

BOARD OF REVISION

The Geauga County Board of Revision met on Monday, August 8, 2022, 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.

Hearings are scheduled for in person or by Microsoft Teams and open to the public at the Courthouse Annex location.

Present: County Auditor Charles E. Walder, Chief Deputy Treasurer Caroline Mansfield, and County Commissioner James W. Dvorak.

Also Present: Chief Deputy Administrator Frank Antenucci, Fiscal Office Manager Pam McMahan, Deputy Auditor Rachel Blystone, Deputy Auditor Bonnie McKenzie, Deputy Auditor Rob Stanton, and Appraiser Tim Severovich.

Present by Microsoft Teams: Ron Leyde, Sean Berney, Christian Carson, Josh Williams, Charles Bluestone, Karen Bauernschmidt, Isaac Lewin, John Bonner, Jonathan Brollier, Jamie Owen, and Chris Boggs.

Tax Year 2021 Valuation Complaints Formal Hearings begin as Scheduled.

Let the record note the hearings are digitally recorded.

Cases are in parcel number order, not in order of appearance.

01-118092 FIP MASTER FUNDING I LLC filed by Kenston LSD

Present, Attorney Sean Berney a representative for the owner, on Microsoft Teams, but the owner did not file a counter. Present, Attorney David Seed representing Kenston LSD. Auditor Walder noted for the record that the Auditor's Office has the parcel in question valued at \$442,100 yet the school board feels it is worth \$868,400 and asked them to explain to the Board why the value should be increased.

Attorney Seed submitted evidence that included a copy of the deed and a conveyance fee statement to indicate the purchase price of the property. Attorney Berney stated he provided a deed and a memorandum of lease regarding the sale of the property. He noted that the Supreme Court does not qualify a memorandum of lease as an arm's length transaction, therefore the value should not be raised.

Auditor Walder stated he could not find the documents that had signatures for execution on the sale agreement. After further review, the signatures were located on the documents. No further questions from the Board.

Action

After a review of the testimony and all other information available it was Motion by Caroline Mansfield, seconded by Charles E. Walder to not increase the 2021 Tax Year Market Value from \$442,100 to \$868,400 based on testimony.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

02-126100 Vision Acquisition LLC filed by Kenston LSD, no Counter filed by owner

Prior to the hearing, the Auditor's Office received an email from Attorney John Gleason a representative for the owner, stating that he was hospitalized and would be unable to attend the hearing. He requested a hearing date change which was granted and rescheduled for September 7, 2022.

04-151035 Great Lakes Growers LLC filed by owner, Counter filed by Berkshire LSD

Present, John Bonner owner, on Microsoft Teams. Present, Attorney Jonathan Brollier representing the owner, on Microsoft Teams. Attorney Peter Zawadski representing Berkshire LSD. Auditor Walder swore in John Bonner, the owner of Great Lakes Growers LLC. Auditor Walder noted for the record that the

Auditor's Office has the parcel in question valued at \$2,026,000 yet the owner feels it is worth \$727,300. Auditor Walder asked the owner to explain to the Board why the value should be reduced.

Attorney Broliier started by saying that the Board of Tax Appeals and the 9th District Court of Appeals, have ruled recently that commercial greenhouses constitute business fixtures as statutory category personal property and not real estate.

Attorney Zawadski asked the owner if there was an appraisal done on the property. The owner answered, he believed back in 2018-2019, but could not remember what the appraisal stated. Attorney Zawadski asked if he has tried to sell the property. The owner's reply was no. Attorney Zawadski asked if he was on CAUV. The owner replied he is on CAUV, and believes it is on the 17 acres of land that he owns. He does not keep vehicles or equipment in the greenhouses. The greenhouse in question has a 25x25 room that is used as an office, with two restrooms and a breakroom.

