

THE BOARD OF EQUALIZATION OF UTAH COUNTY, UTAH
COMMISSION CHAMBERS, ROOM 1400
OF THE UTAH COUNTY ADMINISTRATION BUILDING
Tuesday, March 31, 2015 at 1:00 P.M.

PRESENT: COMMISSIONER LARRY A ELLERTSON, CHAIR
COMMISSIONER WILLIAM C. LEE, VICE-CHAIR
COMMISSIONER GREG GRAVES

ALSO PRESENT:

Dave Shawcroft, Attorney	Tyler Loveridge, Recorder's Office
Bryan Thompson, Utah County Clerk/Auditor	Susan Manes, Challenger School Foundation
Diane Garcia, Assessor's Office	Matt Cooper, Challenger School Foundation
Peter Jeppsen, Assessor's Office	Robert Fillerup, Attorney
Raphael Millet, Recorder's Office	Steve Johnston, no further information
Andrea Allen, Recorder's Office	Donna Johnston, no further information
Sandy Nielson, Clerk/Auditor's Office	Brannon Carter, no further information
Jim Stevens, Assessor's Office	Eric Johnson, Mountainlands Family Youth Center
Burt Harvey, Clerk/Auditor's Office	Cheryl Campbell, Deseret Villages Association
Dustin Thompson, Assessor's Office	Sharlene Wilde, Neighborhood Housing Services
Amy Offinger, Assessor's Office	Kelli Taylor, LDS Church
Brian Voeks, Commissioner's Office	Brad Bishop, RHPC, dba Self-Help Homes
Vicky Westergard, Clerk/Auditor's Office	Kena Mathews, Habitat for Humanity
Karrie Galloway, Planned Parenthood	Mardene Barker, Assessor's Office

Commissioner Ellertson welcomed all present and the meeting began at 1:17 P.M.

1. APPROVE MINUTES OF THE BOARD OF EQUALIZATION MEETING HELD ON DECEMBER 16, 2014.

Commissioner Ellertson asked that this item be continued for one month.

Commissioner Graves made the motion to continue Item No. 1 for one month. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson
	Commissioner Lee
	Commissioner Graves
Nay:	none

2. APPROVE ASSESSOR LETTER DATED MARCH 17, 2015 CHANGING TAXABLE STATUS FROM PRIMARY RESIDENTIAL TO SECONDARY RESIDENTIAL FOR THE YEAR 2015.

Jim Stevens explained the reason the letters were sent out was Washington County notified us that they were given primary residence in Washington County. Letters were sent out to them. They did not respond after sufficient time. In answer to Commissioner Graves' question about the date on the letters, Jim answered the date refers to when the letters were put in the mail. Commissioner Ellertson said this is a situation where they can only have one primary residence in Utah. Since they already claimed it in Washington County, it is suggested to us that we change that status here to a secondary residential property.

Commissioner Graves made the motion to approve the Assessor letter on agenda Item No. 2. Commissioner Lee second the motion and carried with the following vote:

Aye:	Commissioner Ellertson
	Commissioner Lee
	Commissioner Graves
Nay:	none

3. APPROVE OR DENY 2015 CHARITY PLAN FOR MOUNTAINLANDS COMMUNITY HEALTH CENTER & PAYSON FAMILY HEALTH CENTER AS SPECIFIED IN BINDER.

Eric Johnson, Financial Director from Mountainlands Community Health Center, explained Mountainlands is considered a safety-net medical care provider. It receives funds from many different entities, but the majority comes from the patients. We provide medical, dental, mental health care as well as a pharmacy. Anyone who falls under 200% of the federal poverty level will qualify for some discount. The bulk of their patients either being uninsured or at the greatest discount level. We have three sites in Utah County and one in Vernal. Commissioner Ellertson complimented this organization for their service in one of the County's facilities.

Commissioner Graves made the motion to approve the 2015 Charity Plan for Mountainlands Community Health Center and Payson Family Health Center as specified. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson
	Commissioner Lee
	Commissioner Graves
Nay:	none

4. APPROVE OR DENY 2015 CHARITY PLAN FOR PLANNED PARENTHOOD AS SPECIFIED IN BINDER.

Karrie Galloway explained this organization has been in Utah County since the mid 1980's. They provide reproductive health care for those who are the uninsured or underinsured as well as the newly insured. They see just over 6,000 individuals a year. The facility in Utah County is in Orem next to the Social Services Bldg. Commissioner Graves asked how many of the 6000 are below the poverty level. Karrie answered that 60% are below 100% of the federal poverty level and receive totally subsidized services. Those above 100% may receive pay a portion of their care based on a sliding fee.

