

Dakota County Board of Equalization
Monday, March 18, 2024
2:45 p.m. Regular Meeting
County Board Meeting Room, First Floor
Dakota County Courthouse, Dakota City, Nebraska

Chair Love called the meeting to order at 1:45 p.m. The Pledge of Allegiance was recited. Present: Love, Van Berkum, Hohenstein, Launsby. Absent: Giese. Also present was Kim Watson, County Attorney, Christy Abts and Sam Ferraro, County Assessor's Office, and Cherie Conley, County Clerk as Board Secretary. The Open Meetings Act location was noted for all citizens present.

The agenda for this meeting was as follows:

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL – Excused Absence

A current copy of the *Open Meetings Act* is posted on the west wall near the entrance of the County Board Meeting Room and is available for review by all citizens in attendance.

The Dakota County Board of Equalization reserves the right to adjust the order of items on this agenda if necessary.

1. CONSENT AGENDA

- a. Approval of the previous minutes – February 20, 2024

2. NEW BUSINESS

- a. 1:45 p.m. Public Hearing for Applicants requesting Tax Exemption on Real and Personal Property by Qualifying Organizations for the purpose of hearing oral and/or written testimony from the qualifying organizations who filed an Exemption Application Form 451. §77-202.01
- b. Board to review and make a decision on the protest submitted by Andrew Spader with Mattson Ricketts Law firm on behalf of Siouxland Tennis Association, Inc. regarding the Notice of Intent to Tax for parcel 220056692 pursuant to 77-202.12.
- c. Christy Abts, Assessor, requesting acknowledgement and approval of homestead tax roll corrections issued by the Department of Revenue.
- d. Board to approve, appoint and set compensation for the use of Certified Appraisers as Referees for Property Valuation Protests 2024. §77-1502.01. Compensation to be paid from General Miscellaneous Fund.
1. Approve Referee Agreement with Innovative Appraisal Service, Inc. for Residential and Commercial
2. Approve Referee Agreement with Stanard Appraisal Services, Inc., for Commercial, Ag and Residential parcels.
3. Approve Referee Agreement with Helvig Agricultural Service Company for Ag parcels.
- e. Approval or denial of Engagement with Cardinal Assessment Group to contract for conducting the review and/or inspection of the designated residential properties in the town of Dakota City. Compensation to be paid from General Assessor Fund.
- f. Christy Abts, Assessor, requesting approval of tax list corrections (if any).

3. MAIL AND/OR EMERGENCY BUSINESS

4. PUBLIC COMMENT

5. ADJOURNMENT

Board Member Love moved, seconded by Board Member Launsby to excuse Board Member Giese from the meeting. ROLL CALL VOTE: Van Berkum-Yes, Launsby-Yes, Hohenstein-Yes, Love-Yes. UNANIMOUS MOTION CARRIED.

Board Member Van Berkum moved, seconded by Board Member Launsby to approve the minutes of the February 20, 2024 meeting. ROLL CALL VOTE: Launsby-Yes, Hohenstein-Yes, Love-Yes, Van Berkum-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Chair Love opened public hearing at 1:47 pm for Applicants requesting Tax Exemption on Real and Personal Property by Qualifying Organizations for the purpose of hearing oral and/or written testimony from the qualifying organizations who filed an Exemption Application Form 451. §77-202.01 Chair Love explained to those in attendance that if an entity has an objection to the Assessor's recommendation on their tax exempt application they could come forward. Chair Love stated on record all applications have been approved by the County Assessor except the following which are partial approved: Crownie-Church-10%, Fraternal Order of Eagles-30%, Omadi Lodge-53% and Northeast Community Action Partnership-10%. Reverend Julie Raridan with Homer UMC, Dakota City UMC and St. Paul churches and asked about the Homer UMC filing. County Assessor Abts informed that Homer UMC did not file. The SSC Community Center asked for confirmation that they were approved. County Assessor Abts did confirm that. Chair Love closed public hearing at 1:51 pm

Chair Love invited Andrew Spader with Mattson Ricketts Law firm on behalf of Siouxland Tennis Association, Inc. to speak regarding the protest filed on Notice of Intent to Tax for parcel 220056692. Mr. Spader provided a binder with documents to the Board and stated that this is a procedurally unique situation regarding the denial of Form 451 and the Notice of Intent to Tax. He explained that the Siouxland Tennis Association is a 501 (c) 3 and leases the property from the City of So Sioux City for \$1.00 and that the City owns the property. Mr. Spader stated the reason for the denial stated on the 451 is the ownership and there is currently an appeal with the Nebraska TERC, although this is true he feels the Board should base their decision on the statute Sec. 77-202 (1)(a). He read and explained his interpretation of the statute. He stated it's a facility that is open to the public and was built by the Siouxland Tennis Association

at no cost to the City, but it is owned by the City and construction costs were significant and some private funds were used and there are ongoing costs for maintenance to keep it open for the public. He provided two examples of other facilities in Nebraska operating in similar situations that are exempt from taxation. Scott Bieber with the Siouxland Tennis Association noted that the City offered the land free to them and it had a parking lot already constructed. They feel this facility should be exempt as it is comparable to the YMCA and other like facilities across Nebraska and for all practical purposes is public property for public purposes. The Board questioned the current TERC cases status, and they are still awaiting decisions.

