

Legislation Details (With Text)

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Title: Amending Title 2 of The Philadelphia Code, entitled "City-County Consolidation," by abolishing the Board of Revision of Taxes and reassigning its powers, functions and duties to three newly created City agencies to be known as the Board of Property Assessment Appeals and Review, the Property Assessment Oversight Board, and the Office of Property Assessment; providing for submission of such amendment for the approval or disapproval of the qualified electors of the City of Philadelphia; fixing the date of a special election for such purpose; prescribing the form of ballot question to be voted on; and authorizing the appropriate officers to publish notice and to make arrangements for the special election; all under certain terms and conditions.

Sponsors: Councilmember Green, Councilmember Sanchez, Councilmember Jones

Indexes: BOARD OF REVISION OF TAXES

Code sections: Title 2 - CITY-COUNTY CONSOLIDATION

Attachments: 1. Bill No. 09038400.pdf

Date	Ver.	Action By	Action	Result	Tally
5/7/2009	0	CITY COUNCIL	Referred		
5/7/2009	0	CITY COUNCIL	Introduced	Pass	

Amending Title 2 of The Philadelphia Code, entitled “City-County Consolidation,” by abolishing the Board of Revision of Taxes and reassigning its powers, functions and duties to three newly created City agencies to be known as the Board of Property Assessment Appeals and Review, the Property Assessment Oversight Board, and the Office of Property Assessment; providing for submission of such amendment for the approval or disapproval of the qualified electors of the City of Philadelphia; fixing the date of a special election for such purpose; prescribing the form of ballot question to be voted on; and authorizing the appropriate officers to publish notice and to make arrangements for the special election; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 2 of The Philadelphia Code is hereby amended to read as follows:

TITLE 2. CITY-COUNTY CONSOLIDATION.

CHAPTER 2-100. CITY-COUNTY CONSOLIDATION.

* * *

§2-113. Board of Revision of Taxes.

[A duty is hereby imposed on the Board of Revision of Taxes to reassess annually every parcel of real

property in the City. No assessment of a parcel of real property for any year shall be forwarded to the Director of Finance until every parcel of real property in the City has been reassessed for that year.] *After it has completed its duties with respect to assessments made in calendar year 2011 for the imposition of real estate taxes in 2012 (including the hearing of all appeals from such assessments and the certification of all final assessments), the Board of Revision of Taxes shall cease to exist, and, with respect to assessments made in calendar year 2012 and thereafter, all powers, functions and duties previously exercised and performed by the Board of Revision of Taxes shall be exercised and performed by the Property Assessment Oversight Board, the Board of Property Assessment Appeals and Review, and the Office of Property Assessment, all as provided in Chapter 2-200.*

CHAPTER 2-200. PROPERTY ASSESSMENT.

§2-201. *Property Assessment Oversight Board.*

(1) *The Property Assessment Oversight Board is hereby created, effective immediately.*

(2) *The Property Assessment Oversight Board shall consist of three members. One member, who shall have at least ten years experience in the real estate industry, shall be appointed by Council, by resolution. One member shall be appointed by the Mayor. The third member, who shall have at least ten years experience as a real estate appraiser, shall be appointed to a four year term by the Mayor which appointment shall be made from nominations provided by Council. Council shall nominate at least two individuals pursuant to such process as shall be established by Council. No member of the Board, while serving as a member, shall seek or hold a position as any other public official within the Commonwealth, or as an officer of a political party. Members of the Board shall receive such compensation as Council may from time to time ordain.*

(3) *The Property Assessment Oversight Board shall:*

(a) *Within six months of its creation, submit to Council a proposed Assessment Standards and Practices Ordinance that is based upon a nationally recognized assessment policy.*

(b) *Certify, in a timely fashion, that assessments determined by the Office of Property Assessment have been made according to the Assessment Standards and Practices Ordinance adopted pursuant to Section 2-206. If the Property Assessment Oversight Board is unable to certify the assessments, the last certified assessments and assessments on new and altered property shall remain in effect. The Property Assessment Oversight Board shall not have the power to modify individual assessments.*

(c) *Perform and exercise such other powers and duties as may be conferred or imposed upon it by applicable law.*

(d) *At least every four years, the Board shall itself, or by contract with one or more organizations with nationally recognized expertise in the assessment process, review the performance of the Office of Property Assessment and the Board of Appeals, and issue a written report to the Mayor and Council as to its findings.*

(e) *Twice each year file a written report on its activities with Council.*

§2-202. *Board of Property Assessment Appeals and Review; Composition and Appointment.*

(1) *The Board of Property Assessment Appeals and Review (“Board of Appeals”) is hereby created, effective immediately.*