Commissioner Graves made the motion to approve the 2015 Charity Plan for Planned Parenthood. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson
	Commissioner Lee
	Commissioner Graves
Nay:	none

5. APPROVE OR DENY 2015 INITIAL EXEMPTION APPLICATION FOR CHALLENGER SCHOOL, SERIAL NOS. 44:018:0074, 44:018:0056, 44:018:0033 & 53:401:0002 AS SPECIFIED IN BINDER.

Commissioner Ellertson explained he had some questions because some of the parcels had buildings and some were for vacant land and there is an ATV. Dave Shawcroft explained three of the parcels are not in

use. They are vacant land. Vacant land does not qualify for an exemption. Commissioner Ellertson stated he thought the vacant land was a challenge to them to be approved. Dave said it has to be in active use. Dave also said there are two parcels owned by a LLC. Commissioner Lee said his question, too, was about the ownership as they are owned by Babb Investments. Matt Cooper, In-House Counsel for Challenger Schools, said three of the parcels are contiguous. Those three acres combined are about 2 acres. Challenger operated a pre-school and a kindergarten. The facility became dated and needed to be rebuilt. In 2009, we opened the new campus in Lehi, we demolished the campus in Orem with the intention of rebuilding it. Due to the economic downturn in 2008 and 2009, we shelved the construction plans. At this time we are going on a year by year analysis of our enrollment and needs. They are 44:018:0074, 44:018:0056 and 44:018:0033. Combined they equal just over 2 acres. The owner of the Lehi campus is Babb Investment LLC. The ownership on the three parcels that comprised the old Orem campus is divided between Challenger School and Babb Investments. For decades, Challenger has chosen to own its properties in LLCs as a protection. Challenger School Foundation is the sole owner and sole manager of Babb Investments. It is a wholly owned subsidiary of the non-profit. It is a “pass through” beneficiary. Commissioner Lee asked if there was anyone tied to it or is it just a name. It is a limited liability company and is owned 100% by Challenger Foundation. Its sole manager and operator is Challenger School. Dave explained vacant land held for future use does not qualify for an exemption. Matt stated the ATV is used solely on campus for maintenance. It is licensed under Challenger Foundation. Commissioner Ellertson asked if 53:401:0002 is owned by Babb Investments. Matt stated this parcel is the Traverse Mountain campus. It is owned by Babb Investments LLC. It is helpful to understand the relationship. The LLC borrows money from Challenger School via a promissory note to build and develop the school. Once the school is built and developed, it is leased back to Challenger School. The revenues are used solely to repay the promissory note. The pending note on Traverse Mountain will pay off in July of this year. That is the financial operation between the entities. This is only done for the Challenger Schools. It is not done with any other organization. Dave commented statutorily, it has to be owned by a non-profit charitable entity. It is not. The LLC is a separate legal entity. Matt stated that is a surprising interpretation of the law to them. Dave added he understands for federal tax purposes it is a disregarded entity. Matt stated for all other counties as well. Davis County has already determined. Salt Lake County has a couple of issues that are not that to determine. So, no one else operating under the same SOP in the State of Utah has seen that as an issue. Commissioner Graves asked Dave if it is approved, what issues will that present for us. Dave answered, we could approve it on the condition of review of the LLC issues. Also subject to receiving their LLC documents showing Challenger is the sole owner. Matt said they would be happy to provide those.

Commissioner Graves made the motion to approve the exemption for serial number 53:401:0002 subject to Challenger School providing documents concerning Babb Investments LLC. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson
	Commissioner Lee
	Commissioner Graves
Nay:	none

Commissioner Graves made the motion to deny the exemption for serial numbers 44:0018:0033, 44:018:0056 and 44:018:0074 on the application. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

6. APPROVE OR DENY 2015 INITIAL EXEMPTION APPLICATION FOR NEIGHBORHOOD HOUSING SERVICES OF PROVO, SERIAL NOS. 55:246:0009 & 52:787:0291 AS SPECIFIED IN BINDER.