County Assessor Christy Abts and Sam Ferraro, contracted appraiser for the County, presented comments. Abts informed that the 451 application should be denied. She advised the City cannot file this form for the Tennis Association because the City does not meet the 5-part ownership test; she talked to the State, who confirmed this. The Association can protest the Notice of Intent to Tax. Abts stated the lease is to be for fair market value and \$1.00 is not fair market value. Ferraro listed some background on the Association's facility: in 2019, a building permit for \$1.4 million was obtained and they constructed a 23,100 square foot structure; in 2023, another building permit for \$1.45 million was obtained and they constructed a 26,000 square foot structure and a 3200 square foot office area, for a total of 51,964 square foot structure. With the parking lot and grounds, this is 7 acres of riverfront property. Ferraro discussed particulars in the lease regarding the facility and the riverfront property values compared to other properties on the river. The lease refers to the facility, but what about the 7 acres of riverfront property? From a real estate perspective, that 7 acres is unaccounted for. If the Board exempts this property that is a \$4-\$5 million dollar property, that cost of those taxes now falls on the rest of the taxpayers of Dakota County to cover. There was further discussion regarding the lease being a 10-year renewable lease and the tenant then may take ownership. Ferraro believes they are taxable based on the lease, the land, and the Pro Shop inside the facility that sells merchandise. Abts stated that they are not charitable under the State's definition because they do not provide food, clothing, or shelter. Ferraro stated under Regulation 350 it says if an organization is organized under a 501(c)(3) of the IRS Code Federal side it does not necessarily become exempt from Nebraska property taxes.

Mr. Spader commented that the definition of charitable under Neb Admin Code Regulation 350 Chapter 40 section 5.01C defines an organization as operated exclusively for the purpose of mental, social, physical benefit of the public. The tennis facility fits the definition of charitable as it provides physical activity and is open to the public. Mr. Spader also referred to the Memorandum of Understanding in the binder where it states the Siouxland Tennis Association will raise funds and pay for all construction, the indoor facility will become part of the real estate owned by the City, and the building will be owned by the City. If the Siouxland Tennis Association engages in a nonexempt use, then it would be responsible for the taxes. He states the use of the facility is only as a tennis facility open to the public.

Fair market value and ongoing expenses were examined. Chair Love stated this is a lot of information.

