

BOARD OF REVISION

The Geauga County Board of Revision met on Monday, June 22, 2020 at 9:03 a.m. in the Auditor's Conference Room on the first floor of the Courthouse Annex located at 231 Main St., Chardon, OH 44024.

Under the authority of House Bill 197, to comply with such orders and continue to conduct Board hearings, as required by law based on Webex technology. Open for public viewing located at 470 Center St., Building 8.

Present: Auditor Charles E. Walder, County Treasurer Christopher P. Hitchcock, Chief Deputy Treasurer Caroline Mansfield, and Commissioner Timothy C. Lennon.

Also Present: Chief Deputy Appraiser Chris Greenawalt, Deputy Auditor Rachel Blystone, Deputy Auditor Jared Spring, and Deputy Auditor Zach Hupp.

General Business

Approval of Minutes

Motion by Christopher P. Hitchcock, seconded by Timothy C. Lennon to approve the minutes of the June 1, 2020 meeting.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

Remissions/Refunds of Late Payment Penalties per ORC 5711.33 and 5711.39

Motion by Christopher P. Hitchcock, seconded by Timothy C. Lennon to remit and/or refund the following late payment penalties for Tax Year 2018 totaling \$653.23 due to reasonable cause and not willful neglect and based upon the recommendation of the County Treasurer Christopher P. Hitchcock:

BEEBE, KENNETH	06-056500	\$109.30
LUCKEY, HEATHER	26-214284	\$404.55
	Totaling:	\$653.23

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

Motion by Christopher P. Hitchcock, seconded by Timothy C. Lennon to remit and/or refund the following late payment penalties for Tax Year 2019 totaling \$248.68 due to reasonable cause and not willful neglect and based upon the recommendation of the County Treasurer Christopher P. Hitchcock:

RAPISARDA, ANN L.	29-107796	\$248.68
	Totaling:	\$248.68

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

Destroyed Property late filings:

02-192700 Mark Stephen Jerome & Susan Lynn Hageman

Motion by Charles E. Walder, seconded by Christopher P. Hitchcock to remit 25% reduction value for 2019 due to removal of EFP and pool by accepting the Destroyed Property Form filed June 8, 2020.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

Tax Year 2019 Valuation Complaint Formal Hearings begin as Scheduled

Let the record note the hearings are digitally recorded.

02-361271 Tanglewood Partners Limited Partnership, counter-filed by Kenston LSD

Auditor Walder dispensed both attorneys are legally bound by oath. Present was Attorney David Seed for Kenston LSD and Attorney Kevin Hinkel for the owner. Auditor Walder noted for the record that the Auditor's office has the parcel in question valued at \$1,739,900 yet they feel it is worth \$1,200,000 and asked them to explain to the Board why the value should be reduced.

Kevin Hinkel spoke on the packet he submitted as evidence. He explains the list of comparable sales and price difference. Asked the Board to consider the financial and economic obsolescence and is currently vacant. Mr. Walder questions Mr. Hinkel regarding an appraisal, sales, and improvements on the property and asked for photo explanations. Mr. Lennon asks if price was lowered to get tenants, why the vacancy, what advertising has been done. Mr. Hinkel gives explanation on all questions asked by the Board. Mr. Seed speaks on lease termination and payable rent on property and sale options for the future.

Action

Motion by Charles E. Walder, seconded by Timothy C. Lennon to not reduce the Tax Year 2019 Market Value from \$1,739,900 to \$1,200,000. Based on information provided.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

02-361270 Tanglewood Square Shopping Center LLC filed by Kenston LSD

Motion by Timothy C. Lennon, seconded by Charles E. Walder to postpone the withdrawal by the school district for Tax Year 2019 Market Value from \$146,700 to \$110,000. Based on a withdrawal letter to be sent by the school district and approved at the next scheduled hearing.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

11-223300 Losa Investments LTD, counter-filed by West Geauga LSD

Auditor Walder swore in Nicholas Novak, owner and Attorney Cecelia Hyun. Present was David Seed for West Geauga. Auditor Walder noted for the record that the Auditor's office has the parcel in question valued at \$718,800 yet they feel it is worth \$240,000 and asked them to explain to the Board why the value should be reduced.