Auditor Walder asked what kind of utilities were used. He also asked what the electric capacity is and what kind of phase is the electric. He asked what kind of flooring with the concrete was used and if there were any hurricane or tornado strapping on the building. Auditor Walder asked about the 25x25 office space and how many restrooms and sinks were in that space. Auditor Walder inquired about a loading dock and how items leave the loading dock to get to the manufacturing building. The owner stated all the utilities that were used, and that the electric is a phase three. Mr. Bonner also noted that there is not any strapping used on the building. The restroom count is two, and there is one sink in office. The loading dock area on the greenhouse has a breezeway that was built to move the skids to the manufacturing building. Auditor Walder asked if the owner could provide the following documents for review to the Board; chart of accounts, depreciation schedule, schematic of greenhouse, insurance policy, Federal and State tax documents and if there is an appraisal from when he acquired the mortgage. No further questions from the Board.

Auditor Walder made the recommendation to suspend the hearing so the additional documents could be received and reviewed by the Board for a future hearing date.

Action

After a review of the testimony and all other information available it was Motion by Charles E. Walder, seconded by Caroline Mansfield to suspend the hearing to a future date.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

07-004950 David Marecki filed by owner

Action

After a review of the evidence a negotiated value was agreed upon between David Marecki and Deputy Auditors Robert Stanton and Tim Severovich. It was Motion by Charles E. Walder, seconded by James W. Dvorak to reduce the Tax Year 2021 Market Value from \$238,400 to \$211,000 based on the negotiated agreement.

Voice vote, two ayes. Charles E. Walder, and James W. Dvorak.

Motion carried.

10-027100 and 10-164781 Chardon Real Estate LLC & Washington Street Properties LLC filed by owner, Counter filed by Chardon LSD

Present, Chris Boggs owner, on Microsoft Teams. Present, Attorney Christian Carson representing the owner, on Microsoft Teams. Present, Attorney Peter Zawadski representing Chardon LSD. Auditor Walder swore in Chris Boggs. Auditor Walder noted for the record that the Auditor's Office has the parcels in question valued at \$938,800 yet the owner feels it is worth \$800,000 and asked them to explain to the Board why the value should be reduced.

Attorney Carson asked Mr. Boggs if he was the owner, he replied yes, one of the owners. Attorney Boggs asked if the property was listed for sale online. Mr. Boggs said it was listed on LoopNet, which is an online

Commercial Real Estate site. He did not know the seller or have any personal relationship to him. He took a business loan out to purchase the property. No further questions from the Board.

Action

After a review of the testimony and all other information available it was Motion by Caroline Mansfield, seconded by Charles E. Walder to reduce the Tax Year 2021 Market Value from \$938,800 to \$800,000 based on a recent sale.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion Carried.

10-031900, 10-032000, 10-032100, 10-032200, 10-032300, 10-165323, 10-165324, 10-165325, 10-165326, 100 Chardon LLC & Cuyahoga Chardon LLC filed by owner, Counter filed by Chardon LSD

Present, Attorney Karen Bauernschmidt representing the owner, on Microsoft Teams. Present, Attorney Peter Zawadski representing Chardon LSD. Auditor Walder asked the attorneys if all 9 cases could be heard together, and they agreed. Attorney Bauernschmidt stated her client needed to leave the hearing due to another commitment he needed to attend. Auditor Walder suggested to reschedule the hearing and both attorneys agreed.

Action

After a review it was Motion by Charles E. Walder, seconded by Caroline Mansfield to reschedule the hearing to a future date.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion Carried.

10-048550 CSL Chardon LLC filed by owner, Counter filed by Chardon LSD

Present, Attorney Steven Nowak, and appraiser, Jim Huber, representing the owner. Present, Attorney Peter Zawadski representing Chardon LSD. Auditor Walder swore in Jim Huber. Auditor Walder noted for the record that the Auditor's Office has the parcel in question valued at \$2,723,000, yet the owner feels it is worth \$2,000,000 and asked them to explain to the Board why the value should be reduced.

