean Flowerday, Vice Chair;
Roma Amundson, Matt Schulte, and Rick Vest

Advance public notice of the Board of Equalization meeting was posted on the County-City Building bulletin board and the Lancaster County Nebraska website, emailed to the media and published in the Lincoln Journal Star print and digital editions on February 17, 2023.

Commissioners present: Christa Yoakum, Chair; Sean Flowerday, Vice Chair; Roma Amundson; Matt Schulte and Rick Vest

Others present: Dave Derbin, Chief Administrative Officer; Dan Zieg, Deputy County Attorney; John Ward, Deputy County Attorneys; Rachel Garver, County Treasurer; Dan Nolte, Assessor/Register of Deeds; Cori Beattie, Deputy Assessor/Register of Deeds; Derrick Niederklein, Chief Field Deputy Assessor/Register of Deeds; Matt Hansen, County Clerk; Courtney Lyons, Deputy County Clerk; Leslie Brestel and Meggan Reppert-Funke, County Clerk's Office

The meeting was called to order at 10:10 a.m., and the location of the Nebraska Open Meetings Act was announced.

1) MINUTES

A. Approval of the minutes of the Board of Equalization meeting held on Tuesday, February 7, 2023.

MOTION: Flowerday moved and Amundson seconded approval of the minutes. Vest, Amundson, Schulte, Flowerday and Yoakum voted yes. Motion carried 5-0.

2) ADDITIONS AND DEDUCTIONS TO THE TAX ASSESSMENT ROLLS

MOTION: Flowerday moved and Amundson seconded approval of the additions and deductions to the tax assessment rolls. Flowerday, Vest, Amundson, Schulte and Yoakum voted yes. Motion carried 5-0.

3) APPEAL ON DISQUALIFICATION FROM SPECIAL (GREENBELT) VALUATION

A. Tom and Deanna Priefert

Derrick Niederklein, Chief Field Deputy, Assessor/Register of Deeds, stated the Assessor/Register of Deeds' Office has received an income statement regarding the appeal and added on the income statement that the primary use of the property is listed as wildlife refuge. He stated that after further review of the 34 acres, the primary use of the parcel is not used for agricultural purposes. The recommendation of the Assessor/Register of Deeds' Office is to deny the appeal.

Flowerday noted that state law changed in 2019 regarding special greenbelt valuations and limits what the County Board can do. Niederklein agreed and added the definition of agriculture, particularly parcels under five acres, must have a profit/loss statement.

MOTION: Flowerday moved and Amundson seconded to deny the appeal on the Notice of Disqualification from Special (Greenbelt) Valuation based on the recommendations of the Assessor/Register of Deeds' Office.

Deanna Priefert, Landowner, stated they have 35 acres. Tom Priefert, Landowner, stated when they first moved and were improving the property for wildlife, their tax preparer decided to put the primary purpose as "wildlife refuge," but that was not their purpose for the property. D. Priefert stated since moving to the property in 2006, they have rented the land out for crops and enrolled the property in a conservation project that ended in 2017. She added currently the property is used for harvesting and selling walnuts, hazelnuts and eggs, and this is the income that is reported on their Schedule F from 2022. In 2020 and 2021 they were unable to report income due to COVID-19.

Flowerday asked if the legislative requirement requires a financial gain or loss, and the Prieferts provided information on why they should qualify. Niederklein stated the land was enrolled in a conservation reserve program and received payments that qualified them for the special valuation. He added that in 2017 the program ended and the land is no longer eligible for the special greenbelt valuation. T. Priefert stated that they tried to reenroll but there were no conservation reserve programs available, but they continue to sell eggs, nuts and wood.

Niederklein provided a picture of the property (Exhibit 1). T. Priefert stated that an extra building on the property will be used for chickens as they plan on expanding their egg production. T. Priefert added that they do not have row crops, but the products they are selling are listed as agricultural.

Flowerday inquired why the Prieferts' property did not qualify. Niederklein stated the Prieferts did provide good facts and presented a picture of the remaining 30 acres (Exhibit 2). He noted the primary use of the land needs to be used for agricultural purposes. T Priefert stated there is a high value in walnut wood and they harvest and sell them to artists. D. Priefert stated the Assessor's Office previously had the property labeled as agricultural as a result of the conservation project and when they moved to a different agriculture production, the Assessor's Office had no way of knowing. Niederklein stated that was correct.

Niederklein stated the commercial production is where the issue rests. The tax savings from the judgement today is about \$2,000 and the net income from this parcel has been zero and the gross income has been zero for two years and a little over \$1,000 this past year. He added the question is what a commercial production is. D. Priefert stated that LB808 or LB166 states you must have 20 or more acres, which they do, and make more than \$1,000 per year for income guidelines listed. She stated they made \$50 over that amount.