Board Member Hohenstein moved, seconded by Board Member Van Berkum to approve the Forms 451 Exemption Applications as recommended by the Assessor: Centro Cristiano Nueva Esperanza- 220030308- Approved; First Lutheran Church- 220055483- Approved; First Presbyterian Church- 220028885 – Approved; Glad Tidings Lighthouse of So Sioux City- 220156271, 220043019, 220132844, 220040850, 220040753, 220040672, 220044155- Approved; Hope Evangelical Lutheran Church- 220025991, 220025479, 220025371- Approved; Iglesia Pentecostes Jesucristo- 220040001- Approved; Islamic Center of Siouxland- 220177104- Approved; River Hills Church- 220205086- Approved; Salem Evangelical Lutheran Church- 220081743, 220082367, 220074739, 220205175- Approved; Siouxland Community Bible Church- 220029229- Approved; Sacred Heart Church- Emerson- 220001847- Approved; St. Cornelius Church of Homer- 220079412, 220079501, 220005826- Approved; St. Marys Church of Hubbard- 220002711, 220088802- Approved; St. Michaels Church of So Sioux City- 220031274, 220031355, 220031452, 220029407, 22031495, 220029539, 220072892, 220162395- Approved; St. Patrick Church of Jackson- 220059195, 220003912, 220274822- Approved; St. Paul's Evangelical Lutheran Church- 220008094- Approved; First Methodist Church- 220028796- Approved; Trinity Lutheran Church- 220002460- Approved; Tri-State Christian Church- 220166706- Approved; United Methodist Church- 220009740- Approved; Wat Buddharam of Siouxland, Inc.- 220274438, 220072086- Approved; Buckland Post #97- 220004994- Approved; Hansen-Greenleaf Legion Post #376- 220173029- Approved; Harty-Mcnally Post #175- 220002053- Approved; Knights of Columbus Council- 220072868- Approved; Ryan-MC Entaffer Legion Post #60- 220274598, 220274566- Approved; American Family Association, Inc.- 220149100- Approved; Boys & Girls Home of Nebraska, Inc.- 220154074- Approved; Briar Cliff University- 220056862- Approved; Dakota County Historical Society- 220011621, 220197423, 220084165 - Approved; Heartland Counseling Services, Inc- 220274619- Approved; Nebraska Indian Community College- 220036349- Approved; Siouxland Y, The YMCA- 220160139- Approved; NE Nebr Senior Citizen Center, Inc.- 220200777- Approved; Salvation Army- 220070571, 220072191- Approved; Siouxland Community Health Center- 220141894- Approved; VSL Emerson, LLC- 220001332- Approved. ROLL CALL VOTE: Love-Yes, Van Berkum-Yes, Launsby-Yes, Hohenstein-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Board Member Love moved, seconded by Board Member Launsby to approve the Forms 451 Exemption Applications as recommended by the Assessor for partial exemption: Cownie-Church Post #307- 220029342, 220027307 - 10% Taxable; Fraternal Order of Eagles- 220042136 - 30% Taxable; Omadi lodge #5AF & AM- 220028192 - 53% Taxable; Northeast Nebraska Community Action Partnership, Inc.- 220037124 - 10% Taxable. ROLL CALL VOTE: Van Berkum-Yes, Launsby-Yes, Hohenstein-Yes, Love-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Board Member Hohenstein moved, seconded by Board Member Launsby on the Siouxland Tennis Association 451 Exemption Application to deny as recommended by the Assessor and Notice to Intent to Tax Protest to deny as recommended by the Assessor as there are pending TERC cases regarding these

issues. ROLL CALL VOTE: Launsby-Yes, Hohenstein-Yes, Love-Yes, Van Berkum-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Christy Abts, Assessor, requesting acknowledgement and approval of homestead tax roll corrections issued by the Department of Revenue based on income. Board Member Love moved, seconded by Board Member Van Berkum to approve the Tax Roll Corrections as directed by the Department of Revenue to the County Assessor. ROLL CALL VOTE: Hohenstein-Yes, Love-Yes, Van Berkum-Yes, Launsby-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

TLC#	PARCEL	Exempt Change	NOTES - Tax List Corrections:
10034	220050252	70% to 50%	Dept of Revenue Audit change
10035	220000603	100% to 80%	Dept of Revenue Audit change
10036	220022224	100% to 70%	Dept of Revenue Audit change
10037	220045275	20% to 0%	Dept of Revenue Audit change
10038	220036799	100% to 80%	Dept of Revenue Audit change
10039	220034079	100% to 70%	Dept of Revenue Audit change

Board Member Hohenstein moved, seconded by Board Member Love to approve the Referee Agreement with Innovative Appraisal Service, Inc. for Residential and Commercial and compensation to be paid from General Miscellaneous Fund. ROLL CALL VOTE: Love-Yes, Van Berkum-Yes, Launsby-Yes, Hohenstein-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Board Member Hohenstein moved, seconded by Board Member Love to approve the Referee Agreement with Stanard Appraisal Services, Inc., for Commercial, Ag and Residential parcels and compensation to be paid from General Miscellaneous Fund. ROLL CALL VOTE: Van Berkum-Yes, Launsby-Yes, Hohenstein-Yes, Love-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Board Member Hohenstein moved, seconded by Board Member Love to approve the Referee Agreement with Helvig Agricultural Service Company for Ag parcels and compensation to be paid from General Miscellaneous Fund. ROLL CALL VOTE: Launsby-Yes, Hohenstein-Yes, Love-Yes, Van Berkum-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Board Member Van Berkum moved, seconded by Board Member Launsby to approval contract Cardinal Assessment Group to conduct the review and/or inspection of the designated residential properties in the town of Dakota City. Compensation to be paid from General Assessor Fund. ROLL CALL VOTE: Hohenstein-Yes, Love-Yes, Van Berkum-Yes, Launsby-Yes, Giese-Absent. UNANIMOUS MOTION CARRIED.

Mail and/or emergency business. Note made of SSC TIF hearing for Old Highway 20 Redevelopment Area on March 25, 2024 at 5:00 p.m.

Board Member Van Berkum moved to adjourn the meeting. Chair Love adjourned the March 18, 2024 Board of Equalization meeting at 2:34 p.m.

County Board of Equalization

Scott Love, Chair

Cherie Conley, County Clerk