

# Annual Reassessment Report



# Briefing Purpose

- ❖ To discuss the results of our annual reassessment and present the assessments as proposed and to be effective July 1, 2016
- ❖ To summarize how the value changes affected each individual neighborhood
- ❖ To discuss and summarize how the assessments were derived and the market forces which impact values
- ❖ To discuss market conditions going forward, growth during the previous fiscal year and future projects



# Overview

## LEGAL REQUIREMENTS

- ❖ The purpose of the assessment process is to distribute the burden of taxation evenly and equitably
- ❖ State Code requires assessments to be uniform on the same class of property within geographic limits
- ❖ State Code also requires assessors to strive for 100% of Fair Market Value

## OUR MISSION

- ❖ To list and maintain records on all real property situated within the boundaries of the City in a professional, courteous and efficient manner.
- ❖ To utilize effective teamwork to create equitable assessments, at market value, on an annual basis in accordance with State and Local Codes.
- ❖ To encourage citizen participation in the process.



# Duties & Responsibilities

- ❖ Pursuant to Title 58.1 of the Code of Virginia it is my duty to ensure that the burden of taxation shall rest equally upon all the citizens of the City of Portsmouth
- ❖ To arrive at an annual assessment that shall be made at 100 percent of fair market value emphasizing market activity from January – December 2015
- ❖ To continually improve uniformity and equity in assessments among similar property classes





# Market Value Defined

## ❖ Definition

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby;

## ❖ Characteristics/Requirements

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised and acting in what they consider their own best interest;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale



# Re-assessment Results

## MAJOR OBSTACLES

- ❖ Foreclosures And REO Sales
- ❖ Uncertainty With Regard To Interest Rates
- ❖ Uncertainty Over National Fiscal Policy
- ❖ Lack Of Liquidity In The Real Estate Capital Markets