Vest inquired if the greenbelt valuation status is issued and the taxes are reduced if the state supplements the difference. Niederklein stated no.

MOTION: Flowerday moved and Schulte seconded to amend the previous the motion, to change from denying the appeal to approving the appeal. Amundson, Schulte, Flowerday, Vest, and Yoakum voted yes. Motion carried 5-0.

ROLL CALL: A vote was called on the motion as amended, to approve the appeal on the Notice of Disqualification from Special (Greenbelt) Valuation. Schulte, Flowerday, Vest, Amundson and Yoakum voted yes. Motion carried 5-0.

B. Kimberly A Klein

Niederklein stated a letter was received asking for an additional year to convert the property for agricultural use. He added the Assessor/Register of Deeds assessed the value in its current state and their determination is the property is not used for agriculture and shows no profit or loss and therefore should be denied.

MOTION: Flowerday moved and Amundson seconded to deny the appeal on the Notice of Disqualification from Special (Greenbelt) Valuation based on the recommendations of the Assessor/Register of Deeds' Office. Vest, Amundson, Schulte, Flowerday and Yoakum voted yes. Motion carried 5-0.

4) PUBLIC HEARING

A. 451 Exemption Applications for 2023 (See correlating item under 5A)

1. Recommended for Approval (See correlating item 5A 1.)
2. Recommended for Approval of a Portion (See correlating item 5A 2.)
3. Recommended for Denial (See correlating item 5A 3.)

The Chair opened the public hearing.

Cori Beattie, Deputy Assessor/Register of Deeds, was administered the oath. She stated the recommendation from the Assessor/ Register of Deeds' Office on the 15 tax year 2023 451 exemption applications have been sectioned out. Ten applications were recommended for approval (see agenda packet). A portion approval application with Bryan Medical Center located at 2920 South 84th Street as Bryan Medical Center is using 1,400 square feet. The remainder of the property is vacant and the vacant portion does not qualify for exemption status. Four applications are recommended for denial, including Bryan Medical Center located at 2940 South 84th Street, which is currently leasing a portion to Allstate. The remainder of the building is vacant. Appraisal staff did a site visit of Our Lady of Guadalupe Seminary and determined the property is used for cutting hay and is not being used for an exempt purpose. Region V Services is currently leasing to Upland Software and Dormie Network and is not using the property for their own use.

Dan Zieg, Deputy County Attorney, was administered the oath. He stated AF-18-R-Lincoln property currently uses the property for student housing and renting to the public with no restrictions and recommended denial.

Schulte asked for clarification on the Bryan Medical Center's properties. Beattie stated there are two separate properties: 2920 and 2940. She added the property located at 2940 is currently being leased to Allstate and is vacant and the 2920 property is 1400 square feet is being used and the remainder of the property was vacant at the time of the application. Schulte asked the County Attorney what the policy on vacant property is. Zieg stated that to be considered tax-exempt the assessors look at the use and that this property would not be exempt according to that policy. Schulte wanted clarification on Our Lady of Guadalupe Seminary property. Zieg stated they purchased the property to the south and are separated by several miles.

Mike Dewerff and Melissa Schwab with Bryan Medical Center were administered the oath. Dewerff stated property 2920 is currently occupied by the purchasing department and the remainder of the building is used for storage, but they are currently working with designers to remodel the area. Dewerff stated 2940 is currently leased with Allstate and the remainder of the property is used for storage related to the tax-exempt purpose. Yoakum asked if the furniture is not being used at this time for tax-exempt business. Dewerff stated that was correct.

Schulte inquired from the County Attorney the process of the tax-exempt application. Zieg stated the applicant can apply every four years but the applicant can reapply if the use of the property changes.

Yoakum asked if the County counts storage that is not being occupied by the applicant. Beattie stated the Assessors/Register of Deeds' Office is basing the recommendation on the application that states Bryan occupies around 1,400 square feet and that 6,600 plus remains vacant. She added that Bryan can reapply for exemption status if the usage changes before July 1st.

The Chair closed the public hearing.

B. Motor Vehicle Tax Exemptions Applications (See correlating item 5B)

1. Bluestem Health
2. CEDARS Youth Services

The Chair opened the public hearing.

No one appeared to testify on the motor vehicle tax exemption applications.

The Chair closed the public hearing.

5) **ACTION ON THE PRECEEDING ITEMS:**

A. 451 Exemption Applications for 2023

1. Recommended for Approval.

MOTION: Schulte moved and Flowerday seconded approval of the ten new 451 exemption applications and approval to deny four 451 exemption applications based on the recommendations of the Assessor/Register of Deeds Office. Flowerday, Vest, Amundson, Schulte and Yoakum voted yes. Motion carried 5-0.

