

*Staff presentation*

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2-22-05

**Staff Presentation on  
Potential Impact of 2005 Real  
Estate Assessments  
on Real Estate Tax Bills  
February 22, 2005**

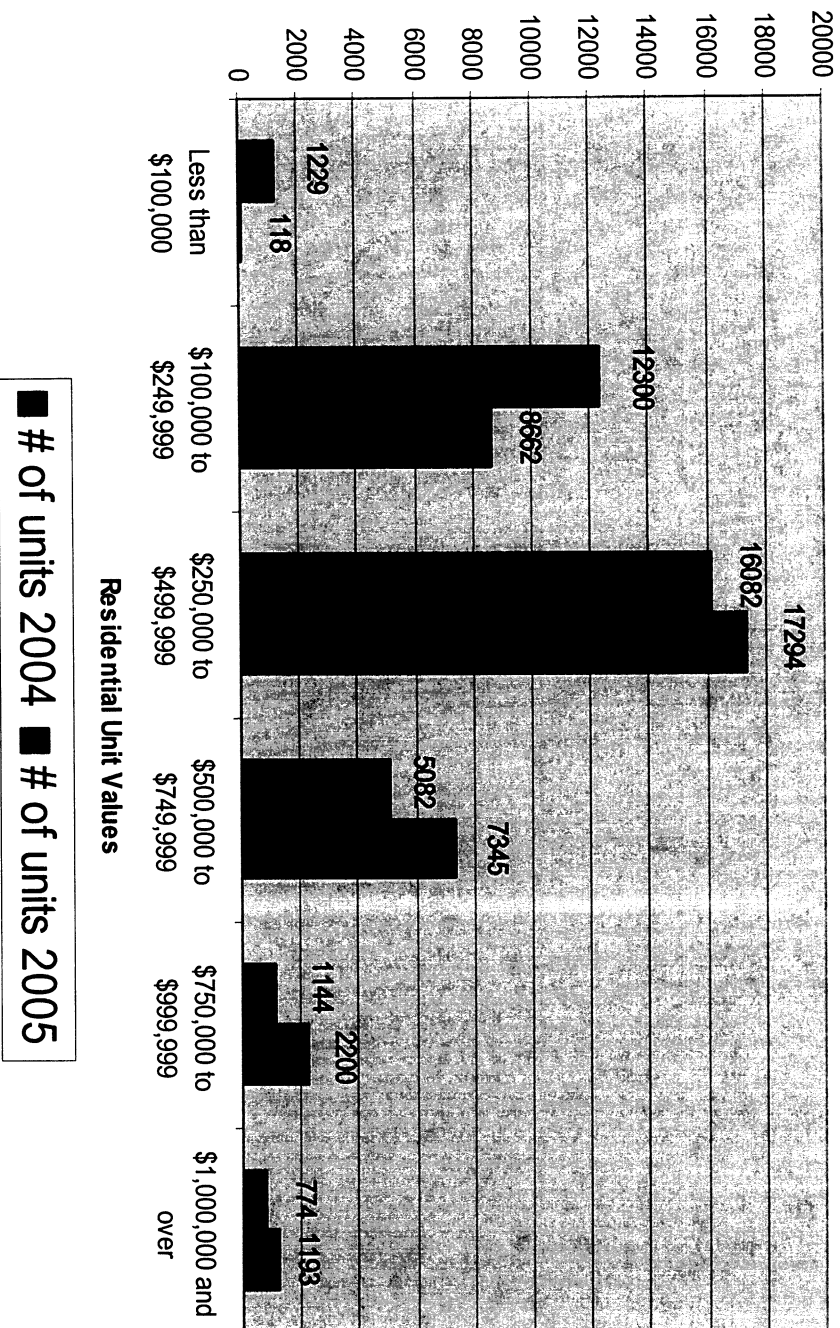
# CY 2005 Assessments

- Overall increase in real estate tax base  
= 21.2%
- 85% due to reassessments (appreciation)
- 15% due to growth (new construction)
- Residential tax base up 22.9%
- Commercial tax base up 20.4%

