

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
REAL PROPERTY TAX APPEALS COMMISSION



February 20, 2015

Councilmember Jack Evans  
Chair, Committee on Finance and Revenue  
1350 Pennsylvania Avenue, NW  
Washington, DC 20001

Dear Councilmember Evans:

I am writing to provide responses to the Real Property Tax Appeals Commission (RPTAC) FY 2014/2015 Oversight Questions.

1. Please provide the Committee with an updated list of current Commission members and their terms. How many vacancies are there currently? How many current members are attorneys? For each member, please provide the following:

- The member's name;
- Indicate chairperson, vice-chairperson, full time, or part time;
- Who appointed the member;
- When the member's term expires; and
- The member's attendance record if serving in a part-time capacity;
- Other designations (certifications, attorney, etc.).

**RPTAC RESPONSE #1**

All Commissioners are Mayoral appointees.

MEMBERS	ROLE	CONFIRMATION DATE	TERM ENDING	HOURS WORKED
Gregory Syphax - Certified General Appraiser with 37 years of full time experience in commercial and residential appraising in the District of Columbia and surrounding areas.	Chairperson	July 13, 2012	April 30, 2018	Full Time
Richard Amato, Esq. - formerly with OAG, 40+ years as a Litigator, handled many of the tax cases that significantly impacted the assessment process in DC	Vice Chairperson	July 13, 2012	April 30, 2015	Full Time

May S. Chan, MBA – served for the past 8 years as a Board Member/ Commissioner; experience in RE Development in Boston, MA. Licensed RE Agent in DC and has an Appraiser trainee’s license.	Commissioner	July 13, 2012; reconfirmed April 17, 2014	April 30, 2018	Full Time
Cliftine Jones - Cliftine Jones, RE Broker for 37 years in DC; served 19 years as a Board Member/Commissioner and is the longest serving member of the Board/Commission; experience includes 20 years as a mortgage broker and loan officer at Independence Federal Savings Bank.	Commissioner	July 13, 2012	April 30, 2018	Full Time
Hillary R. Lovick, Esq. - Served 5 years with the DC Dep’t. of Housing & Community Development as a Realty Project and Program Manager. She served as a principal liaison with real estate developers, public and private companies, with the responsibility for acquiring and disposing of real property. Experience also includes serving as a Settlement Officer for title companies.	Commissioner	July 13, 2012	April 30, 2015	Full Time
Frank Sanders - Certified Residential Appraiser with over 35 years of appraisal experience in the DC area. Also has a DC Broker’s License. Previously served as Vice President for Independence Federal Service Corp.	Commissioner	July 13, 2012; reconfirmed December 4, 2012	April 30, 2017	Full Time
Karla Christensen – RE Sales Persons License in DC, MD, and VA; over 26 years of experience as a Financial Analyst and Commercial Property Manager; previously served as Senior Vice President and National Director at Jones Lang LaSalle Management Co. for 16 years.	Part-Time Commissioner	July 13, 2012; reconfirmed June 18, 2013	April 30, 2017	112
Donald Isaac, Jr. - Master Degree in Real Estate. Experience includes work as a Financial and Development Analyst over the past 7 years.	Part-Time Commissioner	July 13, 2012; reconfirmed on September 24, 2014	April 30, 2018	652
Alvin Jackson - Residential Appraiser Trainee, License in DC & MD; experience includes working for number of Certified Appraisers and appraisal companies for	Part-Time Commissioner	May 7, 2013	April 30, 2017	1128

the past 10 years in performing physical property inspections, gathering and analyzing sales data, and writing residential appraisal reports.				
John Neil Ollivierra - Certified Residential Appraiser License with over 25 years of appraisal experience in the DC area. Also has Home Inspector's License and has conducted construction and environmental inspections.	Part-Time Commissioner	March 24, 2014	April 30, 2018	90
James "Skip" Walker, Jr. – Licensed Residential Appraiser. Experience includes Real Estate Development and Management. He has served as a Board Member/Commissioner for the past 7 years.	Part-Time Commissioner	July 13, 2012	April 30, 2018	137
Sean Warfield - Commercial Property Manager with 18 years of RE management experience for major properties. He has served as a Board Member/Commissioner for the past 10 years.	Part-Time Commissioner	December 4, 2012	April 30, 2016	20
Trent Williams, JD/MBA - Financial Analyst and Advisor who has worked with corporations, non-profit companies, individuals in various areas that include real estate investment ventures and development. He has served as a Board Member/Commissioner for the past 6 years.	Part-Time Commissioner	July 13, 2012	April 30, 2015	1028
Vacancy	Part-Time Commissioner			

2. **Please provide the Committee with an updated organizational chart and Schedule A.**

**RTAC RESPONSE #2**

Please see the attached **Exhibit 1** for the organizational chart and Schedule A.