2. Recommended for Approval of a Portion.

MOTION: Schulte moved approval of Bryan Medical Center at the property located at 2920 for full tax-exempt status. Motion died for a lack of a second.

MOTION: Flowerday moved and Amundson seconded approval of a portion of the 451 exemption application from Bryan property located at 2920 based on the recommendations of the Assessor/Register of Deeds' Office. Amundson, Flowerday, Vest and Yoakum voted yes. Schulte voted no. Motion carried 4-1.

3. Recommended for Denial.

NOTE: Action taken at 5A-1.

B. Motor Vehicle Tax Exemptions Applications

MOTION: Flowerday moved and Amundson seconded approval of the motor vehicle tax exemption applications. Vest, Amundson, Schulte, Flowerday and Yoakum voted yes. Motion carried 5-0.

- 6) **PUBLIC COMMENT:** Those wishing to speak on items relating to County Board of Equalization business not on the agenda may do so at this time.

Fred Hoppe, Lancaster resident, expressed concerns about the petition filed with the Nebraska Tax Equalization and Review Commission (TERC) on the Section 42 housing 2023 real property values and requested the Board dismiss the action.

Zieg stated the item will be discussed during an executive session at a staff meeting and questions will be addressed at that time.

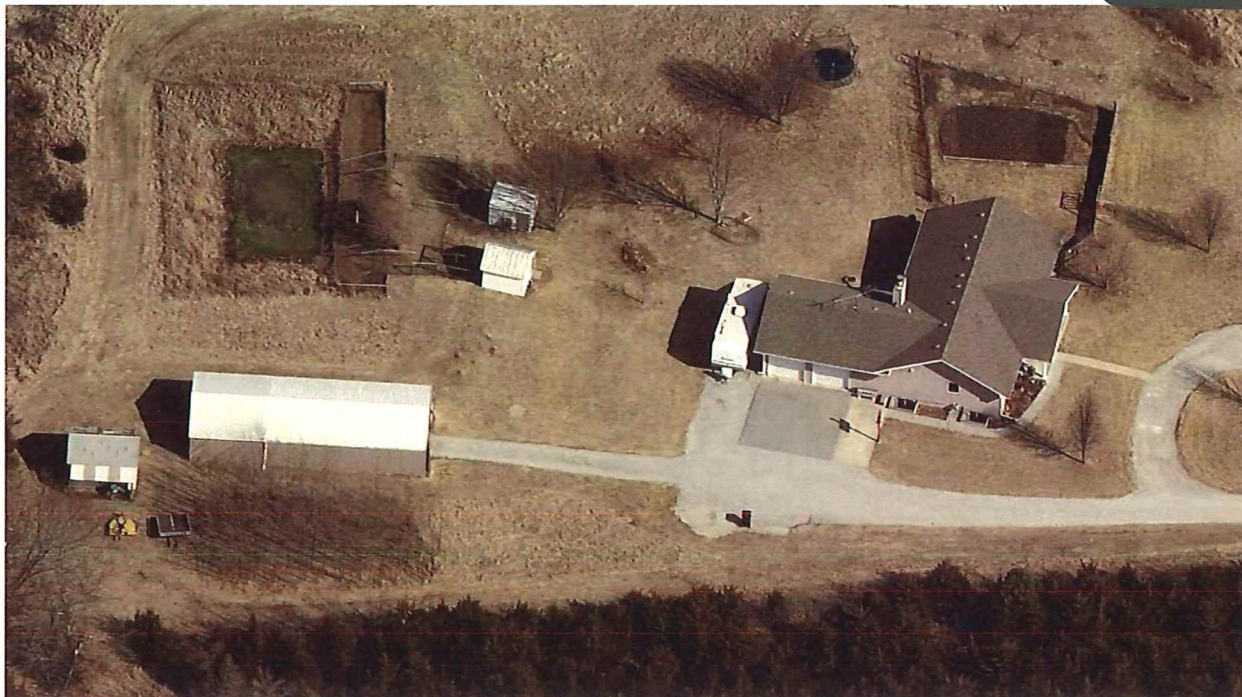
7) **ADJOURNMENT**

MOTION: Flowerday moved and Amundson seconded to adjourn at 11:04 a.m. Flowerday, Vest, Amundson, Schulte and Yoakum voted yes. Motion carried 5-0.



Matt Hansen
Lancaster County Clerk





THOMAS AND DEANNA PRIEFERT
SPECIAL VALUATION APPEAL 2023