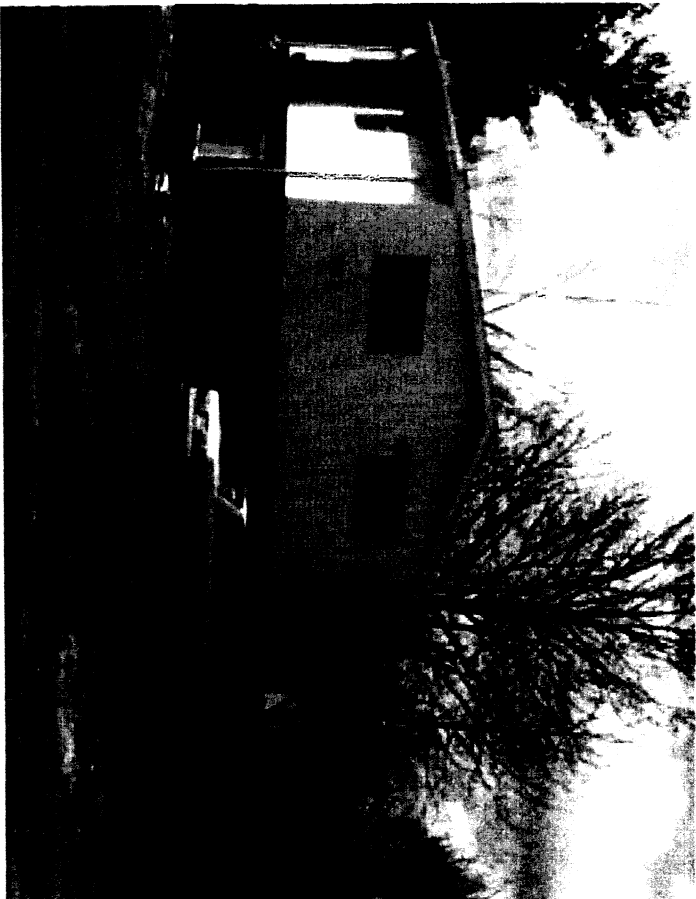
# CY 2005 Assessments

- Average Residential up 21.3%
- Average Single Family up 18.6%
- Average Condominium up 28.8%
- Average High Rise Condominium up 32.6%
- Average General Commercial Property up 17.2%

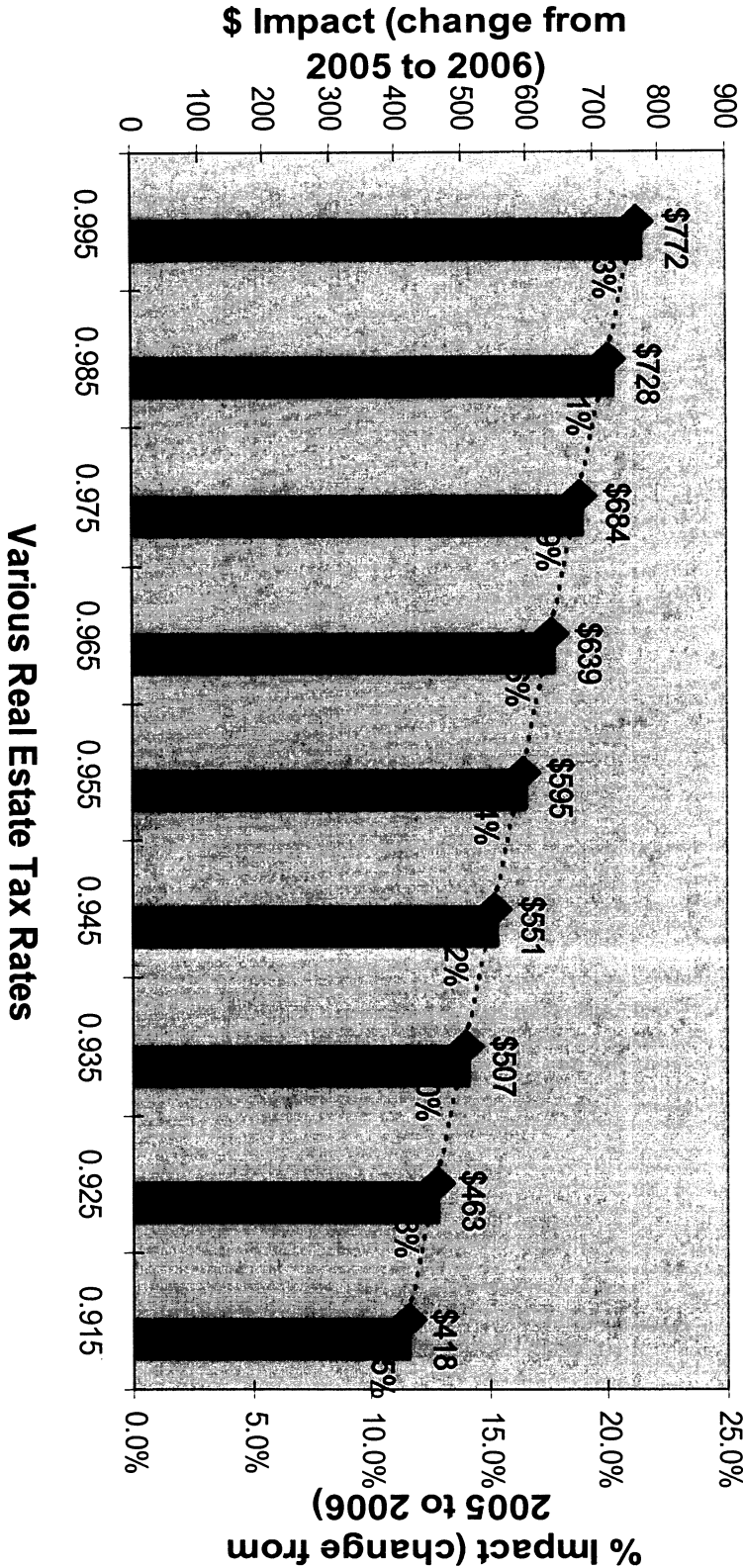
# Number of Residential Units by Value – 2004 and 2005



