

**MINUTES**  
**Orange County Board of Equalization and Review**  
**Virtual meeting held on August 11th, 2022**

**Board Members in attendance:**

Chair of the Board	Hunter Beattie	Yes
Regular Member	Barbara Levine	Yes
Regular Member	Leon Meyers	Yes
Alternate Member	Ryan Petrone	No
Alternate Member	Reginald Morgan	No

**Orange County Staff in attendance:**

Tax Administrator	Nancy Freeman
Business Officer	Leslie Wilcox
Administrative Assistant	Vrinlli Flores
Real Property Appraisal Manager	Roger Gunn
Deputy Tax Assessor	Chad Phillips
Personal Property Appraisal Manager	Kandice Wright
Appraiser	Bill Hiltbold
Appraiser	Cyle Anderson
Chief Appraiser	Kelly Wells
Business Personal Property Appraiser	Christy Carden
County Attorney	Morgan Pierce

**Meeting Schedule:**

Time	PIN or Abstract	Appellant	Appeared	Appeal Type
1:00 PM	9778760169	Susan M. Deupree	No	Value
1:15 PM	9788129279	Cameron H. Nims	No	Value
1:30 PM	9778373557.006	Nicole Jenna Taccarino	No	Value
1:45 PM	9844865155	Green Oil Company LLC	No	Value
2:00 PM	9799671555	Subhrajyota Panigrahi	No	Discovery
2:15 PM	9778703367	Chapel Hill Propco Holdings	No	Value
2:30 PM	9789412394	Kairys Holding Company LLC	No	Value
2:45 PM	9788491708	Townhouse Apartments LLC	Yes	Value
3:00 PM	239859	Italian Pizzeria III	No	Compromise of penalty
3:15 PM	57637	Gary S Berger MC PA	No	Compromise of penalty
3:30 PM	1002527	Medical Day Spa	No	Compromise of penalty

<b>Meeting called to order</b>	1:00 PM	<b>Meeting adjourned</b>	2:50 PM
Moved into Recess	1:27 PM	Called the meeting back to order:	2:00 PM
Motion made by:	Mr. Beattie	Motion made by:	Mr. Beattie
Moved into Recess	2:20 PM	Called the meeting back to order:	2:45 PM
Motion made by:	Mr. Beattie	Motion made by:	Mr. Beattie

**Related meeting notes:**

The Board of Equalization and Review members agreed to schedule an in person meeting for September 14, 2022 in the West Campus training room.

**Property Identification:**

<b>Property Owner</b>	Susan M. Deupree	<b>Appellant (if different)</b>	
<b>Property Address</b>	102-E Laurel Ave. Carrboro, NC	<b>Parcel ID or Abstract</b>	9778760169

**Statement of Appeal:** The appeal was submitted based on the owners statement of non-standard liabilities associated with the property.

<b>Current Assessed Value</b>	\$378,900	<b>County Opinion</b>	\$376,700
<b>Time of Hearing</b>	1:00 PM	<b>Appellant Opinion</b>	\$340,000
<b>County Representative</b>	Bill Hiltbold	<b>Board Decision</b>	\$376,700

**Evidence submitted by the appellant:**

Multiple photographs of the entryway.

**Evidence submitted by the county representative:**

Summary: The subject property is a two story, single family residence accessed by a gravel driveway extending from Laurel Avenue along the “panhandle” of the lot. Four rental residences also use this shared drive but do not contribute to its upkeep.

The owner appealed informally in April of 2022. I visited the property and found the home has a full second floor rather than a ¾ story as sketched in 2021. Also there is an additional full bath extending over the front porch and a patio on the back. These corrections increased the living area by 117 square feet and the building value from \$220,300 to \$221,600. A -15% shape adjustment was applied to the land from \$185,000 to \$157,300. The net effect of the informal appeal was a total property value reduction from \$385,300 to \$378,900.

Visiting the property again for this formal appeal I reconsidered the 4x6 stoop with roof for the side door. It is a slab on grade without a guardrail, more a patio with roof than a porch. Changing this 24 square foot area to a patio with roof would reduce the value of the building from \$221,600 to \$219,400. Total property value would change from \$378,900 to \$376,700. Looking at the table of comparable sales in this neighborhood we see that after this minor change the subject value would be right in the midst of similar properties by value per square foot.