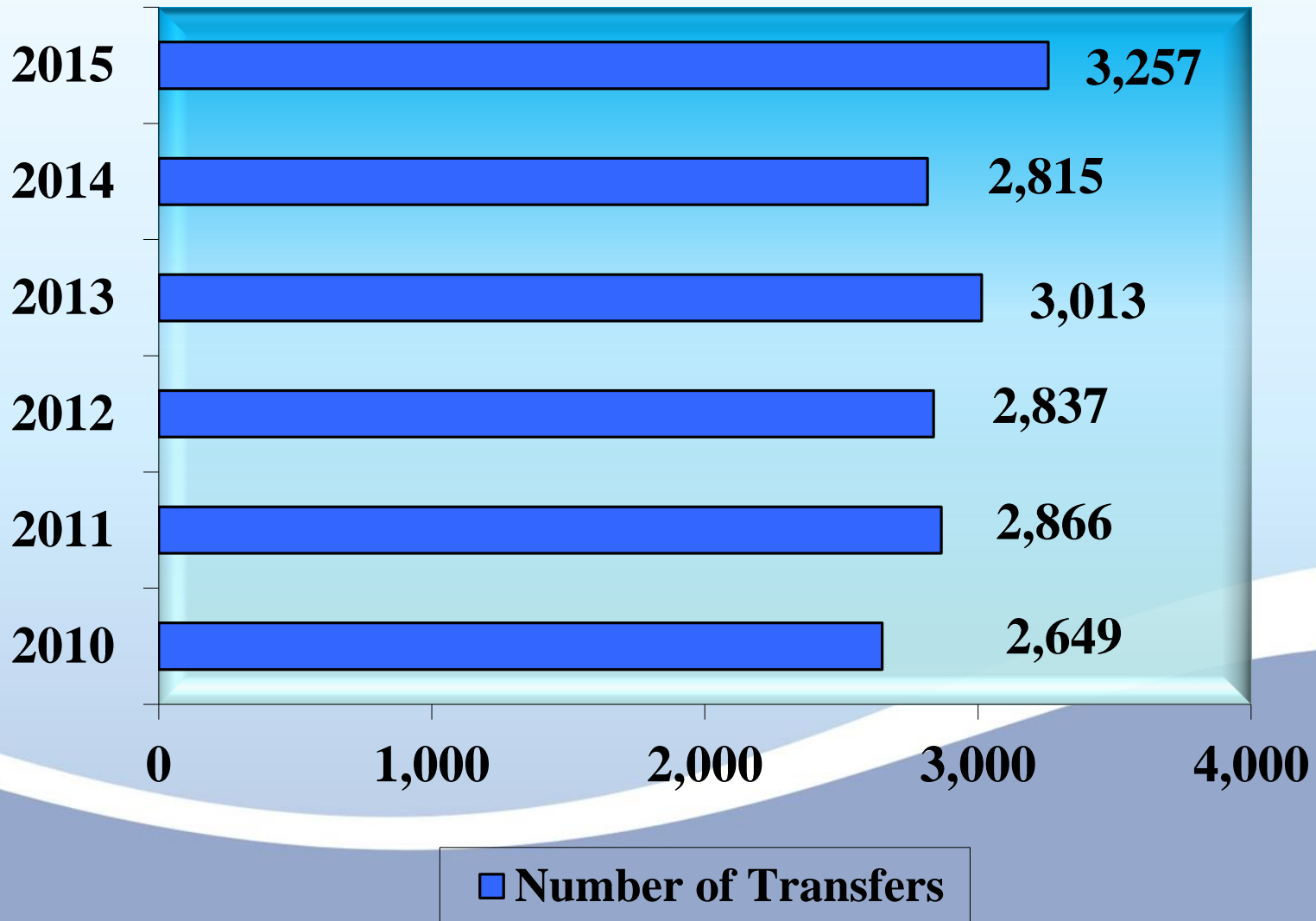
## POSITIVE INDICATORS

- ❖ Increasing New Construction Starts 2<sup>nd</sup> Consecutive Year
- ❖ National Market Indicators Positive For More Than 3 Consecutive Years
- ❖ Market Stability Has Increased Significantly
- ❖ Continued Strong Growth In The Multi-Family Sector Of The Commercial Market