Attorney Nowak asked Mr. Huber if he had listed his credentials in the appraisal report, which Mr. Huber said he did have them at the end of the report. Attorney Nowak asked when the property was inspected, and Auditor Walder interrupted and asked if the appraisal had been submitted as evidence. Attorney Nowak stated he submitted the evidence by email on August 3, 2022, which Auditor Walder stated was out of the window to receive evidence. Auditor Walder stated they could move forward however, if they planned on using the appraisal as part of their evidence, then they could suspend the hearing so the Board could review the evidence. Attorney Nowak agreed to reschedule. The hearing was suspended.

Action

After a review of the testimony and all other information available it was Motion by Caroline Mansfield, seconded by James W. Dvorak to suspend the hearing to a future date.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

10-074300 Eric Meister Properties LLC filed by Chardon LSD, Counter filed by owner

Present, Attorney Charles Bluestone representing the owner, on Microsoft Teams. Present, Attorney Peter Zawadski representing Chardon LSD. Auditor Walder noted for the record that the Auditor's Office has the parcel in question valued at \$465,000, yet the school board feels it is worth \$625,000 and asked them to explain to the Board why the value should be increased.

Attorney Zawadski noted that he and Attorney Bluestone had spoken and have reached a stipulation on the above-mentioned property. Attorney Bluestone agreed that they had spoken and had reached an agreement to increase the value to \$575,000.

Action

After a review of the testimony and all other information available it was Motion by Caroline Mansfield, seconded by James W. Dvorak to increase the Tax Year 2021 Market Value from \$465,000 to \$575,000 based on an agreement.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

10-099600 and 10-138300 Abruzzo Investments LLC filed by owner, Counter filed by Chardon LSD

Present, Joyce and Michael Pericco, owners, Bob Andreas, Appraiser, representing the owners, and Attorney Peter Zawadski representing Chardon LSD. Auditor Walder swore in Joyce and Michael Pericco, and Bob Andreas. Auditor Walder noted for the record that the Auditor's Office has the parcels in question valued at \$832,300 yet the owner feels it is worth \$707,400 and asked them to explain to the Board why the value should be reduced.

Mr. Andreas stated he wanted to amend the asking amount from the original complaint form, from \$707,400 to \$750,000.

Mrs. Perrico stated there was a news article in the Geauga Maple Leaf from 2020 that said the State would not evaluate commercial properties in 2020 due to the pandemic since it has been hard on the business sector. Mrs. Pericco stated her properties were evaluated in 2020 and 2021 and the value was increased on the businesses and did not understand why that had happened. She discussed that in early 2020 the upstairs of the building was remodeled for apartments, but due to Covid, could not lease the units. The downstairs work to the restaurant was on hold due to the pandemic.

Auditor Walder asked when the building was purchased, and Mrs. Perrico stated the building was purchased in 2017. That it was vacant for over 6 years and the intent was to add dining options at the end of the Square. The building was in disrepair. Auditor Walder asked if they had pulled permits for the improvements they were working on, and Mrs. Pericco stated yes, they did. Auditor Walder stated, when you pull a permit for the improvements, it triggers an event, and that event is then to watch the property, and as those improvements are made, the value is adjusted. That is the discrepancy with the article from the State of not changing values versus pulling a permit and having improvements completed during that time.

Attorney Zawadski asked if the owners were making any money in 2020. Mrs. Perrico stated they were not making a profit; they took a loss. Even currently, they are taking a loss.

Mr. Andreas talked about comparables in the area. With other rentals in the area, they would have to charge 3 times the amount of rent to meet what the market value is currently on the buildings, and he feels that is not feasible. Attorney Zawadski asked when he appraised the property and if the property was sold as an arm's length transaction. The property was listed on the open market and yes, an appraisal was supplied as evidence.

