

EQUALIZATION BOARD OF CLEVELAND COUNTY

MINUTES

MAY 12, 2016

The scheduled special meeting of the Cleveland County Equalization Board was called to order this 12th day of May 2016 at 9:00 a.m., in the conference room of the Cleveland County Office Building by Chairman Waldo Blanton. Tammy Belinson County Clerk/Secretary, called roll and those present were:

Waldo Blanton, Chairman
Charles Thompson, Vice-Chairman
Tammy Belinson, Secretary

Larry Heikkila, Member, was absent.

Others present were: Assistant District Attorney Heather Darby, Linda Atkins, David Tinsley, Mike Weddle, Russell Chronister, Billijo Ragland, Alex Pace, Brian Wint and Larry Backus.

After the reading of the minutes of the Meeting of April 28, 2016 and there being no additions or corrections, Charles Thompson moved that the minutes be **approved**. Waldo Blanton seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes.
Motion carried.

A. Old Business:

1. Discussion, Consideration, and/or Action on the following Letters of Protest:
 - a. Discussion was had regarding Murphy Oil, % Duff & Phelps, Steven Graham, Agent, Protested Property Address: 609 12th Ave. SE, Norman, OK 73071, #R0096177, NC29; Mailing Address: PO Box 2629, Addison, TX 75001. It was determined that Steve Graham had called to let the Board know he would not be here today and would like the Board to review his protest. Mike Weddle, Deputy County Assessor, said that Mr. Graham's argument is the land price. It is on for \$8.00 per square foot. The three properties next to Murphy Oil are on at \$5.00 per square foot. They are valued at income approach. Land value does not necessarily matter when income approach is used. Everything else is on for \$10.00 per square foot on 12th Street. Once again, most are valued on the income approach. All the ones that were on at \$5.00 are changed to \$10.00 per square foot and are all the same now. However, the total value is still the same. All are valued on the income

approach. The outcome now is that theirs' is on for less at \$8.00 per square foot.

At this point, Waldo Blanton moved that there be no change in the current assessed value. Charles Thompson seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes.

Motion carried.

- b. Mike Weddle discussed the property concerning National Retail Properties, % Duff & Phelps, Steven Graham, Agent, Protested Property Address: 2004 S Service Road, Moore, OK 73160, #R0164069, NC29; Mailing Address: PO Box 2629, Addison, TX 75001. He said that cost approach is used the first year for businesses to give them a break. He has a permit from the City of Moore showing an estimated cost of \$625,000.00 and they paid \$612,000.00 for the land. The County Assessor has it valued for \$817,220.00.

Waldo Blanton moved that there be no change in the current assessed value. Charles Thompson seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes.

Motion carried.

- c. In accordance with “68 O.S. § 2877(A)(B)(C)(D) Appeal from action by county assessor to county board of equalization – Hearing procedure form of appeal. The taxpayer or agent may appear at the scheduled hearing either in person, by telephone or other electronic means, or by affidavit.”

The Board made contact with Michaella Breen on speaker phone that Brian Wint from the IT Department monitored so everyone in the room could hear the conversation. The telephone hearing began at 9:18 am and ended at approximately 9:25 am for a conversation lasting 5 minutes and 18 seconds. (Ms. Breen's contact number: 469-399-4456.)

Michaella S Breen speaking for AHIP OK Norman Properties LLC, Ryan, LLC, 960 Ed Noble Parkway; #R0114456, said according to the information she has presented, there is not an issue with the purchase price. They are requesting reduction only based on the Product Improvement Program the franchise owners are requiring to bring the hotel up to market and keep the “flag”, which is the franchise name that provides visibility and credibility to the hotel in the marketplace. She eliminated some of the soft costs including engineering reports, new vacuum cleaners, carpet cleaning, etc. that are not material to the condition of the real estate. She is requesting a \$500,000.00 reduction on the purchase price which is \$3,858,282.00 bringing it down to \$3,300,000.00.

Following a brief discussion, Charles Thompson moved, seconded by Waldo Blanton, to reduce the \$3,858,282.00 by \$272,563.00 with a new total of \$3,595,719.00.

The vote was: Waldo Blanton, yes; Charles Thompson, yes.

Motion carried.

- d. The Paradigm Tax Group, Alex Pace, having a **letter of authorization** to appear for Campus Crest at Norman LLC, that originally Michaela S Breen, Ryan, LLC, was on record to represent 3201 13th PKWY; #R0166075; said that Harrison Street purchased the entity Campus Crest in 2015, the whole entity, in the amount of \$1.9 billion. He said that it will not show up as a deed transfer. It shows in a report showing the activity and the allocation of the bulk purchase of the property, \$16,776,330.00. He asked to go over the financials of the property because the property is 45% vacant as of the first of the year and is beneficial for the Board to look at that as well when considering the value. Using the income approach, he came up with \$12,000,000.00 with the 45% vacancy. Mike Weddle, Deputy County Assessor, said it is currently valued at \$20,000,000.00. Alex Pace discussed other properties and stated that his client only wants to be treated equally and fairly with his competitors. It is very competitive to get the students in the student housing. After a brief discussion, Charles Thompson moved, seconded by Waldo Blanton, to lower the evaluation to \$17,000,000.00. The vote was: Waldo Blanton, yes; Charles Thompson, yes. Motion carried.