(2) *The Board of Appeals shall consist of five members, all of whom shall be residents of the City. Two of the members shall have at least ten years experience as a real estate appraiser or real estate assessor certified by the Commonwealth of Pennsylvania, and one member shall have at least ten years experience as a practicing attorney at law with residential or commercial valuation expertise.*

(3) *Except as provided in subsection (4), the members of the Board of Appeals shall be appointed by the Mayor with the advice and consent of a majority of all the members of the Council.*

(4) *The initial members of the Board of Appeals shall consist of five persons who serve as the members of the Board of Revision of Taxes on the date this Section became law, as chosen by the Mayor with the advice and consent of a majority of all the members of Council. Each such initial member shall serve until his or her term as a member of the Board of Revision of Taxes would have expired had the Board not been abolished pursuant to Section 2-113, and until his or her successor has been appointed and qualified. The first five members who are appointed to succeed an initial member, either upon the expiration of the term of an initial member or because an initial member failed to complete his or her term, shall be appointed to terms ending as follows: the term of the first such member shall end January 1, 2017; the term of the second such member shall end January 1, 2018; the term of the third such member shall end January 1, 2019; the term of the fourth such member shall end January 1, 2020; and the term of the fifth such member shall end January 1, 2021. Thereafter, members shall be appointed to terms of five years, except that all appointments to fill vacancies happening in any manner other than by the expiration of a term shall be only for the remainder of the unexpired term. All appointments to fill vacancies at the expiration of a term or otherwise shall meet the qualifications set forth in subsection (2). The Mayor shall forward proposed appointments to Council for its advice and consent at least thirty days before the expiration of any term.*

(5) *Members may be removed by the Mayor prior to the expiration of a term only for cause. Before a member is removed, the member must be provided with a written statement of the reasons for removal, and shall be given the opportunity for a hearing before the Mayor.*

(6) *Except as Council may otherwise ordain from time to time, members of the Board of Appeals shall receive an annual salary of sixty-three thousand dollars (\$63,000), the Chair of the Board of Appeals shall receive an annual salary of sixty-eight thousand dollars (\$68,000), and the Secretary of the Board of Appeals shall receive an annual salary of sixty-five thousand dollars (\$65,000).*

(7) *The Board of Appeals shall retain an executive director and such other employees as are required to conduct the work of the Board. The executive director shall have previous administrative experience in agencies or businesses of similar size and/or budget.*

§2-203. Board of Property Assessment Appeals and Review; Powers and Duties.

(1) The Board of Appeals shall, in accordance with the Assessment Appeals Standards and Practices Ordinance adopted pursuant to Section 2-207, provide for hearings in all cases of appeals from assessments made in calendar year [2004] 2012 and thereafter. Hearings shall be before either a member or members of the Board of Appeals, or before hearing officers appointed by the Board, but in either case, appeals may be heard only by Board members or hearing officers who are State Certified General Appraisers or have equivalent professional appraisal expertise, or State Certified Residential Appraisers, or real estate industry professionals or lawyers with residential or commercial valuation expertise.

(2) *Following a hearing, the member(s) of the Board who heard the appeal or the hearing officer, as the case may be, shall provide a written or oral report of the hearing to all members of the Board. The report shall include a recommendation to the Board and the basis of such recommendation. Following receipt of the report, the Board shall certify a decision on the appeal.*

(3) *The Board of Appeals shall determine the amount and value of property of any organization or institution that files an application for an exemption or an abatement. The Board of Appeals shall determine whether an entity is entitled to an abatement or an exemption and, if it is entitled, the amount of the exemption or the amount and term of the abatement, based upon applicable law, after first receiving a recommendation from the Chief Assessment Officer.*

(4) *The Board of Appeals shall submit to the Council, within six months of the creation of the Board, a proposed Assessment Appeals Standards and Practices Ordinance that is consistent with applicable law.*

(5) *The Board of Appeals shall twice each year file a written report on its activities with Council.*

(6) *The Board of Appeals shall make available on-line the results of each appeal within sixty (60) days of the Board of Appeals' decision. Such results shall include, at a minimum the following information for the property that is the subject of the appeal: the property address, name of the property owner, the assessed value of the property for the past five (5) years and the resulting assessment from the decision rendered by the Board of Appeals.*

(7) *The Board of Appeals shall perform such administrative duties for the Board of View as had been performed by the Board of Revision of Taxes.*

(8) *The Board of Appeals shall perform and exercise such other powers and duties as may be conferred or imposed upon it by law or ordinance.*

§2-204. Office of Property Assessment; Creation; Principal Officers.