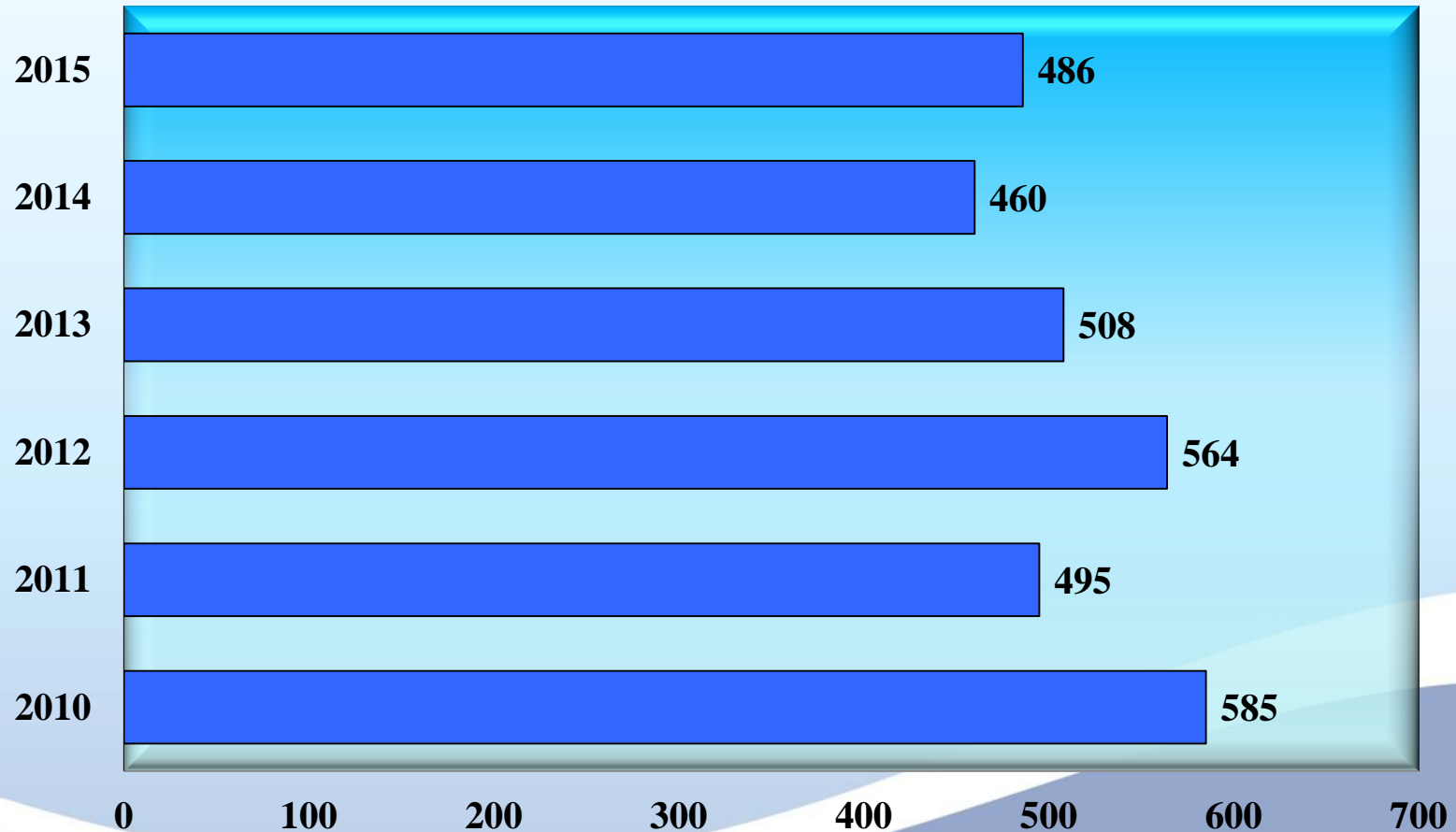
# Re-assessment Results

TOTAL REAL ESTATE TRANSFERS 2010-2014



# Re-assessment Results

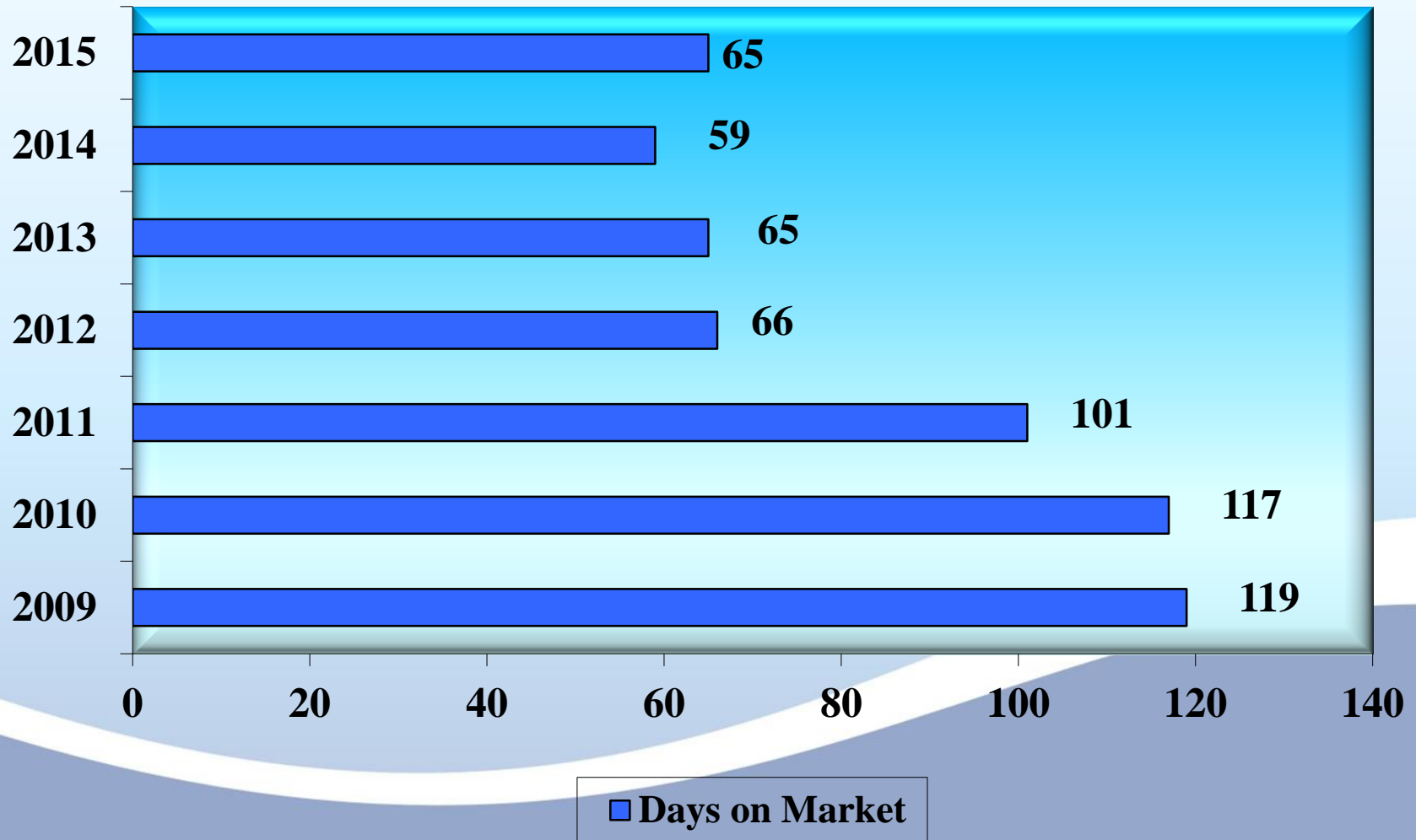
Total Foreclosures from 2010-2014





# Re-assessment Results

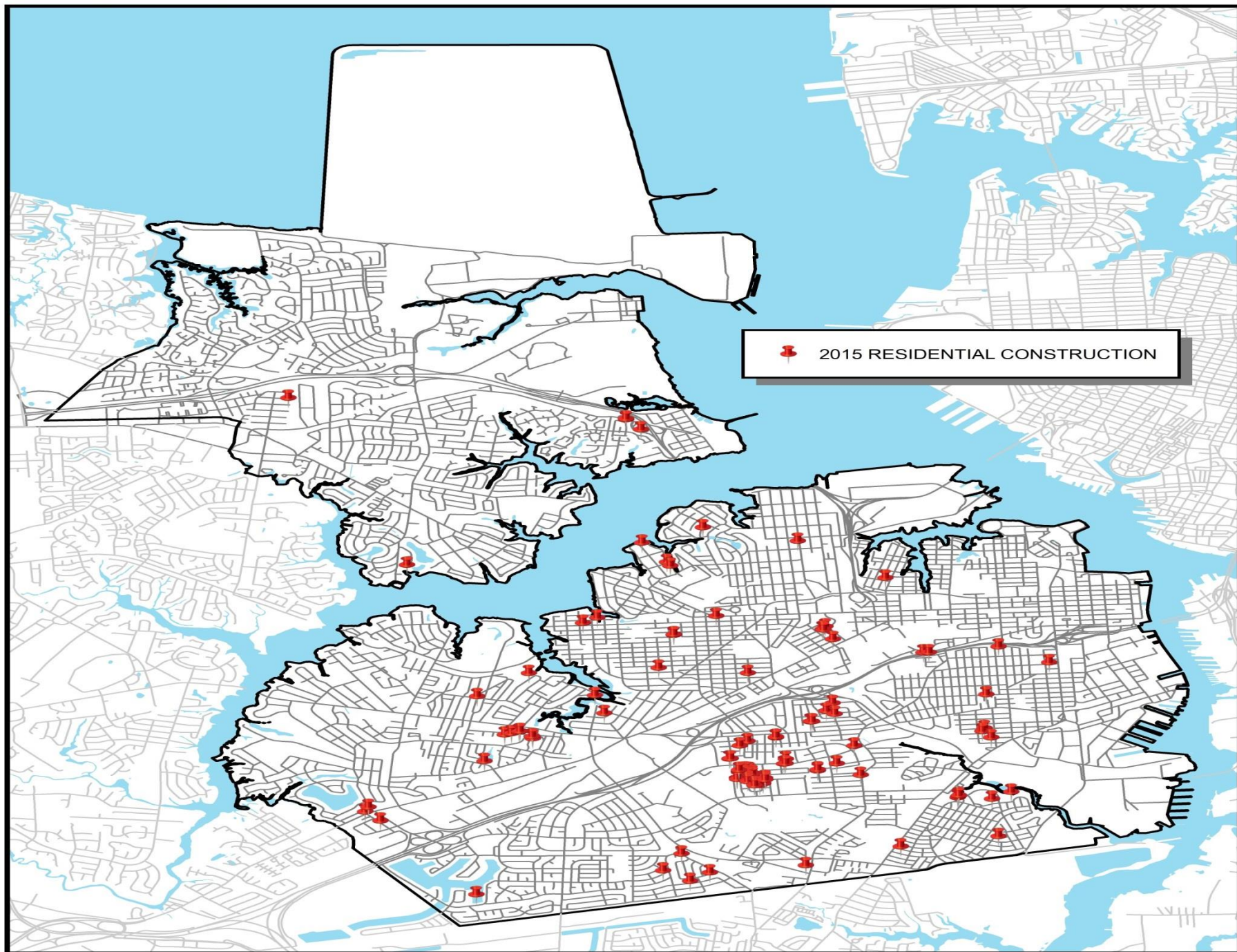
## Market Time For Sold Properties











# Re-assessment Results

## Results By Commercial District

❖ COMMERCIAL DISTRICT 1	.25
❖ COMMERCIAL DISTRICT 2	.44
❖ COMMERCIAL DISTRICT 3	1.19
