

Council advances reassessment bid

By Chris Sykes Staff Writer, Orange Transcript

Last week the City Council voted to authorize a reassessment of the value of all properties in the city in light of the recession.

The council's 7-0 decision during its Aug. 4 meeting means the city is one step from having the authority to reassess the properties. It would come five years after one was conducted under former Mayor Mims Hackett Jr. That one, however, was ordered by a court after the city had not conducted a revaluation in more than three decades.

Normally, municipalities are only required by state law to conduct revaluations once every 10 years. Mayor Eldridge Hawkins Jr. and the council members said there was an urgent need to reassess the properties now because of the recession.

"I want to thank all of the members of the City Council for standing up for homeowners by approving reassessment. The vote was a major victory for Orange's overtaxed residents," said Hawkins in a statement. "If the council again votes to move forward on Sept. 7, we should have the updated values on the books for this coming January, and all tax bills after January 2011 will be based on the updated property values."

The key now, said Hawkins, is to pay for it. The council is expected to consider an "emergency" measure to utilize \$250,000 of what it considers surplus funds for the project.

"We're trying to get the money to pay for this from the city's surplus, but the problem is no one seems to know how much money is actually in there right now," said At Large Councilman Elroy Corbitt. "I think it is a worthwhile investment to do this for \$250,000."

After speaking with personnel from the Tax Assessor's Office, Corbitt said he was assured that property owners will "definitely see a decrease and reduction in their taxes." Because of that, Corbitt said the decision to approve the reassessment "was pretty much a no-brainer."

"We're doing this to keep people in their homes and to keep our tax base intact," said Corbitt. "When they do the reassessment, all the properties in town, private and commercial, will be affected. We expect the fair share of taxes to be put back onto the commercial properties as opposed to the private sector, which was not the case the last time."

The last time the revaluation was done, Corbitt and others said, it should have equalized the tax burden for all property owners — residential and commercial. They said it unfairly shifted more of the burden for paying for city services onto the residential homeowners.

Corbitt said that it is unfair to have a property worth \$250,000 but to have the owner paying \$1,000 on it. He did not specify such a property. At Large Councilman Rayfield Morton said he agreed with Corbitt.

"It's a shift of the tax burden onto the businesses. It's about giving the taxpayers some relief," said Morton. "The revaluation to me is not the best thing, but if this is what the people want then I will do it for them, not for the mayor. The city does need money to run and it's got to come from somewhere."

Hawkins said he believes he has had the residents' best interests in mind. He and members of his administration have discussed a property reassessment during his first two years in office. After the state-mandated revaluation, when home property values were at their highest level, Hawkins said the tax bills of some homeowners increased from 40 percent to as much as 100 percent.

"The revaluation shifted a major part of the cost of government from commercial property owners to homeowners. By conducting a reassessment now that residential property values are much lower, Orange can begin to achieve tax

fairness and repair the imbalance between residential and commercial property values,” said Hawkins. “At the City Council meeting on Sept. 7, the members will vote on approving a funding resolution for the reassessment and on awarding a contract to the firm that will carry out the reassessment. It is urgent for the council to vote both approvals to make it possible to complete the reassessment by Jan. 1, 2011.”