<b>Motion of the Board</b>	Accept the county's revised value of \$376,700
Made the motion	Hunter Bettie
Seconded the motion	Barbara Levine
Voted For	Leon Meyers
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Cameron H. Nims	<b>Appellant (if different)</b>	
<b>Property Address</b>	540 Chase Park Road, Unit A-B Chapel Hill, NC	<b>Parcel ID or Abstract</b>	9788129279

**Statement of Appeal:** The appeal was submitted based on the condition of the house and drainage issues with the lot.

<b>Current Assessed Value</b>	\$302,200	<b>County Opinion</b>	\$272,100
<b>Time of Hearing</b>	1:04 PM	<b>Appellant Opinion</b>	\$225,000 to \$250,000
<b>County Representative</b>	Bill Hiltbold	<b>Board Decision</b>	\$272,100

<b>Evidence submitted by the appellant:</b>
Per Formal Appeal Form: Needs full interior and exterior paint, new roof, structural repairs, ceiling repair from mold and leaks, repair from storm damage. In addition to interior and exterior damage, significant drainage issues exist because of city and OWASA changes to the gravel road which caused significant erosion issues with water runoff through the property.

<b>Evidence submitted by the county representative:</b>
<p>The subject property is a single story, single-family residence that may also be listed as 540-A Dogwood Dr. A culvert pipe at the driveway often clogs during storms sending a stream of water from the road, eroding the parking area then streaming alongside the house. The owner has complained to the Town but no action has been taken.</p> <p>The owner appealed informally in April of 2022. I visited the property and found the home in significant despair. Sketch correction included a covered patio used for storage on the left side, two rotted decks on the right side and two small living extensions on the back of the house. Two free standing decks were added as yard items. Corrections to building data included adding a fireplace and changing the grade from B-15 to C. Condition was changed from Average to Fair. Changes to the sketch, yard items, and building data decreased the building value from \$103,700 to \$80,900. Land value remained at \$220,000 with the total property value after the appeal at \$302,200.</p> <p>With a second visit to the property and allowed inside to see water damage from a leaking roof and stepped floors, County proposes a 10% physical increase to depreciation of the building and a 10% topography reduction to the land. If approved by the Board these changes would reduce land value from \$220,000 to \$198,000, building value from \$80,900 to \$72,800 and the total property value from \$302,200 to \$272,100.</p>

<b>Motion of the Board</b>	Accept the county revised value of \$272,100
Made the motion	Hunter Beattie
Seconded the motion	Leon Meyers
Voted For	Barbara Levine
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Nicole J. Taccarino	<b>Appellant (if different)</b>	
<b>Property Address</b>	121 Westview Drive, Unit 56 Carrboro, NC	<b>Parcel ID or Abstract</b>	9778373557.006

**Statement of Appeal:** The appeal was submitted based on the condition of the building.

<b>Current Assessed Value</b>	\$145,200	<b>County Opinion</b>	No Change in value
<b>Time of Hearing</b>	1:09 PM	<b>Appellant Opinion</b>	\$89,000
<b>County Representative</b>	Cyle Anderson	<b>Board Decision</b>	\$145,200

**Evidence submitted by the appellant:**

Per online Appeal Form: All original inefficient windows (with missing or damaged screens) that are painted shut, popcorn ceilings throughout, all old and maybe even original basic black kitchen appliances and washer/dryer, all original light fixtures/fan and switches, original dark seemingly particle board kitchen and bathroom cabinets, kitchen sink spray hose does not work and there is no garbage disposal or ice maker, original basic shower/tub, bathroom ceiling leak damage from previous owner, master bedroom ceiling leak damage from previous owner, clogged dryer vent on outside of home, all original basic (no texture) doors throughout with chipped original gold door knobs, mold in outside utility shed from previous owner, original rusted chain deadbolts on doors, dripping bathroom faucet, no front screen door, and no screens on porch.

Multiple photographs of the property.