❖ COMMERCIAL DISTRICT 4	.29
❖ COMMERCIAL DISTRICT 5	1.06
❖ COMMERCIAL DISTRICT 6	1.30
❖ COMMERCIAL DISTRICT 7	2.34





# Re-assessment Results

## Residential Results by Neighborhood

ADMIRALS LANDING	.00	CENTRE PORT	.00
AFTON COMMONS	.00	CENTURY HOMES	-.02
AFTON VILLAGE	-.44	CHARLESTOWNE TOWNHOUSES	5.52
AMELIA COVE	.00	CHURCHLAND CROFT	.00
ARCADIA HEIGHTS	-.08	CHURCHLAND WEST	-.01
ARMISTEAD FOREST	1.97	COLLINSWOOD	1.31
ASHLEY SQUARE	.00	COLUMBIA COMMONS	.04
BAYWOOD	.02	COLUMBIA PLACE	.00
BELMONT	.00	CRADOCK	.07
BELVEDERE	3.16	CRADOCK COLONIALS	-.07
BIDE-A-WEE MANOR	-.16	CRADOCK GARDENS	-.06
BISHOPS GREEN	.00	CRADOCK HEIGHTS	.83
BRANDON SQUARE	.10	CRAWFORD BAY	.00
BRIARWOOD	.06	CRAWFORD SQUARE	-3.10
BRIGHTON	-.01	CREEKSIDE	.00
CARNEY FARM	-.88	CRYSTAL LAKE	.02
CASTLE HEIGHTS	.00	CYPRESS COVE VILLAS	-2.42
CAVALIER FOREST	-.13	CYPRESS POINT	.00
CAVALIER MANOR	.02	DEEP CREEK VILLAGE	-.06
CEDAR POINT	-.12	DOUGLASS PARK	-.19