Mrs. Perrico stated when they purchased the Bistro, the building was in disrepair, and needed to bring it back to code and keep the historical integrity of it, while making it a rental space. Auditor Walder read off the property record card the improvements that were completed and wanted to verify those with Mrs. Perrico. Auditor Walder asked if all rentals are occupied, and Mrs. Perrico stated they are. Mrs. Perrico stated that they purchased these properties for a long-term investment, to one day be able to pass them onto their children. No further questions from the Board.

Action

After a review of the testimony and all other information available it was Motion by Charles E. Walder, seconded by Caroline Mansfield to reduce the Tax Year 2021 Market Value from \$832,300 to \$750,000 based on testimony.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

11-182800 Joshua A Williams filed by owner

Present, Joshua Williams owner, on Microsoft Teams. Auditor Walder swore in Joshua Williams. Auditor Walder noted for the record that the Auditor's Office has the parcel in question valued at \$175,100 yet the owner feels it is worth \$51,000 and asked him to explain to the Board why the value should be reduced.

Mr. Williams stated his appraiser and structural engineer were on, but due to the time constraints they needed to leave the Teams Meeting. Auditor Walder stated he recollected that Mr. Williams had quotes from his general contractor from out of state and Mr. Williams stated that was correct. Mr. Williams stated he purchased the home from a person who flips houses, so there was minimal work done, and the work was not done correctly. There is extensive structural damage to the foundation and the addition on the rear of the house did not have lag screws/bolts that were used so the addition is sinking. Mr. Williams stated that he did file a lawsuit to which there was a settlement agreement of \$80,000 that he did receive.

Commissioner Dvorak asked if there was a disclosure document when he purchased the home. Mr. Williams stated that none of the issues had been disclosed at time of purchase. Auditor Walder asked if the settlement was divided as so much money was for one issue and another sum of money for a different issue. Mr. Williams stated it was a flat-out settlement. No further questions from the Board.

Action

After a review of the testimony and all other information available it was Motion by James W. Dvorak, seconded by Charles E. Walder to reduce the Tax Year 2021 Market Value from \$175,100 to \$131,000 based on testimony.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

23-303900 Marc Dasen filed by owner, Counter filed by West Geauga LSD

Present, Marc Dasen, owner. Present, Attorney David Seed representing West Geauga LSD. Auditor Walder swore in Marc Dasen. Auditor Walder noted for the record that the Auditor's Office has the parcel in question valued at \$826,900 yet the owner feels it is worth \$490,000 and asked him to explain to the Board why the value should be reduced. Auditor Walder stated, the Board had questions from the previous hearing, and wanted the opportunity to ask those questions.

Auditor Walder stated the question that came up during deliberations was did you know the person you bought the property from. The owner stated he did know the gentleman; however, he had passed away, but the niece was then selling it, with an agent. Auditor Walder asked if he knew the niece or had a business relationship with her, and he answered no. Caroline Mansfield asked if he knew what the name of the niece was, but the owner said he would have to look it up that he did not even know her last name. Auditor Walder indicated that the conveyance statement stated that a Liese Toohig was a Trustee, and the owner replied that she was one of the trustees and she is my sister. Mr. Dasen stated his sister managed the property. She is listed as the grantor on the conveyance statement, she was acting as the trustee and Mr. Dasen stated he went through the niece so it would not be a conflict of interest. Auditor Walder read the conveyance statement and stated the Grantors name on it was Liese Toohig and she sold the property to Marc Dasen, her brother. Auditor Walder stated that this is an issue because that is not considered an arm's length transaction. Mr. Dasen thought the Board collected the documents they would need for the review, and Auditor Walder stated the burden of proof falls on the individual that is looking to change the value. Auditor Walder stated if Mr. Dasen feels he has evidence to submit to the Board that they will suspend the hearing so he can get all the documents that are needed. Mr. Dasen agreed to reschedule.