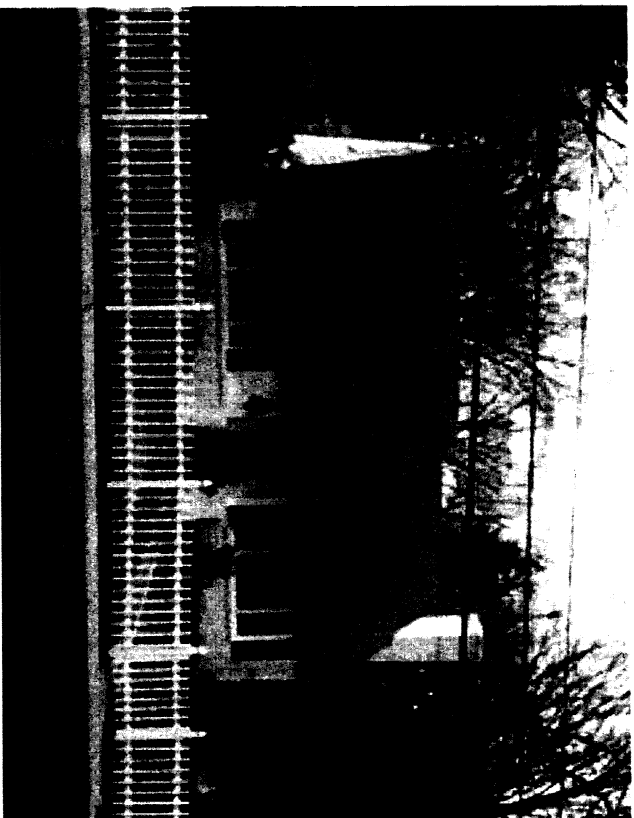
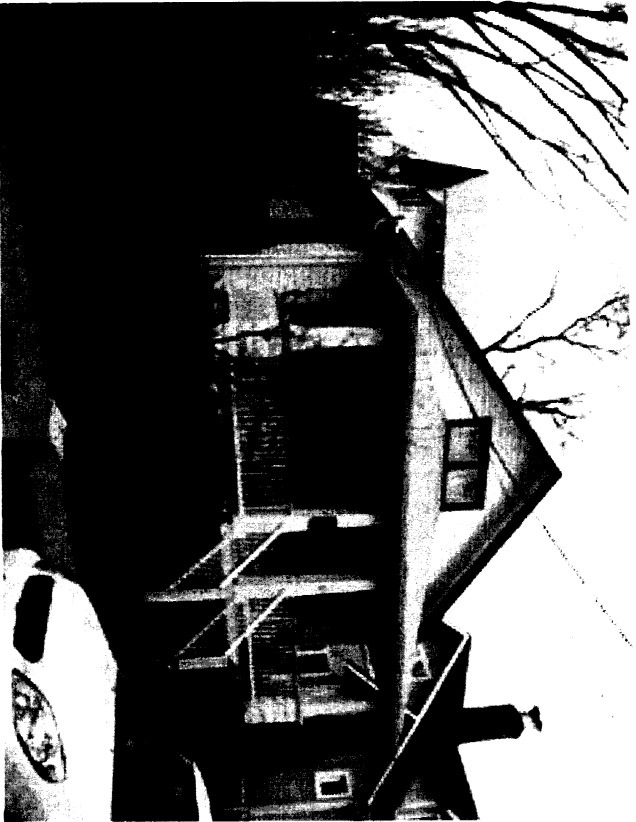
*Average Residential  
Single Family and Condominium  
Approx. \$441,823*