(1) *The Office of Property Assessment is hereby created within the Office of the Managing Director, effective immediately.*

(2) *The Managing Director shall appoint a Chief Assessment Officer who shall direct the work of the Office of Property Assessment for a term of five years and who shall be exempt from civil service but who may only be*

removed for cause, and the Managing Director shall appoint such other employees as are required to conduct the work of the Office. All employees involved in determining real property values shall, at a minimum, be Certified Pennsylvania Evaluators. The Chief Assessment Officer shall be an IAAO Certified Assessment Evaluator (CAE) or hold the highest-ranking Commonwealth appraiser's license, shall have had a minimum of ten years of progressively responsible professional experience in the management of property valuation, and shall have a firm command of assessment and taxation practices.

(3) Before the Chief Assessment Officer may be removed prior to the expiration of his or her term, the Managing Director shall provide the Chief Assessment Officer with a written statement of the reasons for removal and shall give the Chief Assessment Officer an opportunity for a hearing before the Managing Director. If the Managing Director, following such hearing, determines that the Chief Assessment Officer shall be removed from office, such decision shall be final unless the Chief Assessment Officer, within seven days after being notified in writing of the Managing Director's final decision, appeals such decision to the Property Assessment Oversight Board which shall, following a hearing, make a final decision as to whether the Chief Assessment Officer shall be removed from office.

§2-205. Office of Property Assessment; Chief Assessment Officer; Powers and Duties.

(1) Beginning with assessments made in calendar year 2012 and thereafter, the Office of Property Assessment shall make and supervise the making of all assessments and valuations of all subjects of real property taxation and make initial recommendations to the Board of Appeals of the tax-exempt status of real property.

(2) The Chief Assessment Officer shall:

(a) Make or supervise the making of all assessments and valuations of all subjects of taxation in accordance with law, ordinance, and industry standards.

(b) Ensure the annual revisions and equalization of all such assessments and valuations.

(c) Provide to the Property Assessment Oversight Board in a timely fashion all available information the Board requires to carry out its powers and duties.

(d) Deliver to the Property Assessment Oversight Board determinations of assessments on new or improved property upon their certification, and annual determinations of assessments of all property for certification by the Board.

(e) Recommend to the Council such elements of the Assessment Standards and Practices Ordinance as the Chief Assessment Officer deems appropriate.

(f) Ensure access to public records regarding assessments in accordance with applicable law, and see to it that such records are made available on the City's official website.

(g) Ensure that notices of changes in assessments based on the Office's determinations of assessments on new or improved property shall be sent to the Revenue Department upon their certification.

(h) Serve as the City's contact for information and complaints, other than appeals, about assessment policies and practices.

(i) Ensure that annual revisions and equalizations are done in accordance with law, ordinance and industry standards at the lowest cost per parcel.

(j) Be responsible for the numbering of all buildings, houses, condominiums, or other structures located within the City, in accordance with applicable law or ordinance.

(k) Ensure the establishment and maintenance of records of an adequate description of properties to assist in the determination of the value of those properties, and to permit inspection thereof by the public at all times during office hours.

(l) Make initial recommendations to the Board of Appeals of whether a property shall be exempt from real property taxation.

(m) Ensure the defense of assessed values.

(n) Ensure the maintenance in its office of a register which shall show the present valuation and assessment of all real property and from time to time as the same are made, all additions thereto and changes thereof, together with the signature of all persons responsible for any changes in the assessment or valuation of any such property and reason for such changes.

(o) Receive from the Recorder of Deeds a report of every deed or conveyance of land entered in the office for recording, which record shall set forth the following information: the recording date of the deed or conveyance, the names of the grantor and grantee in the deed, the consideration paid, and the location of the property. It shall be the further duty of the Recorder at intervals to file such reports in the Office of Property Assessment together with a certificate appended thereto that such record is correct.

(p) Make recommendations to the Managing Director as to budget, personnel, technology, equipment, and other needs to ensure the professional operation of the Office of Assessment.

(q) Maintain an on-line database which includes at a minimum, the following information about each property within the City: the characteristics of the property; ownership information; certified values for the last five (5) years; tax information, including the property's real estate tax and tax balances; zoning designation; and, the existence of special conditions or certifications regarding the property, including whether the property is subject to any historical designations.

(r) Perform such other duties as may be assigned or delegated by the Managing Director in consultation with the Property Assessment Oversight Board.

§2-206. *Assessment Standards and Practices Ordinance.*

(1) After receiving the proposed Assessment Standards and Practices Ordinance from the Property Assessment Oversight Board and any recommendations of the Chief Assessment Officer, Council shall enact an ordinance that, with respect to assessments made in calendar year 2012 and thereafter:

(a) Sets forth a methodology for the valuation of properties for taxation purposes.

(b) Sets standards for property assessments that shall include, at a minimum, an acceptable limit on the deviation of the Common Level Ratio from the Predetermined Ratio, an acceptable limit on the Coefficient of Dispersion, and an acceptable range for the Price-Related Differential. The measurements against the standards shall be calculated following nationally recognized practices.

