



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of May 14, 2011**

**DATE:** May 4, 2011

**SUBJECT:** Adopt an Ordinance to Amend Chapter 20-2 (Board of Equalization of Real Estate Assessments Established; Powers; Compensation) and Chapter 20-5 (Procedures Governing Director of Real Estate Assessments, General Reassessment Board and Board of Equalization of Real Estate Assessments) of the Code of Arlington County, Virginia (“Code”)

**C. M. RECOMMENDATION:**

Adopt an ordinance to amend Chapter 20-2 (Board of Equalization of Real Estate Assessments Established; Powers; Compensation) and Chapter 20-5 (Procedures Governing Director of Real Estate Assessments, General Reassessment Board and Board of Equalization of Real Estate Assessments) of the Code of Arlington County, Virginia (“Code”) to increase the number of members of the Board of Equalization of Real Estate Assessments from five (5) to seven (7) members and allow the Board of Equalization of Real Estate Assessments to sit in panels of at least three (3) members to hear appeals of real estate assessments.

**ISSUES:** Should the number of members of the Board of Equalization of Real Estate Assessments be increased to seven (7) members and should the Board of Equalization be allowed to meet in panels of at least three (3) members to hear appeals of real estate assessments?

**SUMMARY:** The Board of Equalization (BOE) has experienced significant workload demands in recent years, due to both the number of appeals filed and the complexity of the assessment issues. In 2010, the General Assembly passed enabling legislation, supported by the Arlington County Board, which permits increasing the number of members of the BOE and allowing it to sit in panels of at least three (3) members to hear appeals of assessments.

**BACKGROUND:** The BOE is required by Virginia law. The BOE, whose members are appointed by the Arlington County Board, is constituted as a quasi-judicial entity charged to hear complaints and equalize real estate assessments brought before it. The Code of Virginia sets the

County Manager:

*BMD/mjs*

County Attorney:

*[Signature]*

*[Signature]*

Staff: Thomas Rice

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qualifications of members of the BOE and requires that thirty percent of the members be real estate professionals.

The deadline for appeals to the BOE is April 15 and the BOE is required by ordinance to hear all assessment appeals by October 31 of the tax year. Traditionally, the BOE met once a week from late spring into the fall. In recent years, 2007 through 2010, the number of appeals filed has averaged 541; however, the number of appeals has ranged from 232 to 1,032.

**DISCUSSION:** In 2009, the BOE experienced a record number of appeals (totaling 1,032) and it was required to meet more than once a week and increase the number of cases heard at each session. The volume of appeals returned to a more normal level in 2011 (totaling 277); however, the number of complex, commercial property appeals has not abated. The BOE meetings are conducted during normal business hours and demand a significant commitment of time for members. In addition to attending meetings, members review all appeal documents and pertinent county records, and, when necessary, inspect property.

In response to both the increased volume and complexity of appeals, the County Board supported an amendment of the Virginia Code in 2010 that allows Arlington County to increase the members of the BOE to as many as eleven (11) and allows the BOE to sit in panels of at least three (3) members to hear cases. The Virginia Code and the proposed Ordinance guarantee that any decision of a panel that is not unanimous may be appealed to the BOE sitting en banc. The amendment was modeled on similar legislation applicable to Fairfax County, which has been operating with an expanded BOE of eleven members and conducting three-member panel hearings since the 1990's. By all accounts, the model in Fairfax has proven efficient and is working well.

The proposed Ordinance increases the Arlington BOE from five (5) to seven (7) members. The current membership of the BOE supports this increase. Currently, the Arlington ordinance requires a vote of three (3) members to change any assessment; the proposed Ordinance, which guarantees that any less than unanimous panel decision may be appealed to the full BOE, would not disadvantage any applicant. The number of real estate parcels in Arlington and the potential for BOE appeals does not at this time warrant increasing BOE membership to the maximum allowed by Virginia law.

**FISCAL IMPACT:** No new net tax support is required to implement these recommendations and no increased costs are anticipated. Since the BOE may convene in panels and will meet with fewer than seven (7) members for most meetings, no additional costs for BOE compensation will be required.

## ATTACHMENT 1

**BE IT ORDAINED** by the County Board of Arlington, Virginia that Chapter 20, of the Arlington County Code is amended, reenacted and recodified to read in pertinent part as follows:

### **§ 20-2. Board of equalization of real estate assessments established; powers; compensation.**

All duties imposed and all powers conferred by law in the review for equalization of assessments of real estate in the county shall be exercised by a board of equalization, herein called the "board of equalization of real estate assessments," which shall also have the power to review all assessments and changes of assessments previously made by the director of real estate assessments, the general reassessment board or any other assessing officer, board, or authority in the county in accordance with applicable law. Such board of equalization of real estate assessments shall consist of seven (~~5~~7) members who shall be freeholders in the county and appointed to such board ~~annually~~ by the county board. The board of equalization of real estate assessments shall have the authority, on its own motion or upon protest as herein provided, to change any assessment of real estate in the county, to add to the tax rolls any real estate erroneously omitted, ~~to remove properties from the tax rolls when acquired by owners not subject to taxation,~~ and to correct errors in tax assessment records, in accordance with the policies and procedures prescribed in this chapter. Effective June 1, 2009, the members of the board of equalization of real estate assessments shall receive as compensation the sum of two hundred dollars (\$200.00) per meeting or recessed meeting attended.

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### **§ 20-5. Procedures governing director of real estate assessments, general reassessment board and board of equalization of real estate assessments.**

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- (d) Hearings shall be scheduled by the board of equalization of real estate assessments with due regard for the convenience of the protestant and with due regard for the time required by the director of real estate assessments to investigate the protest and to ~~prepare justification of~~ respond to the protested assessment. The board of equalization of real estate assessments shall publish notice in a newspaper having general circulation in the county, giving the regular time and place of its hearings. ~~A quorum for meetings of the board of equalization shall be three (3) members.~~ The board of equalization of real estate assessments shall determine and rule upon all protested assessments and all proposed reduced assessments within ninety (90) days of the date of the hearing. All actions of such board affecting assessments of real estate in such county shall ~~require an affirmative~~

~~vote of at least three (3) members and shall~~ be certified by such board to the director of real estate assessments on forms prepared by and prescribed by the director. The authority of such board shall cease as of October 31 of each year. Notice of the decision of the board of equalization of real estate assessments shall be prepared ~~in triplicate~~, and a copy thereof shall be given to the protestant and affected taxpayer by the department of real estate assessments through the mails promptly after the decision is so certified.

(e) The board of equalization of real estate assessments may sit in panels of at least three (3) members each under the following terms and conditions:

1. The presence of all members of the panel shall be necessary to constitute a quorum.
2. The chairman of the board of equalization of real estate assessments shall assign the members to panels and, insofar as practicable, rotate the membership of the panels.
3. The chairman of the board of equalization of real estate assessments shall preside over any panel of which he is a member and shall designate the presiding member of the other panels.
4. Each panel shall perform its duties independently of the others.
5. The board of equalization shall sit en banc (i) when there is a dissent in the panel to which the matter was originally assigned and an aggrieved party requests an en banc hearing with ten (10) days of the decision of the panel or (ii) upon its own motion at any time in any matter in which the majority of the board of equalization of real estate assessments determines it is appropriate to do so. The board of equalization of real estate assessments sitting en banc shall consider and decide the matter and may affirm, overrule or modify any previous decision by any panel.