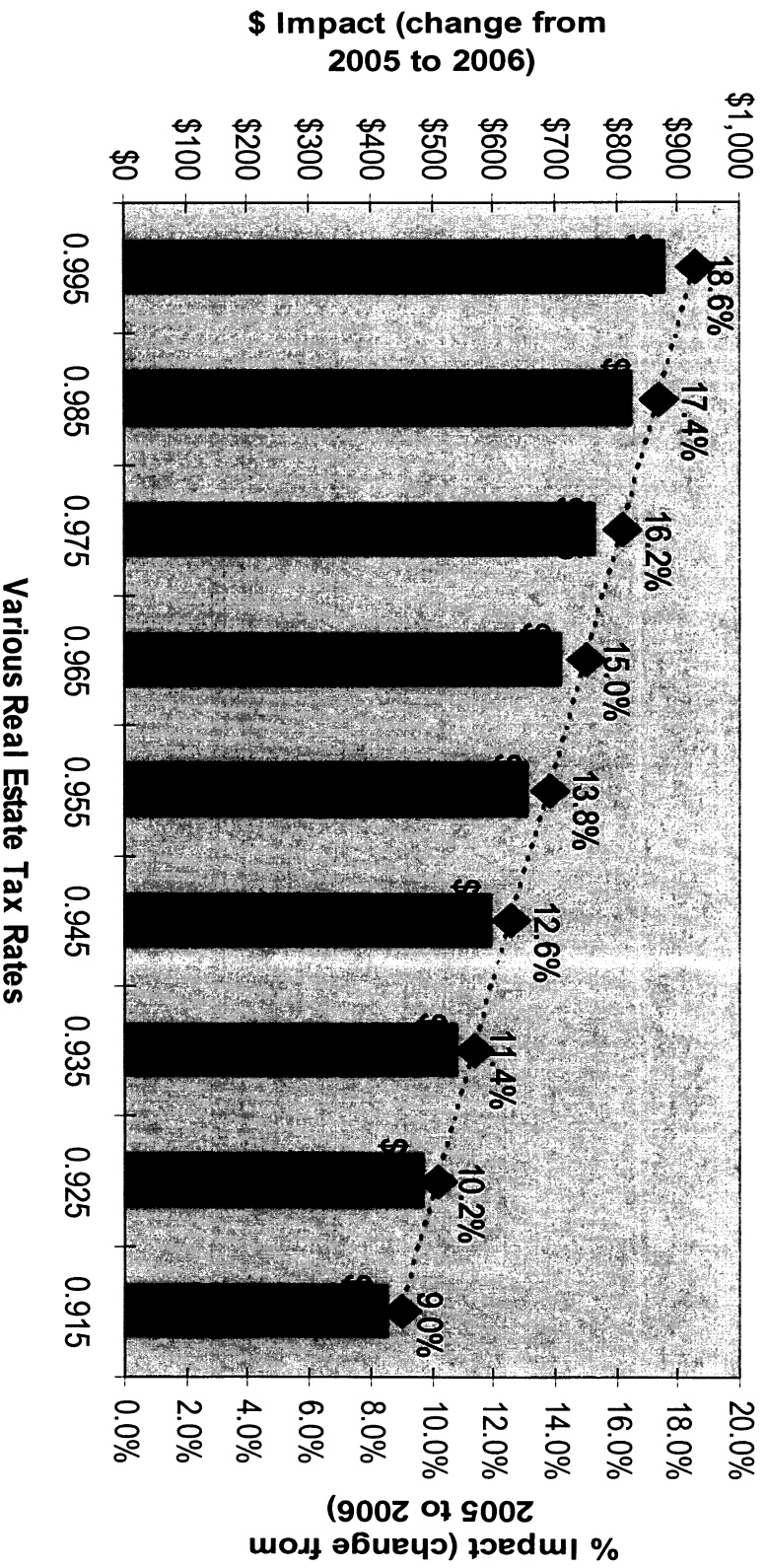
# Impact of Different Real Estate Tax Rates on Tax Bills for Average Residential Property



