

MINUTES

2014 Board of Equalization and Review
June 26th, 2014

Board Members Present: Jane Sparks, Chair
Bronwyn Merritt, Regular
Jennifer Marsh, Regular

Staff Members Present: Roger Gunn, Chief Appraiser
Steve Hensley, Appraiser
Scherri McCray, Recording Secretary

The meeting was called to order at 2:00 PM on June 26th, 2014 by Mrs. Jane Sparks.

Duecker

PIN# 9825536905

Diane Duecker was scheduled to appear before the Board to appeal the valuation of property located at 111 BOBWHITE WAY, MEBANE, but failed to appear at the appointed time. The Board is considering the case on the documentation only. The current tax value assigned to the property by Orange County is 188,500. The appellant is requesting that the Board lower the 2014 valuation to \$160,000 citing that she purchased this property on April 10, 2013 for \$157,150 as new construction. The home did not exist in 2009 when the last revaluation was conducted. Her documentation included a list of comparable property sales in 2008.

The Board reviewed all documentation presented by the appellant and the County. After review and deliberation, Mrs. Sparks made a motion that no change be made to the current assessed value stating that even with the comparable sales submitted by the appellant there was no evidence to support the claim that the County's tax value was incorrect. The evidence that was presented by the County illustrated that the sales prices of similar properties were in line with the assessed value for the subject. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Land

PIN# 9779383046

Judy Land appeared before the Board to appeal the valuation of her 4486 square foot home located at 209 LUCAS LANE, CHAPEL HILL. The current tax value assigned to the property by Orange County is \$787,800. The appellant is requesting that the Board lower the 2014 valuation to \$726,732 stating that the tax value is too high when compared to comparable homes in similar neighborhoods built by the same builder as that of the subject. This property was purchased in 2012. The appellant told the Board that she did not know how the County arrived at the values of properties. Furthermore, she did not realize that when her attic was finished that it would be considered in the valuation of the property and increase her value per square foot.

Mrs. Marsh explained to the appellant that sales data are used to create the schedule of values that the Tax Office uses to assess property values.

The County noted that there were three sales in the subject's Clairmont neighborhood in 2008 of similar size to the subject. Upon the County's inspection of the subject, it was recommended that a correction be made to the area over the attached garage correcting the area from a 506 square foot living quarters (LQ) to a 355 square foot storage area (SA). Additionally, corrections to the rear attached addition (AA) are needed as is correcting the deck (DK) at the rear of the "AA". Also, the removal of a secondary wall and removal of a construction modifier was recommended along with adjustments to the bathroom and other fixtures counts. These recommendations would adjust the value to \$721,800.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Merritt motioned to accept the changes recommended by the County and lower the value to \$721,800. This adjusted value appears equitable with other values in the neighborhood. Mrs. Sparks seconded the motion and the motion carried.

Ayes: 3

Noes: 0

Vacheron

PIN# 9778495864

Mary Vacheron appeared before the Board to appeal the valuation of property located at 612 HILLSBOROUGH ROAD, CARRBORO. The current tax value assigned to the property by Orange County is \$205,800. The appellant is requesting that the Board lower the 2014 valuation to \$192,000 citing her property is located in an area that is prone to flooding due to the Town of Carrboro creating additional sidewalks.

In a letter that the appellant read to the Board, she states that on June 30, 2013, part of her home was flooded when the Town of Carrboro's water system failed during an extreme storm. The area affected was at ground level and had 6 inches of water inside. Everything in that area of the house had to be removed and discarded since it was contaminated by "gray water". This included kitchen appliances, carpeting, furniture, personal items, etc. She had to pay thousands of dollars to get the space cleared and cleaned and to remove asbestos. She had to pay nearly \$18,000 to have the area reconstructed which included elevating the floor, door and windows by 2 feet so it would be level with the rest of the house. She also had to spend several thousand dollars to redo the crawl space. The appellant continued orating that this was not a renovation of choice. She was the victim of a natural disaster and had to make these adjustments to prevent future flooding. She did not have enough money to pay for the construction herself and was granted a Federal Disaster Loan by the Federal Government office of the SBA. This required her to get a second mortgage on her house.