Ms. Hyun spoke on property information in opening, she then questioned her client Mr. Novak about the listing of property, prior relationship with the previous owner, and negotiations for sale price, stating it was not a distress sale. Mr. Hitchcock asked about commonality and entities between two properties. Mr. Walder speaks on information from COSTAR website regarding the property listing and how he acquired information on the property being for sale. He asked about an appraisal on the property and marketing. Mr. Lennon questioned the price of the sale negotiation and were there any outstanding detriments. Mr. Seed questioned Mr. Novak about any unpaid expenses with the purchase of the property, how many lease spaces on the property and amount of tenants currently. He questioned the rent for tenants and the owner responded \$8,700 gross lease. Mr. Seed questioned the appraisal value, and changes to capital improvements. Mr. Greenawalt asked if there was a common are and net leasable area.

Action

After review of all testimony and all other information available, Motion by Christopher P. Hitchcock, seconded by Timothy C. Lennon to reduce the Market Value for Tax Year 2019 from \$718,800 to \$240,000 based on sale price.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder and Timothy C. Lennon.

Motion carried.

02-025320 E Washington Plaza LLC, counter-filed by Kenston LSD

Present Attorney Cecelia Hyun, representing the owner and Attorney David Seed for Kenston LSD. Auditor Walder noted for the record that the Auditor's office has the parcel in question valued at \$1,648,500 yet they feel it is worth \$1,525,000 and asked them to explain to the Board why the value should be reduced.

Ms. Hyun spoke on the property deed, conveyance fee statement, stating purchase was an arm's length transaction. Mr. Seed did not have questions and no further evidence to present. Mr. Hitchcock asked Mr. Seed why the school district filed on a valid sale.

Action

After review of all information presented by both attorneys, Motion by Charles E. Walder, seconded by Timothy C. Lennon to reduce the Market Value for Tax Year 2019 from \$1,648,500 to \$1,525,000 based on a sale.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder and Timothy C. Lennon.

Motion carried.

11-389211 Lisa Labanc Properties LLC, counter-filed by West Geauga LSD

Auditor Walder swore in Aaron Emig, appraiser. Present was Attorney Dana Rose, representing the owner and Attorney David Seed for West Geauga LSD. Auditor Walder noted for the record that the Auditor's office has the parcel in question valued at \$1,376,000 yet they feel it is worth \$975,000 and asked them to explain to the Board why the value should be reduced.

Mr. Rose introduced Mr. Emig, the appraiser for the property. Mr. Emig goes over information on exterior and interior with high end finishes, rear space and leasing for another business, usable area and low lying areas, highest and best use in an industrial zoned area, cost depreciation analysis, comparable sales, and functional obsolescence. Mr. Seed asked questions on the leases, contributions, and cost approach. Mr. Lennon asked about the owner operation. Mr. Hitchcock asked when the property was fully occupied after renovation and Mr. Emig stated January 1, 2019.

Action

After review of all testimony and all information available, Motion by Christopher P. Hitchcock, seconded by Charles E. Walder to reduce the Market Value for Tax Year 2019 from \$1,376,000 to \$975,000 based on an appraisal and evidenced presented.

Voice vote, three ayes. Christopher P. Hitchcock, Charles E. Walder, and Timothy C. Lennon.

Motion carried.

26-150050, 26-206300 & 26-206400 KCB Geauga Properties, LLC , counter-filed by West Geauga LSD

Auditor Walder swore in Kenneth F. Borah, owner. Also present, Attorney David Seed for Kenston LSD. Auditor Walder noted for the record that the Auditor's office has the parcels in question value at \$1,002,000 yet they feel it is worth \$915,000 and asked them to explain to the Board why the value should be reduced.

Mr. Borah provided his testimony on the property and the events they have. Mr. Walder asked when the property was purchased, May 10, 2019 Mr. Borah stated. Mr. Seed asked if there was a separate sale, Mr. Borah stated a business asset sale and the loan is solely on the property purchase. Mr. Seed asked if there was a family relation transaction and the owner stated no. Mr. Lennon asked the exact purchase price and any improvements into the building after purchase, a mandate or restriction currently and owner can open as guideline as Cedar Point. Mr. Walder stated the value we are determining is for January 1, 2019.