3. **Please provide the following, to the extent applicable:**
  - a. **A list of all employees who receive cellphones, personal digital assistants, or similar communications devices at agency expense;**

- b. A list of all vehicles (year, make, model) owned, leased, or otherwise used by the agency and to whom the vehicle is assigned. Please include lease amount (if applicable) and date lease expires;
- c. A list of employee bonuses or special award pay granted in FY 14, and FY15, to date;
- d. A list of any travel expenses, arranged by employee; and
- e. A list of the total overtime and workman's compensation payments paid in FY14, and FY15, to date.

**RPTAC RESPONSE #3**

- a. Carlynn Fuller – iPad, cellphone; Gregory Syphax – iPad; Richard Amato – iPad; May Chan – iPad; Hillary Lovick – iPad; Frank Sanders – iPad.
- b. N/A
- c. N/A
- d. N/A
- e. N/A

4. Please describe the Commission's outreach efforts to the public (excluding public meetings held), and the status of efforts for a mass mailing to property owners, informational videos and semi-annual newsletter (referenced in your FY15 budget responses). How often is your website updated? Have efforts to allow for searching the RPTAC website for hearing dates and/or decisions by different fields (by date, by square and lot, etc.) been explored? Please provide a status and any action on these efforts to date.

**RPTAC RESPONSE #4**

In FY 2014 the Commission mailed approximately 3,547 letters to District of Columbia property owners to provide information regarding the ability to electronically file their appeal with the Commission.

Gregory Syphax filmed a Public Service Announcement (PSA) that informs the public of how to appeal a property tax assessment. The PSA will begin airing on Cable Channel 16 in February.

The Commission has hired an IT Specialist who has started working with OCTO to determine whether or not they can provide the needed assistance with making our website more interactive or if we will have to procure the services of an outside vendor.

5. Please provide a status of the efforts to accept appeals electronically, and post decision electronically? What was accomplished in FY 14, and what is expected for FY15? Please comment on the success and/or challenges with using File & ServeXpress. Please provide a list of training dates that were or are being offered on using the system. How many public access terminals are available? What feedback has been solicited or obtained from the public on this system? From Commissioners and staff?

## **RPTAC RESPONSE #5**

Tax Year 2015 (we start receiving appeals the latter part of FY 14) was the first season that the Commission accepted appeals electronically through File & ServeXpress. The use of the system was not mandatory and in spite of the numerous training sessions, unfortunately most of the Petitioners opted out. There were 887 cases filed electronically for TY 15. There is one public access terminal located in our office.

There were 10 training sessions conducted by the vendor. A request was made to the vendor to determine the number of attendees. Please see **Exhibit 2** for the response from the vendor as it pertains to the training dates and number of attendees.

**6. Please describe and provide a status of any new initiatives for Fiscal Year 2015. Previously you spoke about an initiative to use “Pre-hearing” and “Post-hearing” forms by part-time commissioners, and reviewing this system for the future. What were the results of this review?**

## **RPTAC RESPONSE #6**

Our initiative to use “Pre-hearing” and “Post-hearing” forms was born of the idea that such forms would help the Commissioners better prepare before hearing a case, and to better prepare for deliberating after the case is heard.

Filling out the “pre-hearing” form would require the Commissioner to review the appeal submission determine what the main issues are, and perform any additional research needed to address the issues prior to the hearing. The “post-hearing” form would be basically a “note-taking” form that would be filled out during the hearing. This form would be helpful in recalling how the main issues were addressed during the hearing and used by the Commissioners during the deliberative process to form a decision.

The forms were also created to address the concerns of part-time Commissioners (PT Commissioners) who often found themselves working many hours on their own time at home, or in their private offices, without compensation. In this case, the forms completed by PT Commissioners outside the RPTAC office provided proof that “billable” hours of work had been done (PT Commissioners are allowed to bill the Commission at a rate of 30 minutes per completed form which equates to \$25 per form).

Although I thought the idea was sound, I was surprised to find that only two of the seven part-time Commissioners actually used the forms with any regularity. The other problem associated with the use of the form was the time it took for me to review the forms, especially during the height of the season, when time is of the essence. Our statistics also show that the most complex cases are typically submitted in mass which makes it extremely difficult to process the caseload and assign the cases to Commissioners with time to review the case before hearings. Since most of the cases heard are based on the same or similar issues, I found it hard to distinguish one completed form from another case. In other words, a Xeroxed copy of one case could be easily



used for another. Whether we will continue to use the form is still under review. However, preliminarily, my thought is that we will not use it next year.