(c) Requires an annual reassessment through a professionally developed and maintained Computer Assisted Mass Appraisal system (CAMA).

(d) Requires that the annual reassessment be applied to all properties, including tax exempt properties, public utility property, and residential trailers.

(e) Establishes standards for recommending tax exemption for properties.

(f) Establishes procedures for changing values on an administrative basis (e.g., catastrophic loss, errors in data, initial recommendation on tax exemption).

(g) Establishes a process by which increases in assessed value shall be spread out over a given number of years, or by which increases in assessed value shall be capped at a maximum annual percentage, so that no taxpayer is asked to bear the burden of an unfairly large percentage increase in real estate tax liability in any one year.

(2) The Assessment Standards and Practices Ordinance shall be codified as part of this Code.

(3) Unless otherwise modified by this Code, all provisions relating or governing tax assessments set forth in the statute governing the making of assessments in Counties of the First Class (72 P.S. §5341.1 et seq.), all applicable provisions of the General County Assessment Law (72 P.S. §5020-101 et seq.), and all other applicable laws shall remain in full force and effect.

§2-207. Assessment Appeals Standards and Practices Ordinance.

(1) After receiving the proposed Assessment Appeals Standards and Practices Ordinance from the Board of Appeals, Council shall enact an ordinance that sets forth rules for the Board of Appeals, based on industry standards as determined by nationally recognized assessment and appraisal industry organizations, and consistent with applicable law, including:

(a) What may be appealed to the Board of Appeals, including, but not limited to, eligibility for tax exemption and property tax abatement eligibility.

- (b) *The procedure for filing and hearing appeals.*
- (c) *The rules of evidence applicable to appeals.*
- (d) *The methodology by which appeals decisions are to be made.*
- (e) *The format and content of decisions by the Board of Appeals.*
- (f) *A reasonable time period in which appeals must be heard after filing.*

(g) *A requirement that notice of hearings be given to all parties with enough time to allow adequate preparation by participants.*

(2) *The Assessment Appeals Standards and Practices Ordinance shall be codified as part of this Code.*

§2-208. *Provisions of General Applicability.*

(1) *Except as expressly provided otherwise in this Chapter, the Property Assessment Oversight Board, the Board of Property Assessment Appeals and Review, and the Office of Property Assessment shall function in accordance with all applicable provisions of the Philadelphia Home Rule Charter.*

§2-209. *Transfer of Existing Employees.*

(1) *Those persons employed by the Board of Revision of Taxes on the date the Board of Revision of Taxes ceases to exist shall become employees of the Property Assessment Oversight Board, if they are regularly occupied in connection with the functions and duties transferred to that Board, of the Board of Property Assessment Appeals and Review, if they are regularly occupied in connection with the functions and duties transferred to that Board, or of the Office of Property Assessment, if they are regularly occupied in connection with the functions and duties transferred to that Office. Similarly, any School District employees who are assigned to the Board of Revision of Taxes on the date the Board of Revision of Taxes ceases to exist shall be reassigned to the Property Assessment Oversight Board, the Board of Property Assessment Appeals and Review, or the Office of Property Assessment, as appropriate.*

SECTION 2. This Ordinance shall be submitted to the qualified electors of the City of Philadelphia for their approval or disapproval at a special election to be held on [Reserved], and shall not take effect unless so approved. There shall be placed on the ballot the following question to be answered “Yes” or “No” by the qualified electors participating in the election:

Shall the Board of Revision of Taxes be abolished, and its powers, functions and duties be reassigned among three newly-created agencies, to be known as the Property Assessment Oversight Board, the Board of Property Assessment Appeals and Review, and the Office of Property Assessment, beginning with the making of assessments during calendar year 2012?

SECTION 3. The Clerk of Council is hereby directed to have printed in pamphlet form, in sufficient

number for general distribution, the proposed amendment to Chapter 2-100 of The Philadelphia Code, together with the ballot question set forth in Section 2 of this Ordinance.

SECTION 4. The Clerk of Council is hereby directed to cause to be published in three (3) newspapers of general circulation in the City and in the Legal Intelligencer the proposed amendment to Chapter 2-100 of The Philadelphia Code, together with the ballot question set forth in Section 2 of this Ordinance, once a week during the three (3) weeks preceding the election on [Reserved]; and further, at such other time and in such other manner as she may consider desirable.

SECTION 5. The Mayor is hereby authorized and directed to issue a proclamation giving at least thirty (30) days' notice of such election. The Clerk of Council shall cause a copy of the proclamation to be published, together with the notice provided for in Section 4 of this Ordinance.

SECTION 6. The appropriate officers are authorized and directed to take such action as may be required for the holding of an election on the ballot question set forth in Section 2 of this Ordinance as provided for by the laws of the Commonwealth of Pennsylvania.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.