



Aces wrestling team takes second place in NCC tourney

Torris Norman wins heavyweight crown. A8

2009 Edenton-Chowan Chamber of Commerce honors

 Craig Miller is named Volunteer of the Year B1

 Mike Faircloth is Businessperson of the Year A6

# CHOWAN HERALD

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## No dodging the tax man as home prices fall

"Sales are certainly few and far between ... But better than 50 percent of the homes are selling for more than our appraisal."

—Lynda Hendricks

By Vernon Fueston Staff Writer

It might seem to make sense that your property taxes should fall as home values crash, but don't count on it.

As home prices plummet, many homeowners might assume they can contest their home's valuation and lower their taxes.

But Lynda Hendricks of Chowan's tax office said the law just doesn't allow for that.

"There are only certain reasons we can lower a tax value," Hendricks said. "An error (on our part) is one reason and new construction is another. The economy is not a reason. We re-evaluate properties every eight years."

Hendricks said she has little latitude on how to handle property values. Her procedures are all spelled out in a law called The Machinery Act of North Carolina, Statute 105.

She said the system is designed to ignore spikes or brief valleys in property values. The county's appraisers look at real estate sales in the county over a period of years.

The same statute that keeps a homeowner from taking advantage of this year's falling home prices also protects him from higher taxes when they rise briefly, Hendricks said.

The law does allow a homeowner to contest the appraised value of his home. To do that, he must get two professional appraisals of the property and make an application to the county tax office. But values over time would have to be checked.

Hendricks said the county would have to look at property values going back to 2006 when considering a change.

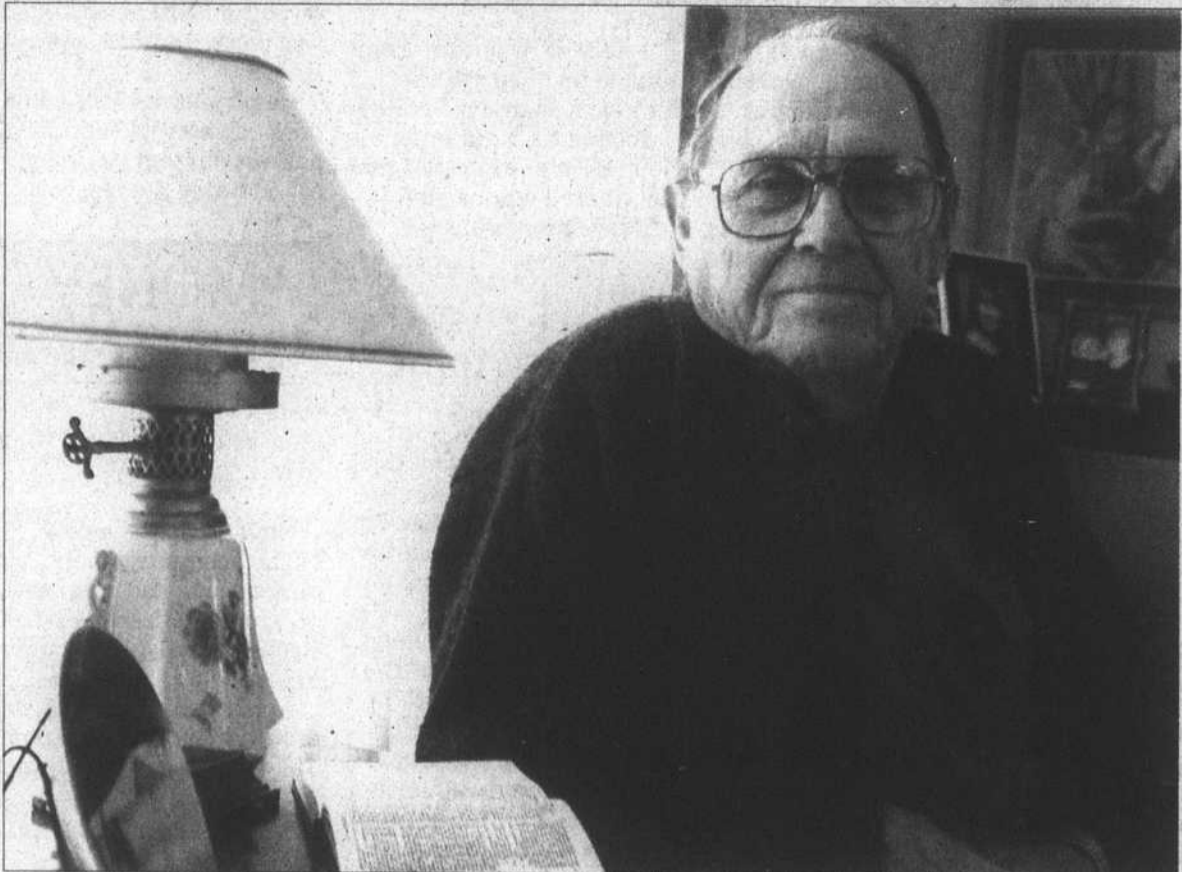
The next scheduled property valuation is set for 2014. If property values rise back to their previous levels before then, today's bear real estate market may not make much difference in a homeowner's tax bill.