# Re-assessment Results

## Residential Results By Neighborhood

DOWNTOWN	.00	GREEN LAKES	3.94
EBONY HEIGHTS	-.06	GREENBRIER	.11
EDGEFIELD	.01	GREENEFIELD FARMS	4.67
EDGEFIELD EAST	.00	GROVE PARK	-.01
EDGEWOOD PARK	1.47	GWALTNEY ACRES	.00
EFFINGHAM GREEN	.00	HARBORSIDE WEST CONDOS	.00
EGRETS COVE	.00	HARDEE POINT	.04
ELIZABETH ACRES	.00	HATTON POINT ESTATES	.00
ELIZABETH MANOR	-.02	HATTON SQUARE	.10
ELMHURST SQUARE	.00	HATTONSVILLE ESTATES	.00
ELMS WAY CONDOS	.00	HIDDEN COVE	2.47
FAIRVIEW HEIGHTS	-.20	HIGHLAND BILTMORE	1.39
FAIRVILLE	-.12	HIGHLAND PARK	.00
FAIRWAY PARK	.00	HODGES MANOR	-.07
FIRST WATCH AT RIVER POINTE	.29	HOLLY HILL	.00
FORREST PARK	.00	HOSIERS OAKS	1.60
GARDEN HOMES	.00	HUNTERS POINT	1.44
GLENDALE	.00	HUNTINGTON PARK	-.02
GLENSHELLAH	.66	JORDANSVILLE	.00
GREEN ACRES	3.13	KIMBERLY ACRES	-.04

# Re-assessment Results

## Residential Results By Neighborhood

KINGMAN HEIGHTS	.04	NORTH POINT	.00
KINGS GATE CROSSING	.00	NORTH SIESTA GARDENS	.03
LAKE FOREST	.01	NORTH TRUXTUN	.00
LAKE SHORES	1.73	NOTTINGHAM HOMES	.05
LANIER GARDENS	.01	OLDE TOWNE	3.83
LAUREL PARK	.07	OLDE TOWNE COMMONS	.00
LINCOLN GARDENS	-.04	OLDE TOWNE SQUARE	.00
LONG POINT	-.39	ONELIA ACRES	-.32
LOXLEY PLACE	-.06	OREGON ACRES	-.05
LYNN SHORES	.01	PARK MANOR	-.14
MANOR VIEW	-.08	PARK VIEW	-.28
MAPLEWOOD PARK	.00	PEACHTREE	1.44
MAYFLOWER PARK	-.01	PEPPERWOOD	22.03
MERRIFIELDS	.04	PINE ACRES	.00
MERRIMAC POINT	.16	PINECROFT	-.06
MIDFIELD POINTE	.03	PINEHURST	-.20
MIMOSA COVE	.00	POINTE OF VIEW	.00
MT HERMON	-.01	PORT NORFOLK	-.05
NEW PORT	.04	PORTSMOUTH ACRES	.03
NORCUM PARK	-.11	PRENTIS PARK	3.81

# Re-assessment Results

## Residential Results By Neighborhood

PRENTIS PLACE	.01	STEWART MANOR	.01
PRIDE HOMES	-.07	STONE MILL ESTATES	.00
RIVER COVE	.17	SUGAR HILL	.00
RIVER PARK	.01	SWEETBRIAR	-.24
RIVER PEACE	-.86	SWEETHAVEN	.00
RIVER SHORES	.04	SWIMMING POINT	-.19
ROLLINGWOOD	-.16	TEAL HAVEN TOWNHOUSES	.00
SANDIE POINT	.00	THE ESTATES AT RIVER POINTE	-.02
SEABOARD SQUARE	.00	THE GATEWAY AT STERLING POINT	.02
SHEA TERRACE	-.04	THE LANTERNS	.02
SIESTA GARDENS	-.09	THE LANTERNS II	.00
SIMONSDALE	1.15	THE POINTE	-.22
SKYLER COVE	.00	THE VILLAS AT RIVER POINTE	.00
SOUTH FAIRVIEW HEIGHTS	-.27	TRUXTUN	-.12
SOUTH LOXLEY PLACE	-.08	TWIN PINES	.11
SOUTH PARK MANOR	1.26	UPTOWN	.00
SOUTHAMPTON	3.40	VICTORY PARK	-.04
SOUTHSIDE	-.04	WATERS EDGE	.00
STERLING COVE	.01	WATERVIEW	-.18
STERLING POINT	.00	WEST CRADOCK	-.06