*Average Single Family Residence  
Approx. \$563,092*



# Impact of Different Real Estate Tax Rates on Tax Bills for *Average Single Family Residence*

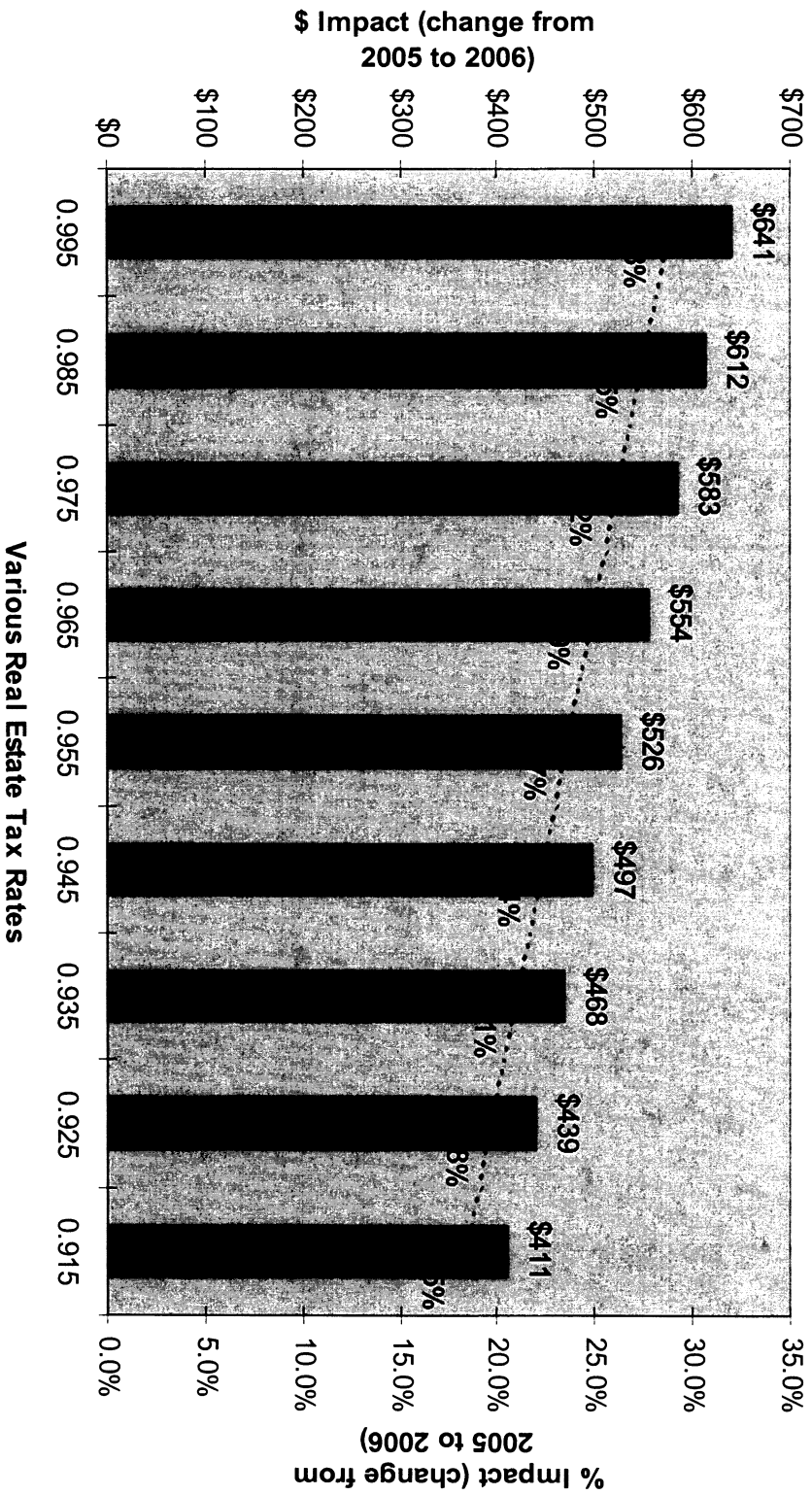




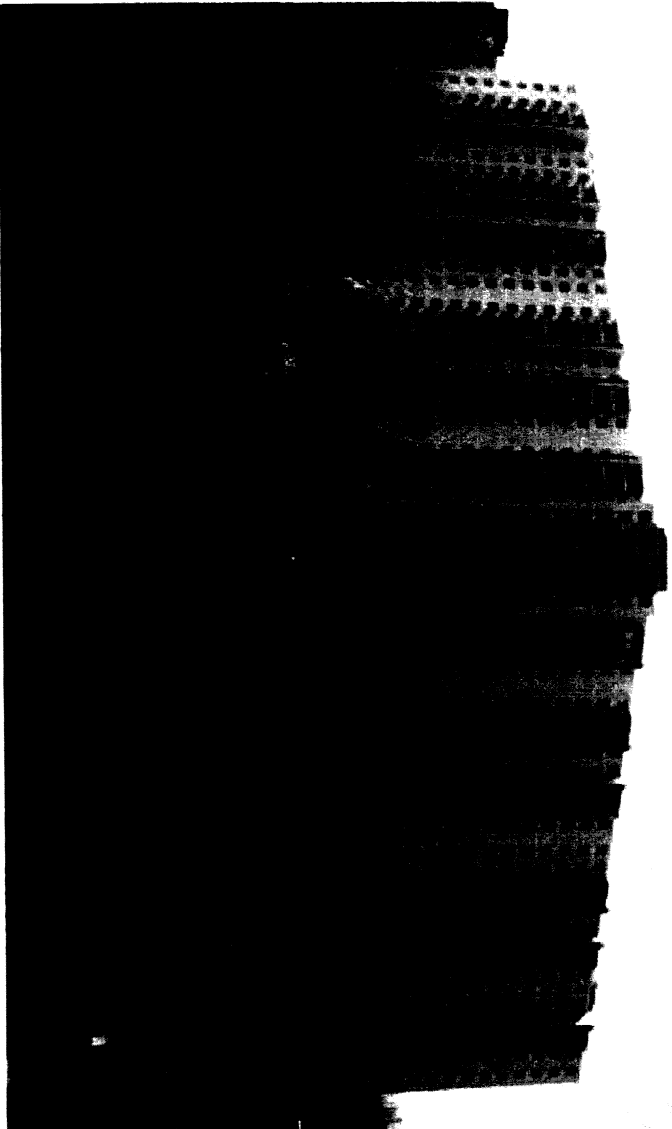
*Average Condominium  
Approx. \$287,765*