But there's another problem when it comes to property re-appraisals. So far, prices for homes in Chowan County are selling for above their tax appraisal, even though few are selling.

"Some (sale prices) are low, but land is selling for high," Hendricks said. "The sales are certainly few and far between with some homes selling for less (than the tax appraisal)."

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## Bob Harrell put his career on the line in a quiet fight for civil rights four decades ago



VERNON FUESTON/THE CHOWAN HERALD

Bob Harrell left his position as a Baptist minister to mediate civil rights disputes during the height of racial unrest in North Carolina. After three years of service on the Governor's Good Neighbor Council, he was never offered a Southern Baptist pastorate in North Carolina again.

By Vernon Fueston Staff Writer

What Bob Harrell remembers most about the tense weeks that followed Dr. Martin Luther King's assassination in 1969 is a meeting with Lexington's (N.C.) mayor.

"Everything blew up, not just in the south, but all over the country," Harrell said. "The mayor was already thinking about positive solutions, but things were tense."

From his vantage as the governor's representative, it didn't look like good intentions were going to be enough.

Riots were breaking out all over the country and buildings were in flames, including Lexington. Rioters were randomly torching buildings around the city.

### Hard words

Harrell's suggestion wasn't what the mayor wanted to hear, but he accepted. They got the

## DOING THE RIGHT THING

names of the town's three most radical young black activists and the mayor sent Harrell to fetch them.

It was three in the morning and tensions on the street were high. Harrell borrowed a car without government plates and declined a police escort. It wasn't long before the young men were sitting in the mayor's office.

"I was never so sorry for anybody in my life," Harrell said. "There were drops of sweat as big as the end of your finger coming off his face. They used language on him I'd never heard before."

That's when the mayor drew in a long breath, and leaned back in his chair. "Now that I've heard you," he said, "What can I do?"

Harrell said the young men looked stunned. It seemed to be a question they hadn't anticipated. After a moment's thought they listed their demands.

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## County officials downplay risk of AMH debt

By Vernon Fueston Staff Writer

County officials were reassured last night that the risk debt incurred by Albemarle Mental Health Center becoming a problem for the county are remote.

Speaking in a meeting of the county commissioners, the county's attorney, John S. Morrison, said Chowan County would only incur the agency's liabilities in the event it had to liquidate.

Chowan County partnered with five other counties in 1972 to form the clinic system. Today, 10 counties participate in the system.

Morrison said it was unlikely the clinic would go out of business. Unless that happens, he said the agency's debts should

not reflect on the county.

"At this time (Albemarle Mental Health) has a separate legal identity," Morrison said. "I don't think the county needs to be overly concerned."

Morrison said a caretaker director has assumed control of the agency with the goal of restoring its financial strength and then handing the reins back over to its board.

Chowan's county manager, Peter Rascoe, said he and other county managers met Friday to explore ways to stabilize the situation and assess the quality of care being given indigent patients



Morrison

in the counties.

