

MINUTES OF THE MEETING OF THE BOARD
OF ROWAN COUNTY COMMISSIONERS
BOARD OF EQUALIZATION AND REVIEW
APRIL 12, 1989

The Board of Rowan County Commissioners met as the Board of Equalization and Review in the Community Building on April 12, 1989 at 1:00 p.m.

PRESENT: J. Newton Cohen, Sr., Chairman
Wilborn S. Swaim, Vice-Chairman
Henry H. Palmer, Member
George C. Knox, Member
Jamima P. DeMarcus, Member

The County Manager, Finance Director and Clerk to the Board were also present as well as Jerry Rowland, Tax Assessor and concerned citizens appearing before the Board to present their appeal.

Chairman Cohen called the meeting to order. The County Manager presented each Commissioner with a written Oath to be signed and resubmitted to the Tax Assessor for his files.

All contingents were submitted to the Commission for their review as attached to these Minutes.

MYRTIS H. NICHOLAS:

Mrs. Myrtis H. Nichols, who is now deceased is having her appeal pursued by her daughter. This appeal is in reference to Pudgies Pizza. Their contingent is that the entire property is only worth \$160,000. The appraised value is \$215,000 which includes the building and land. Mr. Robinson is indicating that the building is of no value and the land value is only worth \$160,000. Mr. Rowland stated that he has reviewed the property and the building does have very limited potential and suggested that this be taken under advisement.

According to the appraisal reports, Mr. Robinson only gave an appraisal for the land and not the building. The purpose of the appraisal is to establish the highest and best use as vacant. This building was designed for a restaurant and would be difficult to remodel for fast food. In his opinion, the building was of no value, but Mr. Rowland disagrees.

Mr. Rowland stated that the figures represented on the attached chart reflect 20 percent interest; therefore, this is

reflected in the Depreciated Building Value in the amount of \$20,280. In 1982, the value of the property is \$100,000 for the building. The land value is \$89,000 and the building value is \$101,400. The building consists of approximately 3,000 square feet of useable space. This calculates to \$30 a square foot for \$100,000 value. This building has only been depreciated 10 percent. There are five (5) owners.

Mr. Rowland will report back to the Commission on his recommendation for the Commission to make their final decision. Although the lot is good, it is not quite large enough to support another fast food. The building will probably be torn down and if it is vacant at the time of the appraisal, January 1, 1990, then they should make as much as a 40 to 50 percent adjustment.

MR. ROBERT A. SHINN:

Their contingent is that they are currently satisfied with the assessment, but want to be sure that they are not assessed for property on a semiprivate or private golf course. When the property was first developed, the lady who owned the land indicated an interest to some of the property owners to build a golf course. There was never enough land to build a golf course. In looking at anything that took place during the last reappraisal, there is no indication at all that this land was appraised as a golf course. Mr. Rowland has assured the people from this area of this fact. The lots are selling for \$12,000 and on the books \$9,000 and \$11,000. One of the lots for approximately \$14,000 is two (2) lots combined for one building site. Mr. Rowland has included all the property owners in that development as attached to these Minutes.

One of the contingent's was that there is a private road there, but Mr. Rowland felt the road would be more advantageous (a sales point) rather than a detriment because it is a solid, well defined neighborhood. There is also rigid specifications as to what can be built in that area as well as it being well protected.

Mr. Rowland's recommendation based on the studies is that the value should remain the same. Commissioner DeMarcus made a motion to accept Mr. Rowland recommendation and Commissioner Knox seconded with unanimous approval.

JIM SIDES:

Mr. Jim Sides stated that he appeared before the Board in 1987 in reference to property values placed on various mobile homes that he owns. At that time, the Board chose to deny his request for

reduction values. He wrote a letter and made the necessary request through the Property Tax Commission of the State of North Carolina Department of Revenue and requested a hearing. He received a letter dated August 3, 1987 indicating that one of their representatives would be in touch with him and that they would contact him in regards to a review of his appeal. He has not heard anything since then. Eight months ago, he hired an attorney and this attorney indicated to him today that he had failed to even contact anyone else in regards to his case. He stated that he wished to protest the values for the years of 1988 and any other years he could. The valuations were derived strictly by the book. He purchased the units from Skyline Mobile Homes. The County Manager stated that it is impractical to judge every piece of property and to deviate from the standards would open doors to everyone.