Shalene Wilde, Executive Director of Neighborhood Housing Services, explained these properties are currently filled with low income families.

Commissioner Lee made the motion to approve Item No. 6 with serial numbers 55:246:0009 and 52:787:0291. Commissioner Graves seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

7. APPROVE OR DENY 2015 INITIAL EXEMPTION APPLICATION FOR HABITAT FOR HUMANITY OF UTAH COUNTY, SERIAL NOS. 40:476:0001, 40:476:0002, & 40:476:0003 AS SPECIFIED IN BINDER.

Kena Mathews stated they were currently building a three lot subdivision in Orem. Two are at four-way on and the third we will start building in May. When asked by Commissioner Ellertson if they were actively involved in the construction process in getting it approved and starting construction, Kena answered right. Dave stated they have to be in use. Kena commented this is the way they have always been done in the past. Dave reiterated it has to be in use and this has consistently been the recommendation in the past. Commissioner Ellertson agreed this has been consistently Dave's recommendation in the past. Commissioner Graves noted it sounded like he (Dave) had been consistently over-ruled. He asked Kena if they have permits and are under construction. Dave asked when the permits were issued. Dave noted if the permits have been issued, they are okay. Issuing of permits commencing the use. Dave added that has to be the status as of January 1. Kena stated as of January 1, two were in use. The third one was not. The last number, street address of 524 was not in use as of January 1. Burt Harvey noted that would mean 40:476:0001 was the vacant lot.

Commissioner Graves made the motion to deny serial number 40:476:0001 on the application and approve serial numbers 40:476:0002 and 40:476:0003. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

8. APPROVE OR DENY 2015 CHARITY PLAN FOR MISSION ALPINE VALLEY CARE CENTER AS SPECIFIED IN BINDER.

Commissioner Lee made the motion to approve the 2015 Charity Plan for Mission Alpine Valley Care Center. Commissioner Graves seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

9. APPROVE OR DENY 2015 INITIAL APPLICATION EXEMPTION FOR DESERET VILLAGES ASSOCIATION, SERIAL NO. 24:043:0024 AS SPECIFIED IN BINDER.

Burt Harvey provided further information that this organization had its status revoked last year as they did not file continuing statements. They are reapplying this year to have their exemption status reinstated this year. They were approved by a prior commission. Because of a failure to file, they are doing a new application. Commissioner Ellertson said technically it is continuing as they have had no change in their operation. Cheryl Campbell stated they had not had any change in their operation.

Commissioner Lee made the motion to approve the initial application exemption for Deseret Villages Association for Serial No. 24:043:0024. Commissioner Graves seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

10. APPROVE OR DENY 2015 INITIAL EXEMPTION APPLICATION FOR RURAL HOUSING DEVELOPMENT CORPORATION, SERIAL NOS. 08:159:0003, 08:159:0010, & 04:066:0017 AS SPECIFIED IN BINDER.

Brad Bishop, Executive Director of Rural Housing Development Corporation, said there were actually four vacant properties and a building in Provo. He said the parcels on the application were 08:159:0002, 08:159:0010, 08:159:0003 and 08:159:0005. 04:066:0017 is a building here in Provo. In Payson, there are four serial numbers that were put on the application. They are all contiguous. They were purchased in two separate purchases. One with three parcel numbers. Commissioner Graves asked if 0002 and 0005 are also vacant. Brad stated they were vacant. There is an existing home that was rented out last year and vacated in November. The home will be knocked down. We have a preliminary and final plat approval tomorrow night for that to go to a 13 lot subdivision for affordable housing. We will be using that for our self-help housing program where we group families together to build each other's homes. Commissioner Ellertson commented that their stock and trade was the vacant land so people can come in and build a home on it. He asked if these parcels have been vacant in the past. Brad answered these were vacant parcels other than the rented home in previous years. They bought the land last year in April or May and were not on the application for 2014. We hope to have the permit approval tomorrow night. Dave said the approval would have had to be as of January 1. Next year they can review the status as of January 1. Commissioner Ellertson asked if this year they should be taxes as vacant land. Dave replied that is as of January 1. Commissioner Graves said if they had gotten a permit on December 31st, you would have been able to be exempt. Brad said in the past they have been able to acquire vacant land, develop it and get