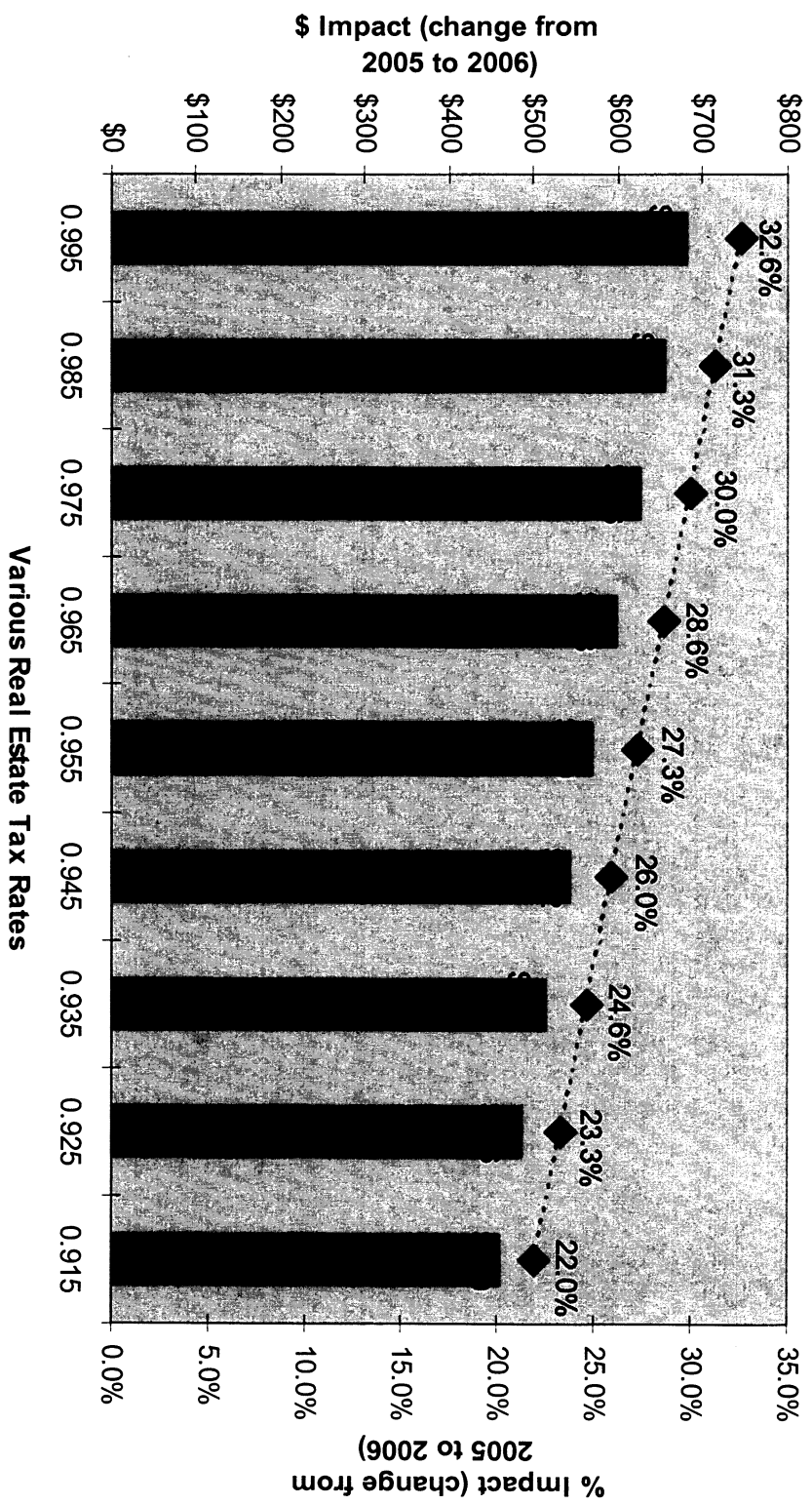
# Impact of Different Real Estate Tax Rates on Tax Bills for *Average Condominium Residence*