The County Assessor notified Mr. Sides that it is recommended by the Tax Commission to be represented by an attorney when an appeal is made and that the Tax Commission was probably awaiting a response from his attorney before any further action was taken. It was the consensus of the Commission for this to be taken under advisement and reported again at a later date. It was also noted by the Tax Assessor to Mr. Sides that only one year can be appealed before the Board of Equalization and Review. The County Manager stated that if the State would rule in his favor, then that would become a basis of which subsequent years could be adjusted.

ERIC GUDE:

The Assessed Value on the property is \$31,780. Their contingent of what the full market value is \$26,000. This property was purchased in 1980 by Lonzo McDaniel for \$35,000. The Gude's bought this in 1984 for \$29,500. According to the 1980 market value, they were \$3,300 less than what was paid in 1980 and a little over than what was paid in 1984. The only additions they have added is a new well, additional septic tank, and drain lines. Their contingent is that the outbuildings are falling down, windows are in bad shape and the sills are rotting. The chimneys are leaning and need replacing. The front porch and bathroom floors are termite damaged and unsafe. The yard is full of ruts. Some of the floor sills are rotten.

Mr. Rowland stated that he has not had an opportunity to look at this property. Chairman Cohen asked if it was a requirement to look at these properties between revaluations and make adjustments for neglect by the owner. Mr. Rowland replied that they have to act on any replies that come in. The law states explicitly when you can make adjustments to property in nonrevaluation years.

There are two basis of adjustments:

- 1) To determine if the property is in line with other like properties.
- 2) To determine if houses like this have equipment values.

Commissioner DeMarcus suggested that Mr. Rowland look at this house and bring back a recommendation. Since this is a 1 1/2 story house, the house is appraised for approximately \$17 per square foot not including land. The land value is \$6,400--this would add an additional \$3.50 a square foot. Therefore, the house and lot is appraised at \$21 per square foot.

Mr. Rowland noted G.S 105-287 to the Commission as attached to these Minutes.

MARY L. HEADINGER (HENRY A. HEADINGER, JR.):

Mr. Headinger stated that this land has been in his family for sixty-seven (67) years. It is located on Heilig Town Road, North of East Spencer, off Long Street, going to the disposal plant. He stated that he has tried selling it at the tax value but is unable to. This land consists of six (6) acres. The land next to it has been tested and would not perk but the land being appealed has not been tested. There is approximately 600 feet of road frontage at this land. There is a lot behind the old school house that will not perk and was told that all the land surrounding this was like that as well. Chairman Cohen suggested to the Tax Assessor for him to look at this land and bring a recommendation back to the Commission.

JEAN WALLER DIXON:

The Assessed Value of this property is \$47,390. They feel the house is over valued as the inside is very rundown. This house is located on Cool Springs Road, Woodleaf, North Carolina (Corner of Mill Street). This house is a brick veneer home with a half basement. This land was purchased in 1954 and the building was purchased in January 1967. As far as improvements, air conditioning was purchased in 1988 in the amount of \$1,500. In their opinion, the market value is \$2,000 for land and \$35,000 for building for a total of \$37,000. They do not know what the market value is per acre. At the present time, the home is occupied by the Ms. Dixon's parents who are very ill. Therefore, the home is not taken care of very well. Mr. Rowland stated that as far as the exterior of the house, it is in good condition. There is 1,680 square feet and the house itself is only appraised for \$38,920.

There is a double carport, storage building, and another storage area under the carport. Mr. Rowland stated that it is a reasonable location for a rural setting.

Commissioner DeMarcus asked if there was an adjustment made for senior citizens on housing. Mr. Rowland stated that if they meet the income requirements, it would be approximately \$14,000 off the house and lot. This was appraised at \$25 per square foot for house and land. It was suggested that Mr. Rowland look at this house and bring back a recommendation to the Commission.