exempted for it. Dave said if the permits were effective January 1st, they would be qualify. Brad said if the policy had changed, it was new to them. Commissioner Graves asked if it could be continued for a month so they could figure out and review what has been done in the past. Dave said the Standards of Practice are specific. Commissioner Lee asked for the Standard to be read since they would be dealing with this in the future. Dave quoted Tax Commission Standard 2.17.9. “Vacant land, which is not inactively used by the religious, charitable, or educational organization, is not deemed to be devoted exclusively to religious purposes, and therefore not exempt from property taxes. Vacant land which is held for future development or utilization by a religious, charitable, or educational organization may not be deemed to be devoted exclusively to exempt purposed, and therefore not tax exempt, until either construction commences or a building permit is issued for construction of improvements that are intended for future use.” Brad added they are actively going through the entitlement process. We will be actively starting construction, when we put it out to bid, in the next month or two. We started that process when we bought the land in the middle of last year. Commissioner Lee said it defines when that use is initiated.

**Commissioner Graves made a motion to continue one Item No. 10 for one month.
Commissioner Lee seconded the motion and carried with the following vote:**

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

**Commissioner Graves made an amended motion to continue Serial numbers 08:159:0010 and 08:159:0003 for one month and to approve the exemption for Serial No. 04:066:0017.
Commissioner Lee seconded the motion and carried with the following vote:**

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

Burt Harvey explained 08:159:0005 was in the binder but not listed on the agenda. 08:159:0002 was not on the application and I am not sure if it was filed correctly.

11. APPROVE OR DENY 2015 INITIAL EXEMPTION APPLICATION FOR BRIGHAM YOUNG UNIVERSITY, SERIAL NOS. 20:070:0001, 22:015:0056, & 34:005:0001 AS SPECIFIED IN BINDER.

Commissioner Ellertson asked Christian Fox, University Counsel for B.Y.U., what the status on these parcels as of January 1. Christian explained parcel 20:070:0001 had a house on it that was razed. It has been landscaped and is immediately adjacent to our parking lot for Lavell Edwards Stadium. It is used as a landscaping buffer for educational use. It was used this way as of January 1. Parcel 22:015:0056 is also one that the University purchased, razed the house and landscaped. It is a public park available to the public for use. There are no current plans to develop that property right now. Right now, its intended use is as a park. This is a similar case as to parcel 34:005:0001. Commissioner Ellertson asked if these are landscaped areas. The first is immediately adjacent to the University and the other two are remote. The first parcel is set for educational use and the other two are set for charitable purposes in applying for the exemption. Dave Shawcroft said he doesn't have a problem with the first one. The other two I do as they are vacant land not being used for its purpose and therefore doesn't qualify. If you have vacant land you can't qualify the land by simply landscaping the land. It has to be actually in use for the church's purposes.

That is my concern. It does not appear to be in use. Christian said he could not speak to actual use. There is the “committed to use” standard. Commissioner Lee asked if there was a fence around the property and how is it landscaped. On the 0056 property, there is grass and several trees. It is behind a condo area. There are no signs, to my knowledge, on it. The other property does have a fence around most of it. It is by an American West Bank area. It has grass but no trees and is maintained by the University. Commissioner Ellertson said counsel has said the first one would qualify but we are questioning 22:015:0056 and 34:005:0001. If we approve the first one and deny the other two, and you later find out it is actually in use for some reason, come back and talk to us. Commissioner Lee commented if there is a change of use in the sense of next year, let us know. Commissioner Ellertson said it would have to be an appeal to the State Tax Commission.

Commissioner Lee made the motion approve the exemption application for Serial Number 20:070:0001 and to deny Serial Numbers 22:015:0056 and 34:005:0001. Commissioner Graves seconded the motion and carried with the following number:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

12. APPROVE OR DENY INITIAL APPLICATIONS AND CONTINUING STATEMENTS FOR 2015 EXEMPT STATUS FOR THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS IN UTAH COUNTY AS SPECIFIED IN BINDER.

Kelli Taylor represented the LDS Church. There were no questions for her regarding the properties in the binder.

Commissioner Graves made the motion to approve the initial applications and continuing statements in Item No. 12. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

13. APPROVE OR DENY 2015 INITIAL EXEMPTION APPLICATION FOR HOUSE OF HOPE, ACCOUNT NO. 29955.

Burt Harvey commented this was for personal property accounts only.