Ms. Vacheron stated that the area of the house that was flooded was where her 90 year old mother lives and it was a very traumatic experience for her and it took five months to make her mother's space livable. It was also financially devastating to them. In addition to the flooding, the appellant read that her house was not in a condition that would fetch the price that the County presents. She believes that her house would require many thousands of dollars to make it appealing to a buyer in today's market. She stated that historically, the house has been difficult to sell as it has two kitchens in a relatively small (1500 square foot) space, which doesn't appeal to many people. When the appellant purchased her house, about 14 years ago, it had been on the market for 3 months with Weaver Street Realty and they were asking \$178,000. This was at a time when there were not many houses for sale in Carrboro and yet it had no purchasers and she was able to purchase it for \$130,000. She has not been in a financial position to make any improvements to the home and she lists why she believes that the property would not sell for the same price as "normal" houses of its size in this location.

Upon review, the County stated that it was only able to review the property from the exterior but the condition of the property has already been taken into consideration in the amount of physical depreciation. However, the

County made a recommendation to add 10% functional obsolescence for the superadequacy of a second kitchen in a 1500 square foot space lowering the value to \$197,200.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Mrs. Marsh motioned to accept the changes recommended by the County and lower the value to \$ 197,200. Also noted was the fact that the comparable sales provided by the appellant were not in the relevant time frame. Mrs. Sparks seconded the motion and the motion carried.

Ayes: 3

Noes: 0

Wu

PIN# 9890445092

Guorong Wu elected not to appear before the Board and requests that his documentation serve as his appeal. He is appealing the valuation of property located at 110 MIDDLEBROOK COURT, CHAPEL HILL. The current tax value assigned to the property by Orange County is \$470,747. The appellant is requesting that the Board lower the 2014 valuation citing that the tax assessment is too high.

Upon review, the County recommends that the secondary wall and construction modifier be removed. These recommendations will adjust the value to \$437,200 with a value of \$161.51 per square foot which will be equitable with sales in the subject's neighborhood in 2008.

The Board reviewed all documentation presented by the appellant and the County. After review and deliberation, Mrs. Marsh motioned to accept the changes recommended by the County and lower the value to \$437,200. Ms. Merritt seconded the motion and the motion carried.

Ayes: 3

Noes: 0

Van Houton Group LLC

PIN# 9779393319

PIN# 9870324695

PIN# 9870420557

Van Houton Group, LLC elected not to appear before the Board and requested that the documents serve as the appeal. There are three properties that are being appealed. They are listed below with the current tax values assigned by the County.

PIN# 9779393319 = \$165,611

PIN# 9870324695 = \$567,128

PIN# 9870420557 = \$189,392

In a written communication dated May 28, 2014, Mr. Robert L. Melville, Manager for Van Houton Group LLC, requested "to appeal the most recent assessment performed by Orange County on three properties owned by Van Houton Group, LLC, 77 Winmore (PIN# 9779393319) and two parcels off Rogers Road (PIN# 9870324695 & PIN# 9870420557)."

He "believes that the County's assessment is substantially higher than the fair market value of those properties at the time of the last county-wide revaluation. It does not appear that the assessments reflect the significant decline

in fair market value that our properties experienced in 2008. Based on our review of comparable sales data for that period, we believe that more appropriate assessments would be \$105,000 for 77 Winmore and \$445,800 for the combined Reynard parcels.”

In another correspondence to the County, dated June 25, 2014, Mr. Melville stated that “the County’s aggregate appraised value for their two Reynard parcels is \$756,520 (\$567,128 for the large parcel and \$189,392 for the small parcel). The two Reynard parcels, which for all intents and purposes, constitute one property, total 31.64 acres. This translates to an appraised value of \$23,920 per acre for raw residential land with no entitlements as of January 2009.”

