MINUTES

2013 Board of Equalization and Review
July 17, 2013

Board Members Present: Jane Sparks, Chair
Jennifer Marsh
Karen Morrissette

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

Ms. Sparks called the Board to order at 2:04 p.m. on Wednesday July 17, 2013.

Shanaz Rashdi ***PIN # 9885925573***

Shanaz Rashdi appeared before the Board to appeal the valuation of her 6.71 acre property located at 144 VIREO LANE, HILLSBOROUGH. The current tax value assigned to the property by Orange County is $ 246,600. She is requesting that her value be reduced to $ 40,000 stating that the house is incomplete and that she feels that the tax value should not go up until the house is completed and she is occupying it. She has owned this property since 1993. The Board explained that the value of the property is assessed based on the 2009 schedule of values, and that the value of the improvements is assessed based upon their percentage of completion on January 1st of each tax year. The appellant contends that the building permits have the construction value too high. Ms. Rashdi stated that she is acting as her own general contractor and claims that she has only spent $70,000 so far on construction costs. When questioned by the Board as to the completion percentage of the house, Ms. Shanas stated that it was 40% completed and that no inspections have been conducted. The County stated that according to its Marshall and Swift completion estimator, the home is approximately 50% completed. The Board asked what had been completed on the house. The appellant stated that the electrical and plumbing were roughed in, and the heating and air conditioning were completed but not inspected. Also, she stated that the house has a brick facade and that she will not be adding a second floor to the property.

Upon review, the County recommended changing the house from a 1 ½ story to a 1 ¼ story, correct the property sketch to reflect a smaller porch, and change the percentage completion to 40%. The County also recommended that the land value be adjusted 25% for the watershed restrictions and its access from a private right of way. The recommendations will render a new value of $ 167,600.

During deliberation, the Board reviewed all documents presented by the appellant and the County. After deliberation, Mrs. Sparks made a motion to accept the recommendations made by the County. Ms. Levine seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Shanaz Rashdi *PIN #9885829593*

Shanaz Rashdi appeared before the Board to appeal the valuation of her 2.11 acre vacant lot located at Lot 2-A VIREO LANE, HILLSBOROUGH. The current tax value assigned to the property by Orange County is $ 40,300. She is requesting that the value be adjusted to $ 25,000 citing that she has had the property on the market for two years with an asking price of $ 37,000 and there have been no offers. Ms. Rashdi adds that due to her economic situation, she is not able to pay the taxes on the current assessed value.

During deliberation, the Board reviewed all documents presented by the appellant and the County. After deliberation, Ms. Sparks made a motion that no change be made to the current assessed value. The appellant did not present any evidence to warrant a reduction in value based on January 1, 2009 values. Furthermore, she noted that the asking price is close to the assessed value. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Fred G. Jacome *PIN # 9862377958*

Fred Jacome appeared before the Board to appeal the valuation of his 10.38 acre property located at 3720 SPARROW HAWK CREST, HILLSBOROUGH. The current tax value assigned to the property by Orange County is $ 412,600. The appellant states that the property should be worth $ 450,000 upon completion but the construction process has slowed down due to his personal economic downturn. Mr. Jacome stated that he was building a four bedroom ranch house with a basement and a garage with living quarters above it. He informed the Board that the exterior walls were still to be determined, but the plumbing and electric were roughed in and that there would be approximately 1800 square feet of living area. Also, he is constructing an outbuilding that will be a workshop and installing a swimming pool.

When asked about the percentage completion of the improvements, the appellant stated that they were approximately 50% percent completed. Mr. Jacome informed the Board that he researched homes in his area and found one that sold in 2012 for $ 400,000 but it was a stick built home. He was not able to find any comparable sales from 2008.

Upon review, the County informed the Board that the records indicate the subject is 35% complete. The County recommended that the exterior walls be changed to masonry, that the grade be adjusted from A+30 to A+20, that the construction modifier be removed, that the interior flooring be changed to concrete, that one basement garage be added, and that the heating type be corrected to a combination heating and air conditioning system. The County also recommended a correction to the bathroom fixtures count from 6 to 11 fixtures and to adjust the construction grade of the outbuilding to A+10 and the removal of its "very good condition" description. The County stated that after the recommended adjustments are applied, the new value of the property will be $ 386,600.

During deliberation, the Board reviewed all documents presented by the appellant and the County. After deliberation, Ms. Sparks made a motion to accept the recommendations made by the County. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Pinliang Chen ***PIN # 9880242110***

Pinliang Chen's documents had requested an appointment to meet with the Board to appeal the valuation of his property but the County was unsuccessful in multiple attempts to schedule an appointment for Mr. Chen with the Board. The appellant's property is located at 203 KENILWORTH PLACE, CHAPEL HILL. The current tax value assigned to the property by Orange County is $ 340,712.