Commissioner Lee made the motion to approve the exemption application for House of Hope. Commissioner Graves seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

14. APPROVE OR DENY CONTINUING STATEMENTS FOR 2015 PROPERTY TAX EXEMPTIONS AS SPECIFIED IN BINDER.

Burt Harvey explained this item is for multiple organizations and has been approved “en masse” in the past. Some of the Rural Housing lots in this binder are vacant lots. It may be appropriate to continue this for one month. Jim Stevens explained there are a couple of more entities like the Boys Club that has vacant land. There are a few more we have questions on that are significant portions of the binder. It might be appropriate to continue. The Boys and Girls Club has delinquent taxes from previous years. There are some questions as to whether they can even be exempt or not with those delinquent taxes.

**Commissioner Graves made the motion to continue Item No. 14 in its entirety for one month.
Commissioner Lee seconded the motion and carried with the following vote:**

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

15. HEAR LATE APPEAL OF 2014 PROPERTY TAX VALUATION FOR DAREN L HABEL, SERIAL NO. 41:373:0005, APPEAL NO. 15-80.

Dustin Thompson stated they have a stipulation for \$430,000 on it. Sandy Nielsen added this was remanded back from the State Tax Commission. Dustin commented they had provided an appraisal that has a value of \$430,000.

Commissioner Graves made the motion to approve the stipulated property value of \$430,000 on Item No. 15. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

16. APPROVE OR DENY RESIDENTIAL PROPERTY EXEMPTION FOR BRANNON CARTER, SERIAL NO. 53:028:0027 FOR THE YEAR 2015.

Brannon Carter stated he was seeking exemption from a secondary residence. We believe it qualifies as we are renting it out full time. He added he provided copies of the rental checks. Dave stated the tenant, Violet Lucas, does not have a local driver’s license or is registered to vote here. It appears, this would not be her permanent residence. Therefore, the property would not qualify. Brannon commented he would love to say they have mail coming up there. But, up at Sundance they do not have a mail route. She does get her mail down at Cirque Lodge. She came to attend that facility and then moved up there last August. She was going to come today but had some medical issues that she is tending to. Dave added the information we have is that she was requested to do that but refused to do that. Brannon said they requested that but she had not gotten that completed. She is not employed but does voluntary work at Cirque Lodge. Dave added if a person has rental properties, it will not qualify unless the person who lives there has permanent status. Brannon said he feels they meet the criteria but unfortunately they are at her mercy for the documentation. Dave said she would have had to qualify as of January 1st. It would have had to be her permanent residence as of January 1st. When asked if she has a driver’s license somewhere else, Brannon stated he thought she had one in California. Dave replied that is where her permanent residence is then. Commissioner Graves commented it seems like she registers her vehicles there. Her permanent residence is in California because her driver’s license is from there and she is registered to vote there. Dave said all of the documents that show where her residence is are from

California. Brannon added then she will have some things she needs to do before next year to get residency here if we are going to get that exemption.

Commissioner Graves made the motion to deny the residential property exemption on Item No. 16. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

17. APPROVE OR DENY RESIDENTIAL PROPERTY EXEMPTION FOR STEVEN & DONNA JOHNSTONE, SERIAL NO. 46:719:0009 FOR THE YEAR 2015.

Steven Johnstone explained they closed in July of 2014. The title company used the assessed value of 2013 unaware the seller had requested the secondary property exemption. We didn't learn this until December when the taxes raised from \$4,800 to \$8,500. We reached out to the sellers who are refusing to reimburse us for any tax liability in 2014. We hope to not only address 2015 but perhaps 2014 as well. Jim Stevens commented the previous owner requested it on May 13, 2014 to have secondary residence so he could get the primary homestead exemption in Michigan. He did not let us know the property was for sale. The home was purchased two months later. It got the primary residential exemption in May but changed to secondary. Commissioner Graves asked if there was anything that could be done for 2014. Steven said it was his understanding that after they made that secondary request, they never really lived in the home. As soon as we bought the home and they moved to Michigan. When they bought their home in Michigan, they realized the tax advantages of declaring that as a primary residence. So we were not aware of the secondary status when we acquired it. We learned about it when we received a request from our mortgage company for \$4500 on back taxes for 2014. That's when I got in touch with Jim and we started this in motion. Dave asked Mr. Johnstone to clarify on whether or not he still owns a home in Elk Ridge that gets a primary residence exemption. Steven said it is on the market and is vacant. He thought they would get an offer on that property this week. Dave said that as of January 1, 2014, that home qualified for a primary residential exemption appropriately. Dave suggested we could approve the request for 2014 but we will have to remove the exemption on the Elk Ridge property for 2015. Commissioner Ellertson asked to clarify that if had he not had the primary residency exemption on the Elk Ridge home, he would be eligible to have it retroactively back to the purchase date in 2014. Dave said what he was suggesting is on January 1, 2014, it qualified for the exemption. On January 1, 2015, it qualified. So, I would approve the appeal for this property. But as a part of that, withdraw the residential exemption for the property in Elk Ridge. When asked by Commissioner Ellertson if that is what he wants to do, Steven answered yes, that is the best option as the Elk Ridge property is worth considerably less.