“We understand that the County is not allowed to consider economic factors that have eroded a property’s value since the last property assessment. However, we believed that the 2009 assessment of our Reynard property did not account for several non-economic factors. In our view, the County’s appraised value for our Reynard property failed to consider several conditions that existed in 2009 and continue to adversely affect the marketability of the property. Those factors are outlined below.”

“First, the only development plan for the property was rejected by Carrboro’s Board of Aldermen in 2008. This development plan, which was prepared in 2007, called for a 39-lot subdivision known as Colleton Crossing. In 2008, this plan, along with an application for a Condition Use Permit, was submitted to the Town of Carrboro. Regrettably, due primarily to neighborhood concerns about potential traffic, the Board of Aldermen voted to deny the application. A revised plan had not been resubmitted to the Town.”

“Second, the site has two large, intersecting power line easements. Third, the site is dissected by a stream with the concomitant stream buffer issues. Fourth, the site lacks water and sewer service.”

“Finally, and perhaps most significantly, the Reynard property has extremely challenging access issues; its only potential traffic access would be via Reynard Road. However, this access would only be possible via Tallyho Trail (the connecting street to Rogers Road) and an older residential neighborhood that lacks sidewalks. Moreover, this access would require building a costly bridge connecting the proposed subdivision to Reynard Road. In addition, the Town of Carrboro found that a neighborhood of that size with only one entrance and exit would not meet emergency vehicle standards.”

“As a result of these factors, which do not appear to have been fully considered in the County’s 2009 appraisal, we petition the County to adjust the assessed value of the combined parcel to \$455,800 or about \$14,400 per acre. We understand that it may be necessary for the County to conduct a physical review of the Reynard property to confirm these critical factors and their impact on the property’s value. But, we believe that, if the County has an opportunity to visit the site, it will be able to validate our concerns and will adjust the assessed value in line with the true market value of the property.”

The appellant added that “the County’s appraised value of 77 Winmore is \$165,611. We believe that the County’s 2009 assessment for this lot was well above the market value at that time. Since then, we have been actively marketing the lot, but have yet to find a buyer. Consequently, we petition the County to adjust the assessed value to \$105,000, an amount more in line with its actual market value in 2009.”

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Mrs. Marsh motioned that no change be made to the current assessed values of PIN# 9779393319 and PIN# 9870420557 based on the lack of evidence to support the claim that the County’s assessed value was incorrect. Mrs. Marsh motioned to adjust the easement from 10% to 20% on PIN# 9870324695. This will change the value of this parcel to \$ 504,100. Mrs. Sparks seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Gardner H. Altman, Jr., a representative for the Greer Family Group, LLC appeared before the Board to appeal the valuation of property located at 601 ROSEMARY STREET # 1001, CHAPEL HILL. The current tax value assigned to the property by Orange County is 1,282,000. The appellant is requesting that the Board lower the 2014 valuation to \$810,900. The appellant states that this property was purchased for \$813,900 on February 15, 2013 and there were no comparable properties existing as of 2009. The comparable properties existing as of January 1, 2009 sold for an average of \$810,900.

Upon review, the County provided a sales report of properties that were presold before 2009 for the asking price and subsequently closed after the revaluation.

The Board reviewed all documentations presented by the appellant and the County. After review and deliberation, Ms. Merritt made a motion that no change be made to the valuation stating that there was no relevant evidence presented that proved that the County's assessed value was incorrect. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Avent

PIN# 0808323904

Mr. and Mrs. Avent is requesting that the Board approve their late application for Present Use Value citing that they were unaware of the January 31, 2014 deadline for requesting Present Use status of the property purchased in August 2013. They were under the impression that since they already had present use for their other adjoining property, the new 12.60 acres would be included in the present use program as well.

Mrs. Marsh made a motion to accept the late application for Present Use status. Mrs. Sparks seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Having heard all of the appeals scheduled on this date, Mrs. Sparks made a motion to adjourn this meeting at 3:29 PM.


Jane Sparks, Chair


Scherri McCray, Recording Secretary