



CITY OF PHILADELPHIA

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May 9, 2018

The Honorable Darrell Clarke
City Council President
City Hall, Room 490
Philadelphia, PA 19107

Dear Council President Clarke,

This letter is in response to questions raised at the April 4, 2018 hearings before the Committee of the Whole on the Fiscal Year 2019 proposed budget for the Office of Property Assessment and Department of Finance. At this hearing, the following questions were asked:

Councilman Henon: Explain the request for additional class 100 funding in FY19.

The Office of Property Assessment is requesting an additional \$407,318 in class 100 for FY19. The additional money will fund pay increases, vacant positions and additional positions. The OPA has been continuously hiring over the years to meet the International Association of Assessing Officers (I.A.A.O.) recommended staffing goals. The positions are specialized and hard to fill, which has resulted in a staff shortage and no need for full funding. Therefore, there is a vacancy allowance that is applied to the OPA budget to decrease the money in the budget to closer reflect the actual class 100 obligations. The current budget, after the vacancy allowance, only includes funding for filled positions at the current salary. Any increase in staff or salary causes a deficit and therefore, a need for additional funds.

Councilman Jones: Provide maps outlining specific property assessment changes by geographic market area, by Council District and citywide.

For residential parcels, we have a map that delineates average changes per GMA both citywide and by council district. The map is attached.

Councilman Henon: What were the increases in assessments in the two preceding years before the current 11% proposal?

Councilman Domb: Provide the numbers for incremental increases (year-over-year) following assessment changes.

The overall change and change in taxable assessment is as follows:

	Tax Year 2017 Re-Assessment	Tax Year 2018 Re-Assessment	Tax Year 2019 Re-assessment
Total Assmt. Change	1.38%	12.38%	9%
Taxable Assmt. Change	9.29%	8.08%	11%

Please note, the taxable assessment change for 2017 was greater than the total assessment change in part due to the revaluation of land which shifted value from improvement to land. That could have meant an increase in taxable assessments for properties that had abatements, but didn't necessarily mean an increase in the overall assessments.

Councilman Henon: For AVI, maps were provided to show the burden on residential and commercial properties. Can you show increases this way for this year, not including the proposed 4% tax increase?

These changes are in the attached impact analysis reports. Included are percentage changes for all property types, citywide and for each council district. In addition, we have included a map delineating the average changes per GMA both citywide and by council district.

Councilwoman Bass: Re-send the report that had been shared with Council last week.

We have attached a copy of the impact analysis reports as of April 2018.

Councilman Domb: Provide a map showing the districts experiencing property assessment decreases.

We are attaching a map that includes average change, including positive, negative, and no (average) change for residential properties.

Councilwoman Gym: What percentage of residents/homes will see a decrease in their property taxes?

OPA is unable to provide detailed information on the percentages of home that will see tax increases or decreases. We can, however, show the percentage of properties with assessment changes. The attached impact analysis report includes aggregate assessment figures for residential parcels that were changed from Tax Year 2019.

Councilwoman Parker: Provide: 1) a map showing the properties that have abatements (by Council District); and 2) the value of abatements (also by Council District).

A map showing all abated properties is being provided. We are also providing a table summarizing the value of abatements by Council District.

If you have any additional questions, please feel free to contact my office.

Thank you,



Michael Piper, CAO
Office of Property Assessment