Average High Rise Condominium  
Approx. \$278,296



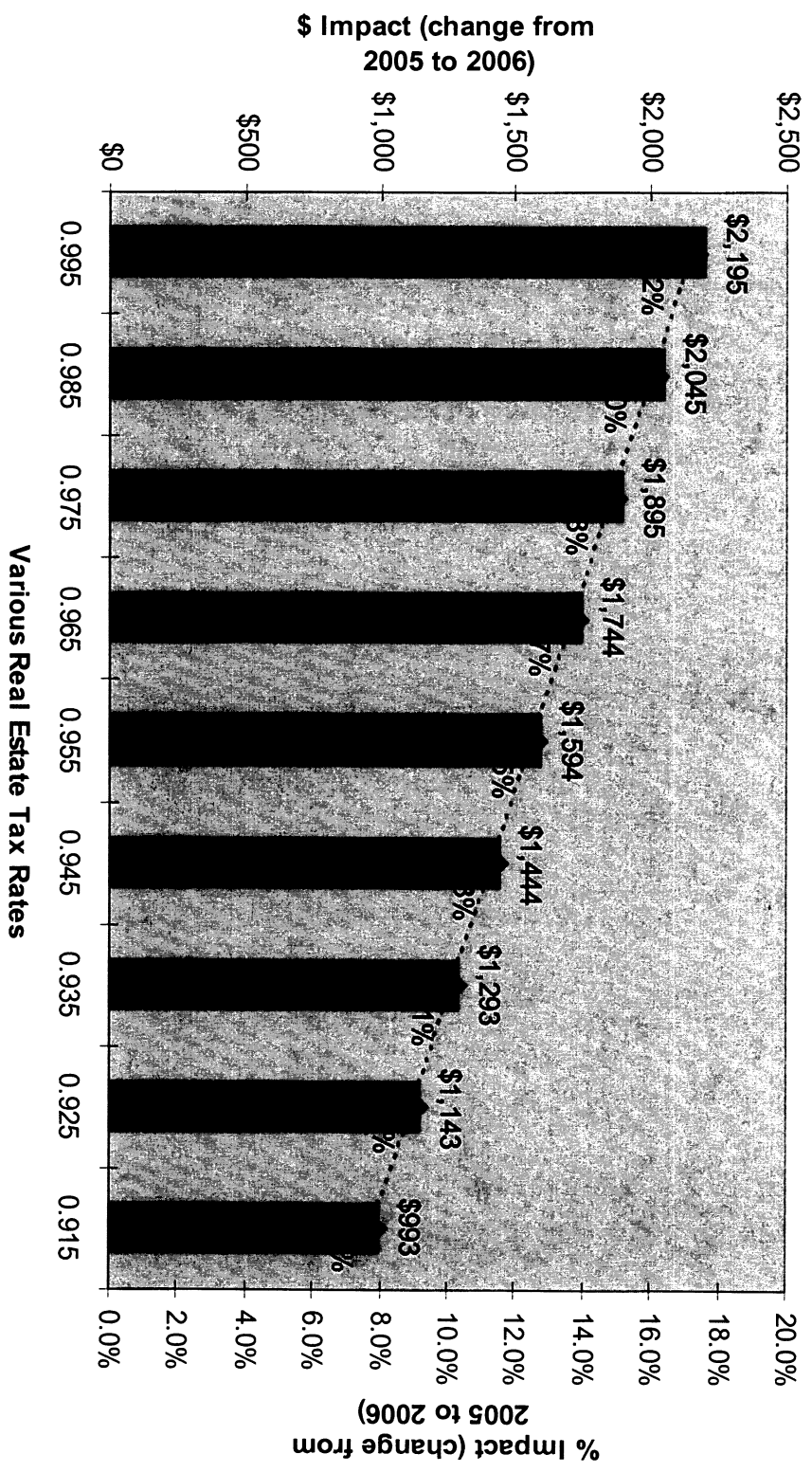
# Impact of Different Real Estate Tax Rates on Tax Bills for Average High Rise Condominium Residence