JAMES W. RICH & BRETT RICH:

This property is located off St. Peters Church Road. In 1988, the tax assessed value was \$3,140 and is approximately 3.5 acres. This land was purchased many years ago. Their opinion of market value is \$1,750. They are in complaint that this is completely land-locked, unfarmable, and no marketable timber on it as well as bordered by two (2) streams. The Tax Assessor's appraised value is a little less than \$900 per acre. They feel it is worth \$500 an acre. It was appraised as not having any road frontage and adjusted by 40 percent. Based on surrounding acreage and prices, it is appraised the same as surrounding land with the exception of the adjustment for no road frontage. Commissioner DeMarcus made a motion to accept the Tax Assessor's recommendation and Commissioner Palmer seconded with unanimous approval.

PIEDMONT NATURAL GAS:

Piedmont Natural Gas received an appraisal from Johnny Robinson and there were some discrepancies in the appraisal itself. Mr. Rowland feels they will find in the new appraisal they are going through now that some of the commercial and industrial values are a little over valued except the land and the content. Depreciations were given to concrete style buildings. The building value is \$266,030 and the appraisal report shows \$146,734. Mr. Rowland feels some mathematical errors were made by Mr. Robinson in his appraisal. The overall value is \$215,000 and the Tax Assessor's value is \$311,000. Mr. Rowland feels they are too high on the building and only adjusted the building by 3 percent last time which is a little less than standard. Mr. Rowland suggested giving additional depreciation on the building because of the location (an additional 10 percent on the building alone) and that the revaluation at this time take care of everything else under consideration. The most valuable part of the property is the land. The purpose of the appraisal is to resell it on current market value. Commissioner Knox made a motion to accept the

recommendation of the Tax Assessor and Commissioner Palmer seconded with all in favor except Chairman Cohen voting against. Motion was then passed by the majority.

FAB INDUSTRIES:

A letter attached to these Minutes states that their tax appeal is based upon the fact that the property is over assessed based upon their estimate of market value. Management Associates, Inc. has been appointed an agent for FAB Industries. They can 1) Serve a protest, also known as a complaint or petition specifying respect in which the assessment of the property listed below is claimed to be illegal erroneous or unequal; 2) Verify, serve, and file a complaint or petition for review of real property assessment; and 3) Such firm is authorized to represent the undersigned in all proceedings before the County Board of Taxation and State Tax Corp. and all appeals therefrom. This authorization pertains to all properties belonging to Salisbury Manufacturing Corp. in the State of North Carolina. Mr. Rowland stated that he has looked at the plant and there is 126,000 square foot in it. It was appraised at \$6.51 a square foot and depreciated by 62 percent. The land is quite reasonable (\$91,000 for seven (7) acres of manufacturing). Commissioner DeMarcus made a motion that this be retained and Commissioner Knox seconded with unanimous approval.

PSC, INC.:

Attached to these Minutes is a letter sent by the County Assessor dated April 4, 1989 notifying Mr. Wayne Ruck of his scheduled time to appear before the Board for his appeal. Also attached to these Minutes is a letter from Mr. Ruck dated August 23, 1988 stating his reason for appeal. In regards to the 6.796 acres of land and the building purchased on Palmer Road and Sides Road in Gold Hill, Mr. Ruck stated in his letter that his company purchased this property for \$425,000 and feels this is a true market value. Mr. Rowland noted to the Commission that this was a bankruptcy sale and does not apply to market value at all. Mr. Russell noted that under the Economic Development Policy in Rockwell, the County is running water/sewer to that site. Chairman Cohen noted that this will enhance the value of the site. There is a house in this area which is also owned by the Company but no value is represented in this amount. The building is over valued based on what was done eight (8) years ago. However, it is in line with surrounding properties. There is approximately 55,000 square feet of building; therefore, the building is valued at \$10.50 a square foot. Commissioner Swaim made a motion to follow the recommendation of the Tax Assessor and Commissioner Knox seconded with unanimous approval.

With no further business, Commissioner Palmer made a motion to adjourn the Board of Equalization and Review and Commissioner Knox seconded with unanimous approval.

Respectfully submitted,

Wendy S. Powell
Clerk to the Board