- e. In accordance with “68 O.S. § 2877(A) (B)(C)(D) Appeal from action by county assessor to county board of equalization – Hearing procedure form of appeal. The taxpayer or agent may appear at the scheduled hearing either in person, by telephone or other electronic means, or by affidavit.” The Board made contact on speaker phone with the assistance of Brian Wint to Debbie Moore, at 469-206-4244; R2 C2, LLC, Dollar General, 9000 S Harrah Newalla 74857, #R0166455. The telephone hearing began at 9:37 am and ended at approximately 9:44 am for a conversation lasting 8 minutes and 50 seconds. Debbie Moore said that the property is 9,416 square feet. Their assessment value in 2015 was \$918,060.00. The assessed value increased over \$400,000.00. Using the income approach, she says it should be approximately \$1,020,000.00. Russell Chronister, Deputy County Assessor, stated that the assessor’s value is \$1,335,813.00. County Assessor David Tinsley said that according to the Oklahoma Tax Commission the Documentary Stamps is the value of the property. Oklahoma State Statutes Title 68, Article 28 Sec 2802 talks about the Doc Stamps. A sales confirmation questionnaire was sent to them requesting that they complete and return the form within ten days. They confirmed that the sale price was \$1,452,000.00.

The Documentary Stamps are \$2,178.00 which means the purchase price was 1,452,000.00.

Mike Weddle said that for the County Assessor's Office to be in compliance when a piece of property sells the Oklahoma Tax Commission can consider the sales price an indication of fair cash value based on the Documentary Stamps. Russell Chronister said that they asked them about personal property and inventory and were told there was none by Regina Newel's signed affidavit.

The sale price was for real estate only.

Waldo Blanton moved that there be no change in the current assessed value as per State Statute concerning Documentary Stamps.

Charles Thompson seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes.

Motion carried.

B. Items of Business:

1. Waldo Blanton moved, seconded by Charles Thompson, to table Discussion, Consideration, and/or Action until May 24, 2016 on the following Letters of Protest:
 - a. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 1 Block 1, #R0170521, NCT2;
 - b. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 1 Block 1, #R0170522, NCT2;
 - c. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 3 Block 1, #R0170523, NCT2;
 - d. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 4 Block 1, #R0170524, NCT2;
 - e. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 5 Block 1, #R0170525, NCT2;
 - f. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 6Block 1, #R0170526, NCT2;
 - g. Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Lot 7 Block 1, #R0170527, NCT2;

- h.** Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 1 Common Area A, #R0171451, NCT2;
- i.** Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 2 Lot 1 Block 1, #R0169917, NCT2;
- j.** Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 2 Lot 2 Block 1, #R0169918, NCT2;
- k.** Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 2 Lot 1 Block 2, #R0169920, NCT2;
- l.** Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 2 Lot 2 Block 2, #R0169921, NCT2;
- m.** Norman Economic Development Coalition Inc, 710 Asp Ave Ste 100, Norman, OK 73069, for 2015, University North Park Corporate Centre 2 Lot 3 Block 2, #R0169922, NCT2;
- n.** Cactus Drilling Company, % K.E. Andrews & Co., 1900 Dalrock Road, Rowlett, TX 75088, for #P0112336, OCC2.

The vote was: Waldo Blanton, yes; Charles Thompson, yes.
Motion carried.

- 2.** Upon the recommendation of David Tinsley, County Assessor, Charles Thompson moved the Homestead Exemption Applications be approved. Waldo Blanton seconded the motion.
The vote was: Waldo Blanton, yes; Charles Thompson, yes.
Motion carried.
- 3.** County Assessor David Tinsley said that the exemptions that are currently in place all qualify from the standpoint of his office; therefore Waldo Blanton moved, seconded by Charles Thompson, to approve the Applications for Five-Year Ad Valorem Tax Exemption.
The vote was: Waldo Blanton, yes; Charles Thompson, yes.
Motion carried.

- C. No **New Business** came before the Board for discussion.

- D. **There were no Board Members** Discussions about County Business.

- E. No **public comments** were made.

- F. There being no further business to come before the Board, Waldo Blanton moved that the meeting be **adjourned** at 9:48 am. The motion was seconded by Charles Thompson
The vote was: Waldo Blanton, yes; Charles Thompson, yes.
Motion carried.


(Clerk's Note: Agenda was posted on May 9, 2016 at 1:52 pm.)


APPROVED by the Cleveland County Equalization Board, this 12th day of May, 2016,
Applications for Five-Year Ad Valorem Tax Exemptions as presented by David Tinsley,
County Assessor.

ATTEST:


County Clerk




Chairman


Vice-Chairman

ABSENT

Member

APPROVED by the Cleveland County Equalization Board, this 12th day of May 2016,
Homestead Exemption Applications as presented by David Tinsley, County Assessor.

Waldo T. Blanton

ATTEST:

Jammy Balines
County Clerk

Chairman

Don Thompson

Vice-Chairman

ABSENT

Member