Action

After a review of all testimony and all other information available, Motion by Timothy C. Lennon, seconded by Caroline Mansfield to decrease the Market Value for Tax Year 2019 from \$1,002,000 to \$915,000 based on evidence presented and sale price.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and Timothy C. Lennon.

Motion carried.

11-222700 CRC Property Holdings LLC

Auditor Walder stated no one was present for the owner. Present was Attorney David Seed for Kenston LSD. Auditor Walder noted for the record that the Auditor's office has the parcel in question valued at \$457,100 yet they feel it is worth \$545,000 and asked them to explain to the Board why the value should be increased.

Mr. Seed presented copies of the conveyance fee statement and purchase price, long term loan with Cardinal Credit Union, deed and Costar confirmation of purchase price. Mr. Walder confirmed this was an Arm's Length transaction on June 10, 2019 for \$545,000.

Action

After review of all information available, Motion by Charles E. Walder, seconded by Timothy C. Lennon to increase the Market Value for Tax Year 2019 from \$457,100 to \$545,000 based on a sale.

*Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and Timothy C. Lennon.
Motion carried.*

02-283500 MM Washington LLC

Auditor Walder stated no one was present for the owner. Present was Attorney David Seed for Kenston LSD. Auditor Walder noted for the record that the Auditor's office has the parcel in question valued at \$1,246,900 yet they feel it is worth \$1,906,000 and asked them to explain to the Board why the value should be increased.

Mr. Seed presented the conveyance fee statement showing a cash sale. This is a multi-tenant building. He explains the information off of the Costar site. No questions from the Board.

Action

After a review of all testimony and all other information available, Motion by Charles E. Walder, seconded by Timothy C. Lennon to increase the Market Value for Tax Year 2019 from \$1,246,900 to \$1,906,000 based on a sale.

*Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and Timothy C. Lennon.
Motion carried.*

02-420752 SDC III OH LLC

Auditor Walder stated the owner was not present. Present was Attorney David Seed for Kenston LSD. Auditor Walder stated for the record that the Auditor's office has the parcel in question valued at \$963,300 yet they feel it is worth \$1,175,000 and asked them to explain to the Board why the value should be increased.

Mr. Seed spoke on the sale of the restaurant with 7500 square feet built in 2004. Costar showed the sale price of a cash transaction reporting it is under construction. Mr. Walder stated the new owner's intent is to tear down the building and the parking lot is in major disrepair. No other questions from the Board.

Action

After review of all testimony and all other information available, Motion by Charles E. Walder, seconded by Caroline Mansfield to increase the Market Value for Tax Year 2019 from \$963,300 to \$1,175,000 based on a sale.

*Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and Timothy C. Lennon.
Motion carried.*

11-052600 8400 Mayfield Road LLC

Auditor Walder stated the owner was not present. Present was Attorney David Seed for West Geauga LSD. Auditor Walder stated for the record that the Auditor's office has the parcel in question valued at \$243,600 yet they feel it is worth \$355,000 and asked them to explain to the Board why the value should be increased.

Mr. Seed presented information on the property age, and it holds a mortgage. The Conveyance fee statement filed with the County showed cash transaction. Mr. Walder stated a motion will be made that requires exemptions put forth in conveyance in real estate transfers for money that we apply to exempt conveyances. Meaning, if somebody wants to claim a deduction from the sale price for some reason they need to provide that evidence to determine it was a reduction of all conveyance.

Action

After a review of all testimony and all other information available, Motion by Charles E. Walder, seconded by Caroline Mansfield to increase the Market Value for Tax Year 2019 from \$243,600 to \$355,000 based on a sale.

*Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and Timothy C. Lennon.
Motion carried.*

General Discussion

Charles E. Walder made a motion that the Board of Revision recommend to the County Auditor we start to properly vet deduction from normal conveyances of real estate when a transaction occurs whereby the recorded value in some way reduced by some substantiated reason and that the owner provide the evidence to that effect on the conveyance documents so that we are not guessing in cases of whether or not it was fee exempt conveyance component of that arrangement.


Action

Motion by Charles E. Walder, seconded by Timothy C. Lennon to accept the motion.

*Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and Timothy C. Lennon.
Motion carried.*

Being no further business to conduct it was moved by Christopher P. Hitchcock to adjourn the June 22, 2020 meeting.

Respectfully submitted,


Charles E. Walder, Auditor
Secretary/Board of Revision