**Evidence submitted by the county representative:**

The subject property is located at 121 Westview Drive, Unit 56, in Carrboro. The appellant's opinion of value is \$89,000. The current assessed value is \$145,200. The appellant states that the property is very dated and has several spots of "ceiling leak damage" from the previous owner. The taxpayer also states that the dryer vent is clogged and all of the doors are original, among other issues. There were four photographs provided by the appellant to illustrate these issues.

A sales analysis was performed using comparable sales from the subject's condominium community. All four of the comparable sales are similar in size and age to the subject and all sold in 2020. The average price per square foot of the comparable sales was \$176.20. The subject is currently assessed at \$159.91 per square foot.

It should also be noted that the subject property sold in this condition on August 13, 2021 for \$172,000.

Since the sale occurred after the date of the last reappraisal on, January 1<sup>st</sup> of 2021, the sale was not used in the comparable sales analysis.

It is also worth noting that the effective year built of the subject property is set at 1986, which the County feels accurately reflects the depreciation of this unit, which was built in 1983.

After reviewing this property and the appellant’s comments and photographs, the County recommends no change to the current value of \$145,200.

<b>Motion of the Board</b>	Accept the county recommendation of no change in value
Made the motion	Hunter Beattie
Seconded the motion	Barbara Levine
Voted For	Leon Meyers
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Green Oil Company LLC	<b>Appellant (if different)</b>	
<b>Property Address</b>	3604 Southern Drive Efland, NC	<b>Parcel ID or Abstract</b>	9844865155

**Statement of Appeal:** The appeal was submitted on the basis of the property’s condition. Baker Roofing quoted \$150,000 in roof repairs. Additionally, it was submitted based on the Orange County Planning requiring paved driveways and parking areas, upgrades in electrical and firewall. Estimated repairs of \$100,000. With a stop work order in place, the owner is experiencing a loss of income of \$125,000 per year.

<b>Current Assessed Value</b>	\$316,900	<b>County Opinion</b>	\$276,900
<b>Time of Hearing</b>	1:11PM	<b>Appellant Opinion</b>	\$110,000
<b>County Representative</b>	Cyle Anderson	<b>Board Decision</b>	\$276,900

<b>Evidence submitted by the appellant:</b>
Permitting compliance cost sheet. Document: “Update Required Biennial/ MCS 150 Currently Due” Dynamic Electric cost estimate

<b>Evidence submitted by the county representative:</b>
The subject property’s building is classified as light manufacturing with an office and is located at 3604 Southern Drive in Efland. The current assessed value is \$316,900. The appellant’s opinion of value is \$110,000. The appellant states that Orange County Planning is requiring a paved driveway and

parking area as well as landscaping an agricultural field at a total cost of \$50,000. The County is also requiring \$20,000 in upgrades to the electrical system, \$30,000 for a firewall, and improvements to the septic system. The appellant also states that they have limited the use of the property, preventing the appellant from having certain events on the premises, causing a loss of income of \$125,000 per year.

There are currently stop work orders posted on the premises until these issues have been corrected. The appellant provided a spreadsheet with a number of expenses and an estimate from an electrical company. The property was purchased by the appellant in its current condition for \$350,000 on April 4, 2019.

A field inspection was performed on July 5, 2022. After inspection, the County recommends the following changes:

- Reducing the effective year built of the office (card 1) from 1985 to 1973
- Reducing the effective year built of the light manufacturing portion of the building (card 2) from 1985 to 1953
- Adding a loading dock to the rear of the building

These changes would result in a revised value of \$276,900. The County recommends a revised value of \$276,900 for the subject property.

<b>Motion of the Board</b>	Accept the county's revised value of \$276,900
Made the motion	Hunter Beattie
Seconded the motion	Leon Meyers
Voted For	Barbara Levine
Voted Against	

## **Property Identification:**

<b>Property Owner</b>	Chapel Hill Propco Holdings LLC	<b>Appellant (if different)</b>	Alexander Carr: Ryan LLC
<b>Property Address</b>	405 Smith Level Road Chapel Hill, NC	<b>Parcel ID or Abstract</b>	9778703367

**Statement of Appeal:** The appeal was submitted based on a CoreLogic generated value estimate for the subject property which suggested a lower valuation.