Morrison did caution the commissioners that the county would likely see some financial fallout from the agency's problems.

He said the county currently pays one dollar per capita population or \$15,000 per year to support the agency, an amount set 37 years ago.

That amount will almost certainly increase as the agency is reorganized, Morrison said. He added that the state's Division of Mental Health has been critical of the low assessment paid the AMHC's member counties.

Morrison said the average paid statewide by other counties into similar agencies is \$15 per capita with one county paying \$66 per capita.

## Lowe's halts development at Edenton Commons

by Earline White Managing Editor

Local officials plan to push the development of the Edenton Commons shopping center onward despite the recent news that the center's anchor store, Lowe's, has pulled out of the project.

Wheeler Interests President John Wheeler sent an e-mail to Town Manager Anne Marie Knighton yesterday afternoon about the decision.

According to Knighton, the real estate committee for Lowe's did

not approve the Edenton location. This news comes five months after Lowe's cut 100 projects nationwide, of which Edenton was not a part.

"Of course the Chamber is disappointed [about this decision]," Chamber director Richard Bunch said.

"The whole time we have been looking to those 70 jobs to help the county with its high unemployment rate."

"But the direction of the center is dictated by the economy," Bunch added.

Knighton said, "The Town had been working with Lowe's for a number of months in its efforts to bring Lowe's. While I am very disappointed, I look forward to exploring future opportunities with Lowe's and other quality businesses as they evaluate opportunities in Edenton."

"We all are better equipped to help evaluate and plan for big-box development."

No word on the status of the businesses — CVS, Peebles, Family Dollar, Ace Wireless and Subway — slated to go into the center.

## Officials take steps to raise money

Commissioners declare surplus property and tighten tax collections

By Vernon Fueston Staff Writer

Chowan's commissioners took steps to raise cash Monday, preparing \$881,000 in new debt payments that will come due this fall.

They declared surplus property available for sale and took steps to tighten and speed up the county's tax collection procedures.

The commissioners also announced the appointment of 10 citizens to advise them on county finances.

The steps came at a regularly scheduled public meeting held at the College of the Albemarle.

### Selling property

Three real estate holdings, 11 vehicles, machinery, lockers, office furniture, sports lights, boat motors, office equipment and even an ATM machine will be sold.

The county will sell the Gliden Rescue Building on Gliden Road, valued for taxes at \$62,000. The building is no longer occupied by the county's rescue squad and is currently used only as a polling place.

Also for sale will be the Chowan Ruritan Community Building, valued at \$47,000. The building is located on Virginia Road across from Chowan Middle School.

The building is currently rented by the Ruritan Club. The club's lease will go with the building.

Another property for sale will be the Chowan County Agricultural Building Site, located on Virginia Road. One wooden structure sits on the property's 2.26 acres of land, located within the town limits. The site is valued at \$339,000.

The real estate will be offered at auction with a 10-day upset period. No bids will be accepted for less than the tax appraisal value.

The exact method for disposing of the vehicles and equipment was not decided in the meeting. The county could use an online auction service or a public auction.

### Speeding revenues

The commissioners also took steps to tighten and speed up its tax collections. They passed a proposal requiring all taxes be paid on a property before any building permits are issued.

One member of the audience asked if such a measure would hurt citizens trying to improve properties they were trying to sell for taxes.

County Attorney John S. Morrison responded that the measure very well might have that effect. He said that any such provision is always a trade-off.

A proposal offering a one-percent discount for the early payment of taxes was tabled to gather more data.

Commissioners seemed favorable to the idea, but questioned projections of just how much money the policy would bring into the county early.

Lynda Hendricks, the county's tax collector, estimated that a potential \$1.5 million could be brought into the county's coffers in time for the county's annual debt payments.

She said she has checked with neighboring counties who offer early discounts, adding that Pasquotank County receives 40 percent of its tax levy as early payments.

Hendricks said about 1,500 mortgage companies send money to the county each year. She said most of them are eager to pay early in order to take discounts.

Hendricks said the county must pass a resolution requesting a change by the

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