# Re-assessment Results

## Residential Results By Neighborhood

WEST GROVE / MAPLE SHADE	.00
WEST NORFOLK	.00
WEST PARK HOMES	-.23
WEST PARK VIEW	.02
WESTBURY	.00
WESTHAVEN	.66
WESTHAVEN PARK	2.08
WESTMORELAND	.08
WESTWOOD	3.57
WILLOW BREEZE	.00
WIMBLEDON CHASE	.00
WINCHESTER WOODS	-.01
WINDMILL SHORES	.00
WINDY PINES	.00
WISE BEACH	-.08
WOODBINE	.07
WOODS OF HAMPTON	.00
WORTHINGTON SQUARE	.00
PORTSMOUTH ESTATES	.00

CAVALIER MANOR 2	-.16
CAVALIER MANOR 3	-.03
CAVALIER MANOR 4	.00
CAVALIER MANOR 5	.00
LAKEVIEW	.00
LAKE FOREST 1	.00
HULLS CREEK	.06
ONE CRAWFORD	.00



# Re-assessment Results

## Neighborhood Summary

- ❖ Residential property values increased by .58%
- ❖ 31% of residential neighborhoods saw a reduction in value
- ❖ 33% saw an increase
- ❖ 36% remained unchanged
- ❖ Commercial properties saw an overall increase of 1.30%



# Re-assessment Results

❖ Reassessment Value as of February 24, 2015.....	\$7,046,399,742
❖ Land Book Value as of July 1, 2015.....	\$7,041,365,624
❖ Reassessment Value as of March 8, 2016.....	\$7,126,631,327
❖ Plus 4 <sup>th</sup> Quarter Building Permit Activity.....	?
❖ Adjustments From Appeal Hearings.....	?
❖ Land Book Value July 1, 2016.....	TBD
❖ Percentage Increase Comm/Resid Combined.....	.79%
❖ Total \$ Value Increase From Re-Assessment.....	\$ 85,265,703
❖ Estimated Impact on Revenue.....	\$ 1,108,454





# Additional Considerations

## ❖ State Corporation Commission (SCC)

- ❖ The Railroad, Pipeline and Utility property assessments are conducted by the SCC and are not available until September
- ❖ These properties are taxable at the same rate as other real property in the City

## ❖ Current SCC property assessments

- ❖ Total Taxable Value = \$131,173,155
- ❖ Total City Levies = \$ 1,705,251



# Additional Considerations

## ❖ Building Permit Activity

- ❖ Through First 3 quarters added over \$32,000,000 in value
- ❖ 4<sup>th</sup> Quarter BP's are currently being worked and have not been added to the rolls

## ❖ Undocumented Improvements

- ❖ With a fully implemented, ongoing system in place for discovery of undocumented improvements in our residential inventory, we have developed and employed a strategy for finding the same in the commercial sector
- ❖ The initial effort in the commercial sector found some \$6,000,000+ in undocumented improvements.



# Additional Comments

## Non Taxable Property Report

- ❖ The current total assessed value of non-taxable property in the City is nearly \$5.5 billion, or more than 43% of the total assessed value
- ❖ The Disabled Veteran's Tax Relief Program has grown to over 225 participants with a total assessed value of \$44,727,130
- ❖ The Senior Citizen Tax Relief Program has grown to a total of \$152,918,200 in total assessed value
- ❖ The Senior Citizen Tax Freeze Program has grown to a total of \$61,626,800 in total assessed value



# Recently Completed





# Looking Ahead





# Looking Ahead





# Final Remarks

- ❖ The new assessment notices were mailed to property owners today March 8, 2016
- ❖ Informal appeals will be heard from March 15<sup>th</sup> through March 31<sup>st</sup>
- ❖ The Board of Equalization has been appointed by the Circuit Court and will schedule hearing dates during April and May
- ❖ Our new CAMA system is running in the background at this point while we make final adjustments to the data and write final business rules in anticipation of it being fully operational on July 1, 2016.



# Final Remarks

- ❖ I would like to thank a few people and departments for whom my staff and I really depend upon:

Russell Bailey, IT

Cliff Sayles, GIS

Treasurer Jimmy Williams and Staff

Building Official Doug Smith and Staff

Commissioner of the Revenue Frankie Edmondson and Staff

City Attorney Solomon Ashby and Staff

Clerk of the Circuit Court Cynthia Morrison and Staff



# Q&A