<b>Current Assessed Value</b>	\$6,829,000	<b>County Opinion</b>	No Change in value
<b>Time of Hearing</b>	1:15 PM	<b>Appellant Opinion</b>	\$6,000,000
<b>County Representative</b>	Kelly Wells	<b>Board Decision</b>	\$6,829,000

**Evidence submitted by the appellant:**

Core Logic Commercial Estimator Report

**Evidence submitted by the county representative:**

The property consists of The Stratford Assisted Living facilities on 3.51 acres of land, located at 405 Smith Level Road, Chapel Hill and has a current assessed value of \$6,829,000.

The appeal is based on a CoreLogic Commercial Estimator report using current cost data supplied by CoreLogic. The appellant's opinion of value is \$6,000,000.

The information provided in the CoreLogic report is calculated using 30% depreciation based on the 1997 year built. This depreciation does not account for maintenance and upkeep of the improvements, which increase the property's remaining economic life and reduce the property's effective age and depreciation.

The County recommends no change in the value based on upkeep and improvements made to the property over the years, which have extended the economic life of the improvements. The County recommends the upholding the current valuation of \$6,829,000.

<b>Motion of the Board</b>	Accept the county's recommendation of no change in value.
Made the motion	Hunter Beattie
Seconded the motion	Barbara Levine
Voted For	Leon Meyers
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Kairys Holding Company LCC	<b>Appellant (if different)</b>	
<b>Property Address</b>	721 Hillsborough Street Chapel Hill, NC	<b>Parcel ID or Abstract</b>	9789412394

**Statement of Appeal:** The appeal is based on the property now being vacant land. The owner states that the value of the land and property should now be \$100,000.

<b>Current Assessed Value</b>	\$438,600	<b>County Opinion</b>	\$375,000
<b>Time of Hearing</b>	1:17 PM	<b>Appellant Opinion</b>	\$100,000
<b>County Representative</b>	Kelly Wells	<b>Board Decision</b>	\$375,000

**Evidence submitted by the appellant:**

Formal Appeal Form: The property was purchased in March 2021 for \$530,000 and the building was demolished in December 2021 and the land only is valued at \$100,000.

**Evidence submitted by the county representative:**

The subject property is .58 acres of vacant land located at 721 Hillsborough Street with a current assessed value of \$438,600.

The appeal is based on a recent purchase price in March 2021 and the demolition of the improvements prior to January 1, 2022. The appellant's opinion of value is \$100,000.

The property was purchased on March 23, 2021 for \$530,000 and the improvements were demolished later in the year. The total County value for 2021, land and improvements, was \$507,400. The improvements, valued at \$68,800 were removed leaving the land-only value of \$438,600 for 2022.

Upon review, the zoning of the property is R-4 Medium Density Residential, 10 units/acre. Therefore; the County recommends correcting the commercial neighborhood code L001 to the nearby residential neighborhood code 7050, and replacing the commercial square foot land pricing with \$250,000 lot pricing with a +50% size adjustment as the parcel is substantially larger than the average lot in the neighborhood. These recommendations would change the valuation from \$438,600 to \$375,000.

<b>Motion of the Board</b>	Accept the county's revised valuation of \$375,000
Made the motion	Hunter Beattie
Seconded the motion	Leon Meyers
Voted For	Barbara Levine
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Italian Pizzeria III	<b>Appellant (if different)</b>	
<b>Property Address</b>	508 W Franklin St. Chapel Hill NC 27516	<b>Parcel ID or Abstract</b>	239859

**Statement of Appeal:** Request compromise of taxes in the amount of \$159.69 for listing penalty.

<b>Current Assessed Value</b>	N/A	<b>County Opinion</b>	Applied Listing Penalty of \$159.69
<b>Time of Hearing</b>	1:21 PM	<b>Appellant Opinion</b>	Compromise Listing Penalty of \$159.69
<b>County Representative</b>	Christy Carden	<b>Board Decision</b>	Grant full compromise of \$159.69 listing penalty



**Evidence submitted by the appellant:**

Letter to Tax Office from CPA Larry Bowen is asking on the behalf Italian Pizzeria III that the Late List Penalty to be released. Reasoning is due to flooding in their office on December 11, 2021 and were unable to get back into the office until February 15, 2022.

