



Orange County Affordable Housing Coalition

**April 23, 2021**

Dear County Commissioners (Cc Manager Hammersley and Tax Administrator Freeman),

**Our neighbors in the Northside community of Carrboro and Chapel Hill reached out to the Orange County Affordable Housing Coalition (OCAHC) with concerns that their properties are overvalued in comparison** with other mostly white, more affluent

neighborhoods across the county. We are writing to you to amplify this concern and to ask for your prompt attention in addressing it in the Northside and other impacted communities.

Northside neighbors are understandably troubled that statistical or analytical errors systematically impacting tax assessed values will cause an inequitable tax burden on a community already facing enormous economic pressure. (Last year nearly 50 elderly low-income households in Northside received additional property tax support through the Northside Neighborhood Initiative because of the already heavy burden. These homeowners were paying as much as 90% of their annual income on property taxes for homes they had lived in most of their lives; these households had lived there an average of 57 years!) **These residents are concerned that they are being asked to carry a heavier burden of this County's property taxes than is justified by market values.** We take neighbors' concerns seriously and the data that have been shared with us support these concerns. We offer our full support to neighbors' request that the County conduct a study to closely examine the recent revaluation, in order to be sure communities like Northside are not overtaxed while others are undertaxed.

We are writing to urge you to listen intently to Northside neighbors' requests that the County, perhaps with the help of an independent group skilled in real estate appraisal and statistical methods, closely analyze the recently provided tax values across the county to look for patterns of inequity. Specifically, the OCAHC asks for your leadership to ensure the following four requests are promptly met:

- 1) Work with Northside leaders, and leaders in other lower-wealth communities of color, to identify overall data trends and methods that illuminate systemic inequities in tax valuation. The county should determine what caused these mistakes in the appraisals across Northside and whether they exist in similar communities across Orange County. This approach should help find and correct these issues systematically and make sure that any inequities in appraisal assumptions are corrected for the 2021 revaluation and for future revaluations.

2) Reduce/correct the property tax valuations for homeowners in Northside and other effected neighborhoods in a holistic manner even for owners who have not filed an individual appeal.

3) Given that the above efforts may involve a series of discussions with Northside leaders and/or take significant time to complete, in the meantime, the County should provide an extension of the April 30 deadline to file informal individual appeals by at least a month, to ensure sufficient time to provide a level of personalized assistance from county staff in guiding property owners' research into comparable values and, if warranted, filing appeals.

4) Increase County support for neighborhood preservation and retention efforts, including funding for additional capacity for neighborhood organizations working on these issues.

Similarly, ensure that undervalued properties are brought up to market values so as not to have low-wealth communities bear a disproportionate tax burden. For example, this might require reducing over-assessed land values and differentiating housing values more carefully by type and condition, especially given the significant differences that often exist between the condition of long-term owners' homes compared to those investor-owned homes used as student rentals.

We understand the urgency and importance of the revaluation effort for the County, and thank you in advance for the extra effort required to ensure an equitable approach to property tax administration. We trust that you will help ensure that the burden of this extra effort is borne primarily by County staff rather than lower-income residents across the county.

Thank you for your attention to this important issue and we look forward to your reply.

Sincerely,

Handwritten signatures of Jennifer Player and Dan Levine in blue ink.

Jennifer Player and Dan Levine, OCAHC 2021 Co-Chairs