*Average General Commercial*  
*Approx. \$1,503,478*



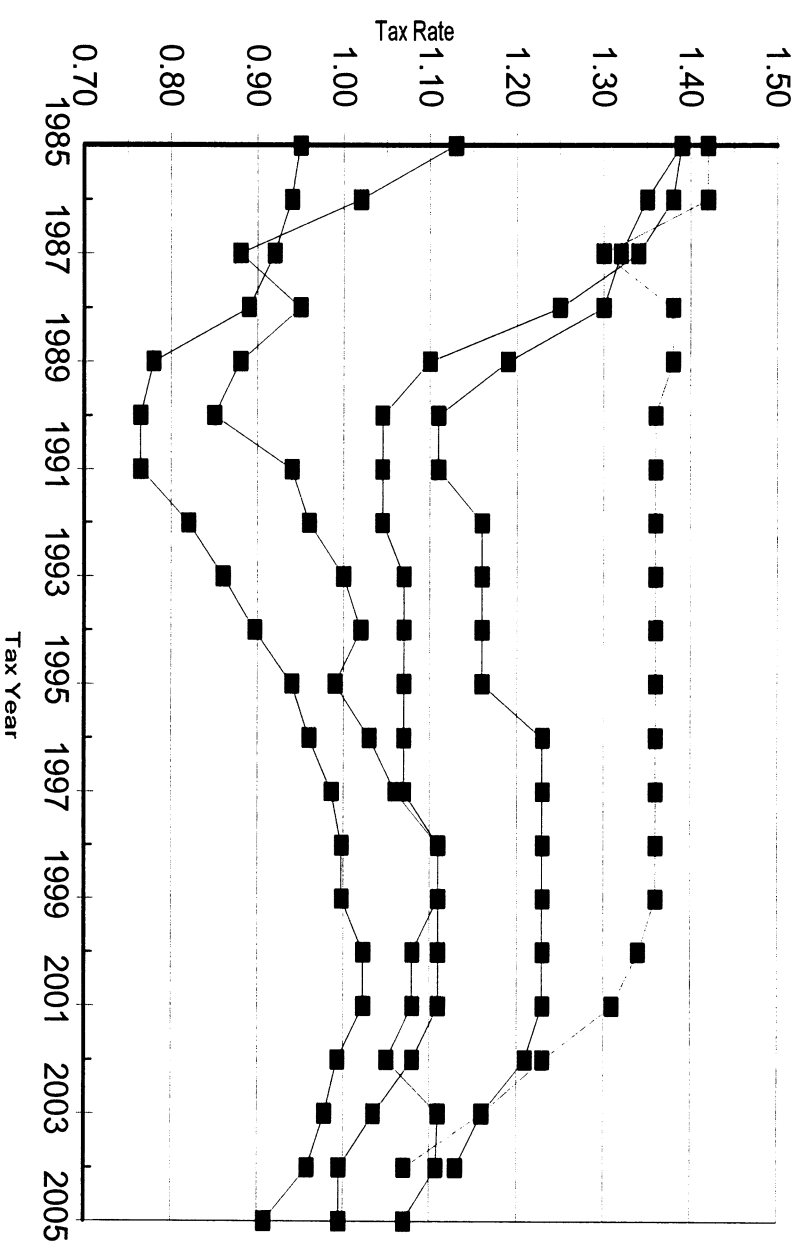
# Impact of Different Real Estate Tax Rates on Tax Bills for Average General Commercial Property



# Real Estate Tax Relief Options

- Tax Rate Reduction
- New Monthly Payment Option
- Senior and Disabled Tax Relief
- Affordable Home Ownership Program (AHOP)
- Tax Deferral

# History of Real Estate Tax Rates in Alexandria and Neighboring Jurisdictions





# Fiscal Impact of Tax Rate Reductions

<b>Rate Reduction Options</b>	<b>FY 2005 Rev. Impact</b>	<b>FY 2006 Rev. Impact</b>	<b>Total Revenue Impact</b>
1 cent	\$1.34 M	\$2.76 M	\$4.10 M
2 cents	\$2.68 M	\$5.52 M	\$8.20 M
3 cents	\$4.02 M	\$8.28 M	\$12.30 M
4 cents	\$5.36 M	\$11.04 M	\$16.50 M
5 cents	\$6.70 M	\$13.80 M	\$20.50 M
6 cents	\$8.05 M	\$16.56 M	\$24.61 M
7 cents	\$9.39 M	\$19.32 M	\$28.71 M
8 cents	\$10.73 M	\$22.08 M	\$32.81 M

# New Monthly Payment Option

- Electronic Debit
- No cost
- Monthly or semi-annual payments
- [www.alexandriava.gov/finance](http://www.alexandriava.gov/finance)

# Senior and Disabled Tax Relief

<b>Criteria</b>	<b>Current</b>	<b>State Ceiling</b>
Income Cap	\$62,000	\$72,000
Net Worth	\$240,000	\$340,000
Relatives Deduction	\$8,500	\$10,000

# Senior and Disabled Tax Relief (cont.)

- Exemptions
  - 100% relief below \$40,000
  - 75% relief between \$40,000 and \$50,000
  - 50% relief between \$50,000 and \$62,000
  - Deferral of any remaining amount between \$62,000 and \$72,000

# Affordable Home Ownership Program (AHOP)

- New Innovation in 2004
- Income cap = \$62,000
- Net Worth = \$240,000
- Assessment Cap = \$362,000
- Grant = flat \$250 grant on tax bill
- Upward revision in 2005 planned

# Tax Deferral

- Considered in 2003
- Amounts over 105% of tax bill can be deferred
- Age, income or other criteria could be established
- Compounds annually
- Interest rate variable
- Complex to administer

# Tax Policy Setting Process starts on March 8

- Real estate rate recommendation
- Senior and Disabled/AHOP/Deferral recommendations planned
- Other non-property tax policy options could be considered