**Evidence submitted by the county representative:**

The listing was receive in our office on March 1, 2022

Historically over the last 10 years, listings for the account have been filed timely with the exception of 2020 in which the account was discovered as no listing was received.

<b>Motion of the Board</b>	Compromise listing penalty of \$159.59
Made the motion	Hunter Beattie
Seconded the motion	Barbara Levine
Voted For	Leon Meyers
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Gary S Berger MC PA	<b>Appellant (if different)</b>	
<b>Property Address</b>	127 Wolfs Court. Chapel Hill NC 27516	<b>Parcel ID or Abstract</b>	57637

**Statement of Appeal:** Request compromise of taxes in the amount of \$42.71 for listing penalty.

<b>Current Assessed Value</b>	N/A	<b>County Opinion</b>	Applied Listing Penalty of \$42.71
<b>Time of Hearing</b>	1:23 PM	<b>Appellant Opinion</b>	Compromise Listing Penalty of \$42.71
<b>County Representative</b>	Christy Carden	<b>Board Decision</b>	Grant full compromise of \$42.71 listing penalty

**Evidence submitted by the appellant:**

Letter to office requesting 10% penalty be abated, A change in accounting firms during listing season lead to a misunderstanding with firm which was responsible for preparing the listings. The previous firm submitted the extension request and the new firm was not aware the listing had not been prepared until discovery notices were mailed in May.

**Evidence submitted by the county representative:**

Listing was received by our office June 27, 2022. Historically since 2014 when Dr. Berger took over the medical practice, the property listings have been filed timely.

<b>Motion of the Board</b>	Compromise the listing penalty of \$42.71
Made the motion	Hunter Beattie
Seconded the motion	Leon Meyers
Voted For	Barbara Levine
Voted Against	

**Property Identification:**

<b>Property Owner</b>	Medical Day Spa	<b>Appellant (if different)</b>	
<b>Property Address</b>	301 Kildaire Road, Suite 100, Chapel Hill NC 27516	<b>Parcel ID or Abstract</b>	1002527

**Statement of Appeal:** Request compromise of taxes in the amount of \$981.57 for listing penalty.

<b>Current Assessed Value</b>	N/A	<b>County Opinion</b>	Applied Listing Penalty of \$981.57
<b>Time of Hearing</b>	1:25 PM	<b>Appellant Opinion</b>	Compromise Listing Penalty of \$981.57
<b>County Representative</b>	Christy Carden	<b>Board Decision</b>	Grant full compromise of \$981.57 listing penalty

**Evidence submitted by the appellant:**

Letter to office requesting 10% penalty be abated, A change in accounting firms during listing season lead to a misunderstanding with firm which was responsible for preparing the listings. The previous firm submitted the extension request and the new firm was not aware the listing had not been prepared until discovery notices were mailed in May.

**Evidence submitted by the county representative:**

Listing was received by our office June 27, 2022. Historically over last 10 years, Medical Day Spa property listings have been filed timely.

<b>Motion of the Board</b>	Compromise the listing penalty of \$981.57
Made the motion	Hunter Beattie
Seconded the motion	Leon Meyers
Voted For	Barbara Levine
Voted Against	

### **Property Identification:**

<b>Property Owner</b>	Subhrajyota Panigrahi	<b>Appellant (if different)</b>	
<b>Property Address</b>	1734 Legion Road	<b>Parcel ID or Abstract</b>	9799671555

### **Statement of Appeal:**

<b>Current Assessed Value</b>	\$255,500	<b>County Opinion</b>	No change in discovery
<b>Time of Hearing</b>	2:00 PM	<b>Appellant Opinion</b>	Unjust discovery process
<b>County Representative</b>	Roger Gunn	<b>Board Decision</b>	Deny the appeal of the discovery

#### **Evidence submitted by the appellant:**

Email from property owner on April 18, 2022 not accepting the discovery and values associated. Appellant finds it unfair that current owner be subjected to taxes from prior years in which the appellant did not own the property.