Action

After a review of the testimony and all other information available it was Motion by Charles E. Walder, seconded by James W. Dvorak to reschedule hearing for a future date.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

26-029250, 26-071500, 26-071600 Macs Convenience Stores LLC filed by West Geauga LSD, no Counter filed by owner

Present, Steven Nowak representing the owner. Present, Attorney David Seed representing West Geauga LSD. Auditor Walder noted for the record that the Auditor's Office has the parcels in question valued at \$193,600 yet the school board feels it is worth \$357,500 and asked them to explain to the Board why the value should be increased.

Attorney Seed stated the properties were a Circle K and submitted evidence that included a copy of the deed and a conveyance fee statement indicating that a sale occurred. No further questions from the Board. Auditor Walder recused himself from the hearing due to the time he was with Fiscal in Russell Township when the property was conveyed and asked Chief Deputy Administrator Frank Antenucci to sit on the Board. Attorney Nowak did not have any further information to give to the Board. There were no further questions from the Board.

Action

After a review of the testimony and all other information available it was Motion by Caroline Mansfield, seconded by James W. Dvorak to increase the Tax Year 2021 Market Value from \$193,600 to \$357,500 based on a sale.

Voice vote, three ayes. Frank Antenucci, Caroline Mansfield, and James W. Dvorak.

Motion carried.

26-086300 Steven Cathcart filed by owner

Present, Steven Cathcart owner. Auditor Walder swore in Steven Cathcart. Auditor Walder noted for the record that the Auditor's Office has the parcel in question valued at \$553,000 yet the owner feels it is worth \$375,000 and asked him to explain to the Board why the value should be reduced.

Mr. Cathcart stated he submitted the settlement statement and the purchase contract as evidence for the sale of his home. Auditor Walder asked how he knew the home was for sale. Mr. Cathcart stated it was on the open market, he found it on the MLS website listed for \$409,900. His first offer was \$355,000, but they agreed on \$375,000. Auditor Walder asked if he knew the seller or had any previous relationship with them. Mr. Cathcart replied no. No further questions from the Board.

After a review of the testimony and all other information available it was Motion by Caroline Mansfield, seconded by Charles E. Walder to reduce the Tax Year 2021 Market Value from \$553,000 to \$375,000 based on a sale.

Voice vote, three ayes. Charles E. Walder, Caroline Mansfield, and James W. Dvorak.

Motion carried.

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

Motion by James W. Dvorak, seconded by Charles E. Walder to remit and/or refund the following late payment penalties for first half Tax Year 2021 \$2,922.49 due to reasonable cause and not willful neglect and based upon the recommendation of the County Treasurer Christopher P. Hitchcock:

REMISSION OF PENALTIES 8/8/22				
COLUMBUS LAUREL	04-029600	\$	86.45	FH 2021
DURST MICHAEL	25-105100	\$	86.83	FH 2021
ABDELMALAK BASEM	26-195780	\$	379.99	FH 2021
MEEK JAMES	11-062200	\$	187.54	FH 2021
BRADFORD JAMES & LORI	10-165695	\$	372.42	FH 2021
ZEITLER DEREK	12-082200	\$	194.22	FH 2021
LESLEIN ROBERT & SUSAN	16-078243	\$	207.46	FH 2021
MULLER JOSEPH	18-091172	\$	118.37	FH 2021
MULLER JOSEPH	18-090606	\$	245.65	FH 2021
YOUSHAQ JOHN	19-038000	\$	145.91	FH 2021
HOFER TIMOTHY M	02-420489	\$	505.03	FH 2021
ANDERSON DAVID & JANET	23-293237	\$	249.31	FH 2021
BULMAN TAMMY	06-062500	\$	141.23	FH 2021
BULMAN TAMMY	06-062400	\$	2.08	FH 2021
	Total	\$	2,922.49	

*Voice vote, two ayes. Charles E. Walder, and James W. Dvorak.
Motion carried.*

Being no further business to conduct it was moved by Charles E. Walder to adjourn the August 8, 2022, BOR meeting at 12:06 p.m.

Respectfully submitted,

Charles E. Walder, Auditor
Secretary/Board of Revision