The Board agreed to hear the appeal upon the request of the County based upon the appeal form and supporting documentation submitted by the appellant.

The County reviewed the property and noted that minor adjustments to the property were necessary. The County recommended that the sketch of the subject be changed to reflect the front portion of the house as a one story and the remaining portion of the house as a 2 story home. Additional recommendations were made to relocate the deck on the sketch and to remove the construction modifier. These recommended adjustments will generate a new valuation of $337,600.

The Board examined all the information presented by the appellant and the County. Mrs. Morrissette motioned that in view of the fact that the County was unable to schedule an appointment with the taxpayer and the only evidence provided by the appellant was summary information that contained no relevant time frame data, the Board accept the recommendations made by the County and no further changes be made to the value. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Felix Bloch *PIN # 9789429953*

Felix Bloch appeared before the Board to appeal the valuation of his property located at 7 MOUNT BOLUS ROAD, CHAPEL HILL. The current tax value assigned to the property by Orange County is $ 488,000. The appellant is requesting that the Board adjust his current valuation to $ 391,900 citing that the comparable home sales that he obtained from the Value Appeal website supported a reduced assessment. He stated that he wanted to make sure that the County was correct in its value assessment as a result of the information he received from this source claiming that his property was overvalued by $96,000. Mr. Bloch informed the Board the he purchased this property in June 2009 for $ 472,500 and that the house was built in 1997. He also noted that the comparable sales that Value Appeal provided him were from the relevant revaluation time period but the comparable sales were for older homes. The appellant provided the Board an appraisal report that he obtained from his lender in 2009. The appraised value from this report reflects the purchase price.

Upon review, the County recommended a change be made to the attached garage to instead reflect a carport and that the construction modifier be removed. These adjustments would render a new value of $ 479,500.

The Board reviewed all the documents and information provided by both the appellant and the County. Ms. Sparks made a motion to accept the recommendations made by the County. Mrs. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Ehsan Samei *PIN # 9798195161*

Ehsan Samei appeared before the Board to appeal the valuation of his property located at 707 GREENWOOD ROAD, CHAPEL HILL. The current tax value assigned to the property by Orange County is $ 930,400. The appellant is requesting that the Board adjust his value to $ 589,000 citing that the assessed market value in 2013 is the value of the property as of 2009 to include improvements made to the property. He claims that the property value in 2009 was $ 739,000. He stated that he purchased this property in 2012 for $ 589,500 and at the time of purchase the 1941 home was in poor condition, the slate roof was in need of extensive repairs, and the house did not have a functioning sewer system. Moreover, he was not allowed to install a septic system due to the soil and lot size which caused the appellant to have to purchase easements from two of his neighbors and pay OWASA to re-route the sewer system to the property at a cost to him of approximately $ 160,000. Furthermore, he claims that the proximity of his property to US

Hwy. 15-501 makes the property undesirable due to the highway noise. The appellant informed the Board that the improvement costs were approximately $ 750,000. Mr.Samei contends that based on the price that he paid and the condition of the house at the time of purchase, the assessed value is too high and it should be what they paid for the property.

Upon review, the County made recommendations to correct the description of the roof from shingles to tile and remove the construction modifier. The County also recommended correction of the bathroom fixtures from 5 to 13, correction of the design to reflect a 1 story with an unfinished basement, changing the physical depreciation from 25% to 18%, changing percentage of construction remaining as 30%, and adjusting bedroom totals to indicate 5 bedrooms. These recommendations would adjust the value to $872,700.

During deliberation, the Board reviewed all documents presented by the appellant and the County. After deliberation, Mrs. Morrissette made a motion to accept the recommendations made by the County and adapt the new value of $ 872,700 for 2013. Mrs. Marsh seconded the motion and the motion carried

Ayes: 3
Noes: 0

David L. Robert ***PIN # 9788205716***

David Robert elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as his appeal. His property is located at the NW INTERSECTION OF S. COLUMBIA & MONROE STREETS, CHAPEL HILL. He is appealing the assessed value of the vacant land that he purchased in 1997 for $40,000. The current tax value assigned to the vacant land by Orange County is $92,964. The appellant is requesting that the value be reduced to $30,000 due to a perennial stream that runs through the center of his .29 acre parcel making it a non-buildable lot because of the required setbacks.