Commissioner Graves made the motion to approve the property exemption for Steven and Donna Johnstone for serial number 46:719:0009 for their Mapleton residence for 2014 and 2015 while removing the primary residential exemption in Elk Ridge on their property changing that to secondary for 2015. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

- 18. **APPROVE OR DENY PRIMARY RESIDENTIAL PROPERTY EXEMPTION FOR BONNIE & CHARLES HARDEGEN, SERIAL NO. 07:071:0006 FOR THE YEAR 2015.**
- 19. **APPROVE OR DENY PRIMARY RESIDENTIAL PROPERTY EXEMPTION FOR SILAS CHARLES TOPHAM, SERIAL NO. 38:225:0006.**

Jim Stevens explained Item Nos. 18 and 19 were sent applications and had been granted a primary in Washington County. These two returned their applications with minimal explanations of what was going on and no documentation. It does not appear they qualify. Dave agreed with the recommendation.

Commissioner Graves made the motion to deny Item No. 18, serial number 07:071:0006 for Bonnie and Charles Hardegen. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

Commissioner Graves made the motion to deny primary residential on Item No. 19 for Silas Charles Topham, serial number 38:225:0006. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

- 20. **APPROVE OR DENY APPLICATION FOR REVIEW BY BOARD OF EQUALIZATION OF FARMLAND ASSESSMENT ACT STATUS FOR CRYSTAL & TYLER LOVERIDGE, SERIAL No. 49:711:0006, GB acct. no 292-2015.**

Diane Garcia explained this is because a change in ownership and no new application completed within the 120 days. Tyler Loveridge said while he was building his home, he lived in American Fork. He maintained he did not get the application, only the final notice. He asks that he be continued in Greenbelt. He said he did turn in an application. Diane stated saying an application was sent to him three times. One was hand-delivered by an employee in the Treasurer’s Office. It was 502 days since the change of ownership when she rolled back the status. Three chances were given after the 120 days to complete the application. Tyler said the date she has is when they initially started building their home. We didn’t close until 6 months after that. Commissioner Graves commented even 6 months would only go from 502 to 340 days. At Commissioner Ellertson’s question about the application, Diane stated the name change occurred on September 20, 2013. She explained an application was sent out in October, 2013 to continue it. Then another one in 2014 with no response. And then another one was sent out at the end of 2014 with no response. The addresses were different ones. The property history sheet shows the owner called in the Treasurer’s Office and had the address changed. It shows Chrystal Loveridge called requested an address change. All taxes notices, Greenbelt, everything would have gone to the addresses they requested. When they record a deed, it goes by the address on the deed. Commissioner Ellertson asked as it might pertain going forward in 2015 and forward, if it continues to be in agricultural use, can he apply for it in 2015. Diane stated he could apply and go forward. If it is denied he can appeal to the State. Commissioner Lee asked will the rollback be in affect even if he wasn’t the owner of it for the five years.

