

# Wake County Commissioners Talk Property Tax Relief

As Raleigh residents struggle with climbing property taxes, Wake County commissioners are reluctant to commit to a grant program. Instead, they're looking at nonprofit-led initiatives that offer indirect help.

[Jasmine Gallup](#) Mar. 01, 2022 3:48 p.m. **INDY Week**

In Rochester Heights, a historically Black neighborhood in Southeast Raleigh, property taxes have more than doubled for some homeowners—[their expenses rapidly increasing as gentrification takes hold](#).

Those same homeowners are now lobbying the Wake County Board of Commissioners to create a grant program that would offer relief from tax bills, similar to the ones recently put in place by Mecklenburg and Durham counties. [ONE Wake](#), a grassroots community group, is calling for a program that offers payments to people who have owned their homes for at least 10 years and earn less than 80 percent of area median income. The program would cover any and all property taxes that exceed 2 percent of qualifying homeowners' annual income.

Commissioners, however, seemed reluctant to pursue such a project [during a conversation Monday](#).

"After hearing the legal discussion, I am really uncomfortable with any direct aid," said commissioner Vickie Adamson. "That just feels like a can of worms I don't want to get into."

The county could face financial repercussions if a tax grant program was

challenged in court. According to Ken Murphy with Wake County district attorney's office, there's no clear guidance on whether local governments have the power to offer payments to tax-burdened homeowners. Such a program would have to promote a "well-established constitutional goal," such as providing for the welfare needs of the poor, Murphy told the board.

Similar programs, however, have yet to face lawsuits. [Durham](#), Orange, and Mecklenburg counties each created longtime homeowner grant programs last year, which have been successfully run for the past several months.

Still, Wake County officials seemed disinclined to invest in a similar program. Chair Sig Hutchinson emphasized the value of existing assistance programs (which limit aid based on both income level and age, disability, or veteran status). Other commissioners favored less aggressive programs, some led by nonprofits. Commissioner Adamson asked staff to explore options for the creation of a community land trust, which helps preserve affordable housing by passing stewardship over the land to a nonprofit.

ONE Wake members are not so enthusiastic about that idea, Jemonde Taylor, ONE Wake organizer and reverend at St. Ambrose Episcopal Church, told the *INDY*. Some homeowners are worried about relinquishing their land, often the most valuable part of a property, he said.

County officials defended the idea at the meeting, however, saying community land trusts do still allow people to build equity.

"You're not losing all the value of the property," said Emily Lucas, chief financial officer for the county. "The main pro is that (community land trusts) keep people in their homes, preserving neighborhoods. It's a tradeoff between which of these things is most important to that particular neighborhood or that particular group."

Commissioners also asked staff to provide more details about a potential

homeowner care fund—which could offer financial assistance to tax-burdened homeowners through a nonprofit—as well as a "foreclosure prevention" fund, which could provide grants to homeowners to create savings accounts for property tax payments.

Commissioner Matt Calabria was the sole speaker in favor of a tax grant program, asking staff to put together a recommendation for the "best, most defensible program."

"I don't want that to fall off the radar among other options," he added.

Taylor says he feels optimistic about the discussion commissioners had Monday.

"I'm encouraged that the commissioners seemed to listen. (They) pledged to continue meeting with ONE Wake and have conversations," he told the *INDY*. "Our voice is in our vote. We know this is an important issue...so, anyone who's willing to work with us and listen and also thinks this is important, we will support."

### **The burden of rising property taxes**

In 2019, Wake County's regular reappraisal raised the average value of a home by about 20 percent, according to Lucas, the chief financial officer. In some parts of the county, the change was higher—about 23 percent in Raleigh, 25 percent in Knightdale, and 28 percent in Zebulon.

Although almost everyone in the county paid their tax bill and foreclosures due to nonpayment are extremely rare (only two in the past 20 years), there are several hundred requests for financial assistance each year, said Marcus Kinrade, revenue director for the county. Of the households in Wake County, 12 percent have income less than \$50,000, while 7 percent have less than \$35,000. Those numbers include both homeowners and renters.

Taylor acknowledged that many of the most cost-burdened residents in Wake

County are renters. But, he said, homeowners in historically segregated parts of the city are also facing financial burdens.

"What we are proposing is a 'both and.' You don't have to pit one against the other," Taylor said. "When you look in Southeast Raleigh, these were areas where Black people were forced to live. Now that these areas are desirable, property taxes are increasing ... We have to take history into account. Raleigh and Wake County purport equity. So the question is, what is the equitable thing to do?"

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