During deliberation, the Board reviewed all documentation presented by the appellant and the County. After deliberation, Mrs. Morrissette made a motion that no change be made to the current assessed value since the taxpayer only submitted an assertion that there is a stream on his property and that no evidence was provided by the taxpayer to indicate the location and distance of the setbacks. The information provided by the County illustrates that a stream is located behind the appellant's lot and not through it. Ms. Sparks seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Walter Durham PINS # 9747663557 & 9747763724

Walker Durham appeared before the Board to appeal the valuation of his properties:

PIN # 9747763724 is a vacant 22.15 acre parcel located on Ford Road in Chapel Hill. The current market value assigned to the land by Orange County is $110,057.

PIN # 9747663557 is a vacant 3.2 acre parcel located on Ford Road in Chapel Hill. The current market value assigned to the land by Orange County is $37,897.

Both properties are in the forestry use program. The appellant is requesting a reduction in the market valuations due to easement issues that he has been having with his neighbors and due to deed restrictions. He claims that he can no longer access a portion of his 3.2 acre tract because his neighbor refused to grant access via their property and blocked entrance to what was an easement to the property. Mr. Durham stated that there was an easement to the property but that the County had rescinded it. The Board asked the appellant if the easement was ever recorded. The appellant replied that his attorney informed him that it did not need to be recorded for people to go across the land.

Michael Burton of Orange County Land records/ GIS division informed the appellant that the County cannot rescind any easements from the appellant unless there was a document recorded to state that the easement was removed by the owner of that property and that the County does not arbitrarily change this information. Mr. Burton provided an illustrated GIS image to show that the easement is there on County records and that there is an old roadway running through the appellant's property. He states that the County has not taken any actions to alter any of the easements drawn and it is possible that when the appellant was researching this data, the overlay imaging might not have been turned on. Therefore, he would not have seen the lines. Mr. Burton pointed out that the GIS imaging shows what appears to be a road that comes to an end before reaching the property. This image only indicates that the road is impassable by EMS.

The County informed the Board that the 3.2 acre property's inaccessibility has been taken into consideration and the appropriate adjustments have been rendered.

During deliberation, the Board reviewed all information and documentation provided by the appellant and the County. After deliberation, Mrs. Marsh made a motion that no change be made to the current assessed value of the 22.15 acre parcel due to lack of evidence to show that the valuation was incorrect. She made a motion to adjust the access adjustment of the 3.2 acre parcel to -50% to account for the inaccessibility issue. This adjustment will render a new market value to this parcel of $ 27,048. Ms. Morrissette seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Jason Shropshire *PIN # 9788598137*

Jason Shropshire appeared before the Board to appeal the valuation of his property located at 518 NORTH STREET, CHAPEL HILL. This is a residential structure with an addition and a garage on a .7 acre lot. The current tax value assigned to the property by Orange County is $ 482,517. The appellant is requesting that the value be reduced to $420,000 because of the location of his lot in comparison to the odd shape of his neighbor's property and warrants a lower tax value. He purchased this home in 2012 and added an addition to the property that included a bathroom. He provided sales listings for the Board to review.

Upon review, the County informed the Board that there is a functional depreciation adjustment of 10% for the former sole bathroom that is located on the second floor.

The Board reviewed all documentation and information provided by the appellant and the County. After deliberation, Ms. Morrissette made a motion that the comparable sales provided by the taxpayer provided no sufficient evidence to change the current assessed value of the appellant's property. Furthermore, she motioned that the County should remove the functional depreciation adjustment citing that the subject now has bathrooms on each level and to also remove the construction modifier. This will render an adjusted value of $ 479,800. Ms. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Dennis Whicker *PIN # 9874333330*

Dennis Whicker elected not to appear before the Board and requested to allow the appeal form and all supporting documentation to serve as his appeal. His property is located at 516 US 70A, HILLSBOROUGH. The current tax value assigned to the property by Orange County is $ 161,944. The appellant is requesting that the Board adjust his value to $ 70,000 citing an appraisal that he obtained suggested this reduced value. He attached a letter that he received from a Realtor and supporting sales comparables.

Upon review, the County recommended that the two decks that are shown be corrected to reflect open porches and to combine the main living area with the attached addition. These recommendations combined with the removal of the construction modifier will render an adjusted value of $ 151,700.

The Board reviewed all information and documents provided by the appellant and the County. After review and deliberation, Ms. Sparks made a motion to accept the recommendations made by the County. Mrs. Marsh seconded the motion and the motion carried.

Ayes: 3
Noes: 0

Having heard all the appeals scheduled on this date, Ms. Sparks made a motion to adjourn this meeting. Ms. Merritt seconded the motion and the meeting was adjourned at 5:00

Jane L Sparks

Jane Sparks, Chair

Scherri McCray

Scherri McCray, Recording Secretary