#### **Evidence submitted by the county representative:**

In reviewing the February 14, 2022 sale of this property, our office discovered that the rear 1,050 square foot section of the residence (i.e. the improvements) was not being captured in the property record and therefore not being valued or taxed. Upon further investigation, it was determined that this rear section was on the property record for the 2018 tax year but was inadvertently deleted from the property record for the 2019 through 2021 tax years. Although, this situation is no fault of the current or previous owner, NC General Statute 105-312 still requires that the Tax Office discover these improvements for the applicable tax years that they were not listed for taxation.

On April 7, 2022, the Orange County Tax Office mailed a Notice of Discovery to the current owner because the resulting taxes from the discovery attach to the property and run with title to the property. From that Notice of Discovery, the property owner filed an exception to the discovery with our office on April 16, 2022 and a remote discovery conference via Zoom was held on Mar 6, 2022.

As the property owner presented no evidence at the discovery conference that the discovery was invalid or the discovery values for the 2019-2021 tax years were incorrect, the decision of the Tax Office was to not change the discovery or discovery values for the 2019-2021 tax years. On May 16, 2022, a Discovery Conference Notice of Decision was mailed to the property owner, albeit to an incorrect mailing address, and on May 31, 2022, a corrected Discovery Conference Notice of Decision was mailed to the property owner. The appellant is appealing this corrected Notice of Decision.

Attached are all notices mailed to the property owner and all email correspondence between the Tax Office and the property owner relating to the discovery.

- Discovery notice
- Email correspondence between Tax Office and the property owner relating to the discovery.

<b>Motion of the Board</b>	Deny the appeal of the Discovery
Made the motion	Leon Meyers
Seconded the motion	Hunter Beattie
Voted For	Barbara Levine
Voted Against	

### **Property Identification:**

<b>Property Owner</b>	Townhouse Apartments LLC	<b>Appellant (if different)</b>	Adrian Dekker
<b>Property Address</b>	425 Hillsborough Street Chapel Hill, NC	<b>Parcel ID or Abstract</b>	9788491708

**Statement of Appeal:** The appeal was submitted based on there being no physical improvements made in 2021. The property was fully complete and delivered to the owner in the Fall of 2020.

<b>Current Assessed Value</b>	\$69,919,300	<b>County Opinion</b>	\$67,581,700
<b>Time of Hearing</b>	2:45 PM	<b>Appellant Opinion</b>	\$65,295,200
<b>County Representative</b>	Kelly Wells	<b>Board Decision</b>	\$67,581,700

#### **Evidence submitted by the appellant:**

Valuation of a similar neighboring property, PIN 9788491242

#### **Evidence submitted by the county representative:**

The property consists of the 339 unit Union Chapel Hill student apartments on 12.8 acres of land, located at 425 Hillsborough Street, Chapel Hill and has a current assessed value of \$69,919,300 or \$206,252 per unit.

The appeal is based on the 2021 valuation of \$65,295,200, in which the appellant states that no further improvements were made to the property in 2021, and also based on equity with a similar nearby 194 unit student apartment property. No sales or income and expense data were provided by the appellant as support for the appellant's opinion of value.

The 2021 valuation of \$65,295,200 reflected 90% completion of apartment buildings 1-6 and the parking garage at 100% completion based on the belief that the apartment buildings were still not 100% complete as of January 1, 2021. The Tax Office was not aware of the certificates of occupancy issued in July 2020 for these buildings. All improvements were valued at 100% completion for 2022, which increased the property's value to \$69,919,300.

Based on the per unit valuation of \$200,315 of the nearby similar property, the County recommends applying a Primary Neighborhood Modifier of E03 to the subject property, thereby reducing its valuation from \$69,919,300 (\$206,252/unit) to \$67,581,700 (\$199,356/unit).

<b>Motion of the Board</b>	Accept the county revised value of \$67,581,700
Made the motion	Hunter Beattie
Seconded the motion	Leon Meyers
Voted For	Barbara Levine
Voted Against	

**Chair of the Board:**

Hunter Beattie: \_\_\_\_\_

**Recording Secretary:**

Vrinlli Flores: \_\_\_\_\_