Diane answered yes, the lien is on the land. You can have many different owners, but the lien is always on the land. Tyler said he didn't understand, he had paid the taxes in 2013 and 2014 under the Greenbelt with the presumption, it was still in the Greenbelt. He said he provided the statements showing it was paid by our mortgage company. In our eyes, we were still under Greenbelt. Obviously, we weren't. Commissioner Graves asked what documents were provided to provide sufficient proof of Greenbelt. Tyler said they provided documents from when we closed on the home of the taxes. We thought that showed we were in Greenbelt. Commissioner Graves asked if this was the first property he has ever bought that dealt with Greenbelt. Tyler said it was. Diane commented she has an email which is a statement from Jeanie in the Treasurer's Office, which is who hand-delivered the last application. Jeanie's statement is: "I was looking for a car in September of 2014. So Larry Evans of the Sheriff's Office told me he has a relative in the car selling business. Larry got me the phone number and I met with Tyler Loveridge. As we were test driving, Tyler was asking me if I worked in the Sheriff's Office. I told him I worked in the Treasurer's Office doing taxes. He told me he had a plot of land that was in Greenbelt and he still needed to turn in the papers, but didn't remember where he had put them. I told him I didn't do that but I told him I could do an extra copy. I went to Diane Garcia. She was able to print out an application for Greenbelt along with a rollback estimate. A few days later, I dropped the copy off at his office. Tyler was not there so I left them on his desk." So after that conversation, it seems he knew he had not returned the previous applications. Tyler commented as far as the previous applications, I do not know what was sent out or what was received. She did in fact bring over documents. My wife had those. It is my understanding, they were submitted. Obviously, they weren't. Commissioner Graves stated his issue was rolling back four additional years when he didn't own the property. Diane stated that is Utah State law. Tyler added it is close to \$8000. Dave Shawcroft said that lien is recorded against the property which he would have been made aware of at closing. The subsequent buyer is always subject to that lien. Commissioner Lee asked if there is any flexibility in that. Dave answered no. Diane said he could appeal to the State as if he is denied. He does have another option. Commissioner Graves asked if the State shows leniency or mercy on those appeals. Diane answers State follows the code. Commissioner Ellertson asked why Greenbelt would not have been dealt with at closing. Diane said they can't actually do a new application until it closes and the Recorder's Office changes the name. That is why they are given 120 days from that change. Diane discussed how many people insist it gets rolled back at closing. The 5 year rollback is paid and the new owner starts fresh on their own. This can be done by the buyer or the seller. Dave said the buyer wants that so they do not have any liability. Diane added then it has a clean title. More discussion occurred on options buyers and sellers have when Greenbelt property is involved is purchased or sold. Tyler stated this property was always an orchard until we developed it. Commissioner Ellertson asked if there was still property in agricultural production. Tyler answered no. He asked if the appeal was denied, would he have to wait two years to reapply. Diane answered explaining what documentation is needed. When asked by Commissioner Graves if he has that documentation. Tyler said he supplied everything he had from the previous owner. Diane stated she has a statement from Jeff Jeppeson which is on the April 22, 2013 letter that he has a copy of. She explained to the commissioners several other parcels in that subdivision will perhaps be coming before you in the upcoming months. She continued Jeff Jeppeson was being contacted by others to get him to qualify them for Greenbelt with his sheep. He denied running sheep on those properties since May, 2012. He says those people who are trying to get him to qualify them for the previous two years, 2013 and 2014, cannot use his name. If his sheep got out of the other area that is on different land, it is by accident. Tyler said that is not accurate as he has photos of his sheep on his property while the sheep herders are watching them. I have never heard of him denying sheep

being on the property. Tyler added he has horses on the property for 2015 and has fruit trees. Commissioner Graves asked if under his current situation, would he be eligible for 2016 if all stayed in place. Diane answered that he would need to get her when he put his horses on in 2014 for me to calculate the animal unit months. When asked by Commissioner Ellertson if he had proof of production from the orchard, Tyler said proof of production is in his pantry as his wife canned everything. More discussion took place on the previous owners leasing the property to Jeff Jeppeson to run his sheep there. Diane explained Jeff Jeppeson uses BLM land on West Mountain and is in violation of his permit his sheep gets out. Dave explained to the commissioners that when the taxes were paid, they were not at market rate. Tyler asked if the sheep were pulled out, would the orchard qualify as he has 15 trees. Diane answered 15 trees does not meet the production for 5 acres. The horses will qualify you if they are there year round and have sufficient number. She added it seemed by the conversation he had with Jeanie, he was aware he what he needed to do. Commissioner Graves said he struggled with the 5 year rollback. Commissioner Lee said these rules are in place for a reason, for accountability. Multiple letters and emails were sent out in an outreach to mitigate the problem. He asked where we draw the line. We have a line drawn and then we try to do more and more. I think if staff reaches out to say there is a problem, then there is a problem with getting no response back. That is concerning in and of itself. Tyler said he understood Greenbelt is not verified every year. Diane said it is verified every time there is a change in ownership or legal description. Tyler asked if it is not verified every year, how can it be brought up at closing that it changed. Diane answered because the recorded document that shows in the abstract is a lien against the land. Tyler countered he meant the rolling back 5 years. Commissioner Ellertson explained regardless of what happened in the past, when the ownership changes, it rolls back. Tyler said it should have been rolled back to the original owner. He added he wouldn't have known if the sheep herder ran sheep on it or not when he purchased the property. Commissioner Lee said he thought that is why on the purchase there is that option of saying to roll it back now or continue with it the way it is now, do the due diligence and do the work to keep it in Greenbelt. Diane said she has lots of title companies that call her at closing, when all the new people are there, asking what they need to do to keep it in Greenbelt. She explained they need to get with her as soon as it changes, keep checking with her to see if it has been changed so I can get them the new application. They have to get that to me within the 120 days. They are then good to go as long as they meet the agricultural requirements.

