

Rent-Restricted Housing Projects Valuation Committee
WebEx Meeting

The September 28, 2022 virtual meeting was called to order at 10:03 a.m. (CST) by chair Bryan Hill.

Committee members present included Bryan Hill, Chair, Patricia Sandberg, John Wiechmann, and Jessie Case, PAD Tax Specialist Senior.

Others present included Debra Williams, Attorney for the Property Assessment Division, and Allison Rauch, PAD Tax Specialist Senior

Bryan referenced the open meetings law provisions found in Statute §84-1407.

Bryan asked if there were any public comment announcements. None reported.

The minutes of the November 17, 2021 meeting were read. Patricia Sandberg commented that a correction needed to be made to the minutes so that the column marked cap rate was called “unloaded cap rate” and included this in her motion to approve the minutes. John Wiechmann seconded the motion. Motion carried.

Preliminary review of income and expense information for 2022 was discussed by Bryan Hill. A total of 321 forms were filed this year which was 40 more than last year. 38 had a negative income reported, which left 274 usable reports. Bryan discussed the fact that thru the years we are getting more data to be able to work with.

Neb. Rev. Stat. §77-1333 and income/data filing requirements were discussed by Debra Williams. Debra has received questions from new projects regarding whether or not they need to file. The discussion led to an examination of Section 5 of the statute. The main question is how they should report details of actual income and actual expense data for the prior year if the project was not completed and showing any occupancy income. Since the form is last year’s amounts, the properties will be showing a zero value. Should a guidance be written and/or would revising statute be necessary. Debra will investigate for next meeting. Bryan Hill and Patricia Sandberg explained the cost approach used to partially value these projects until completion and the use of the Marshall & Swift Cost Manual. John Wiechmann discussed that during the construction phase it works to use market value, but questioned a project completed one month prior to January 1st. Building may still not have occupancy or not be fully occupied which will still not show a true income/expense record for a standard year. A suggestion for further discussion was to annualize the data for partial years.

Bryan Hill asked if any further changes/ improvements needed to be made to the form. Per Patricia Sandberg and Jessie Case, they have not received any feedback or concerns that needed to be addressed.

The next meeting is scheduled for October 12, 2022 at 10:00 a.m. (CST).

John Wiechmann made a motion to adjourn the meeting and Patricia Sandberg seconded the motion. Motion carried. The meeting adjourned at 11:04 a.m. (CST).

Submitted by Allison Rauch