**Commissioner Graves made the motion to deny the application as is stated in Item No. 20.
Commissioner Lee seconded the motion and carried with the following vote:**

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

21. APPROVE OR DENY APPLICATION FOR REVIEW BY BOARD OF EQUALIZATION OF FARMLAND ASSESSMENT ACT STATUS FOR SANDRA D. PACE, TRUSTEE, SERIAL NOS. 14:018:0139 & 14:018:0140, GB ACCT. NOS. 525-2014 & 526-2014 (Continued from 7/29/14, 8/26/14, 9/30/14, 10/28/2014 & 12/16/14)

Robert Fillerup, attorney representing Sandra D. Pace, stated an attorney many years ago decided this turf farm should be broken up into many different trusts while not comprehending the effect it might have on Greenbelt. He discussed the location of these two parcels and their size. Together they no longer meet the 5 acres but are used in conjunction with the ongoing sod farm operation as their office as well

as for other operations. The idea was to identify how much of the use of the property was attributable to which of these other operations, to see if it qualifies through a lease arrangement. Unfortunately, the accountant is slower than he was. He explained he was told he would have that information by today. In fairness, he didn't know what it would show. We can't show additional acreage owned by the same owner as these approximately 4 acres. The only basis to claim Greenbelt is that it has been leased or used these other operations on some sort of oral arrangement. I can show it is used in conjunction with other property but the other property is not in the same name as this property. Commissioner Witney noticed there were some silos, barns and so forth on the back of this property with cows and decided that would qualify. The problem is that isn't associated with any other acreage or business that would qualify. We are not claiming any use of this property for agricultural purposes per se, except it functions as the office for the other operations. He asked for one more month to make a decision. Dave Shawcroft suggested they rule and deny the request today because based on the admitted facts, the property cannot qualify. There is not 5 acres or identical ownership. Other acreage has to be in the same ownership. Robert said he was supposed to be getting proof of ownership. Lucky Charms Family Trust only owns these two parcels and the 3.6 on the north side of the road. But, that was withdrawn from Greenbelt and was not appealed because the family did it by mistake. But, we can't associate it with that because that is no longer associated with farming. He admitted to only learning some of these facts recently or this would have been solved a long time ago. Commissioner Ellertson asked if there was any way this property could be tied with another one. Robert said the only tie is by use on a lease basis to another entity. Dave said that would not qualify. Robert said he could disagree with that but not enough to make it worth. Total amount is \$12,000 rollback. He added he is aware all of these properties are being remerged into a single trust. Perhaps, the wise thing to do would be have them reapply once that has happened.

Commissioner Graves made the motion to deny the application that has been continued all these time on Item No. 21. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

Commissioner Graves made the motion to adjourn the meeting. Commissioner Lee seconded the motion and carried with the following vote:

Aye:	Commissioner Ellertson Commissioner Lee Commissioner Graves
Nay:	none

There being no further business, the meeting adjourned at 3:05 P.M. The minutes of the March 31, 2015 Board of Equalization Meeting were approved as transcribed on April 28, 2015.

UTAH COUNTY BOARD OF EQUALIZATION

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ATTEST:

BRYAN E. THOMPSON
Utah County Clerk/Auditor

Copies available upon request or online at:
www.utahcountyonline.gov or www.utah.gov/pmn

Recorded by Vicky Westergard, Tax Administration Clerk