**7. Please provide a list of the Commission’s public meeting dates, times, and locations for FY2014 and FY2015 to date (or scheduled); as well as a copy of agendas and minutes for each meeting held.**

**RPTAC RESPONSE #7**

Our statute requires the Commission to have four Public Administrative meetings per calendar year. We met this requirement in 2014. Please see attachment (**Exhibit 3**) for agendas and minutes taken for each meeting and are also available on the Commission’s website in the “About RPTAC” section.

<b>Public Administrative Meetings</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
#1	August 20, 2014	10:00 a.m.	441 4 <sup>th</sup> St NW # 360N
#2	September 17, 2014	4:30 p.m.	Same
#3	November 25, 2014	11:30 a.m.	Same
#4	December 22, 2014	10:30 a.m.	Same

**8. Please provide a list of all training and continuing education classes attended by Commissioners, during FY 2014 and FY 2015 and dates attended (or scheduled).**

**RPTAC RESPONSE #8**

In FY 2014 and FY 2015, Commission sponsored the following continuing education classes for its members totaling 98.5 hrs:

- Income Capitalization Approach – 10/2013 (60 Hrs)
- The Income Approach – 1/2014 (7 Hrs)
- The Cost Approach – 1/2014 (6 Hrs)
- Analyzing Credit Risk & Commercial Lease Analysis –2/2014 (7 Hrs)
- Hotel Valuation by David Lenhoff – 3/2014 (4 Hrs)
- Hotel Valuation by Stephen Rushmore – 4/2014 (3.5 Hrs)
- Appraisal of Assisted Living Facilities – 9/3/2014 (8 Hrs)
- DC Market Seminar – Jones, Lang, LaSalle – 9/24/2014 (3 Hrs)

**9. Please discuss your caseload, providing information broken down by # of class 1 residential cases, # of class 2 commercial cases, # of class 3 classification cases, and # of homestead exemption cases. How many case decisions are outstanding? How does this compare with the caseload for the previous year?**

### **RPTAC RESPONSE #9**

For Tax Year 2015 (season ended February 2, 2015), the Commission received a total of 4544 cases (4507 valuation appeals) – 3340 Class 1 residential valuation cases, 1165 Class 2 Commercial valuation cases, and, 2 Class 3 vacant property valuation cases; 22 Homestead cases and 15 Classification cases. There are no outstanding decisions. There was an increase of 1236 valuation appeals.

For Tax Year 2014 (season ended February 3, 2014), the Commission received 3,271 valuation appeals. This is a decrease of 167 appeals from the previous Tax Year 2013.

**10. Informally, based on the assessments released by the Office of Tax and Revenue, would you expect the caseload for TY 2015 to be lower or higher than in prior recent years?**

### **RPTAC RESPONSE #10**

TY 2015 is complete. We received 4,507 cases in TY15 compared to 3,271 in TY 2014.

**11. Please provide a list of the common reasons the Commission reduces assessments after appeals, including the frequency of each reason.**

### **RPTAC RESPONSE #11**

The primary reasons (in order of frequency) for the Commission to make adjustments or reductions to an assessment are:

- An adjustment to the capitalization rate
- An adjustment to market rent estimates
- An adjustment to expense estimates
- An adjustment to the vacancy rate

The Commission may also make adjustments or reductions to an assessment based on atypical conditions that may have been overlooked by the Assessor in his/her analysis such as a need for substantial repairs/renovation, locational obsolescence, or restrictive use issues caused by zoning, to name a few. At times an assessment may be reduced or increased by the recommendation by the Assessor due to new information that was not available or not known by the Assessor at the time the assessment analysis was made.

**12. Please provide a list of potential steps the Office of Tax and Revenue could take to reduce the number of assessments that are appealed to the Commission.**

### **RPTAC RESPONSE #12**

I do not know of any way to reduce the number of assessments that are appealed. Residential appeals are not typically made based on arguments of improper assessment methodology as much as they are on the issue of need, the inability to pay the taxes, the perceived unfairness or the perceived inequality of the assessment process. Homeowners come to us with those kinds of issues which often have little to do with valuation as much it does a tax rate issue. In fact, most do not understand the valuation process at all. Others think they do and put forth a lot of time and effort in preparing for their appeal, only to find out that much of the information they provided us is irrelevant for determining the estimated market value of their property.

On the other hand, commercial properties are typically appealed by professional and very sophisticated representatives for the property owner who understand very well the valuation process. Knowing that an assessment is merely an estimate of value based on certain opinions and estimates derived from an ever changing market, these Petitioners are always looking for different angles to make their arguments as to what the fair assessment should be for their client's property. Some have described these professional petitioners as having developed their own "Cottage Industry" which is totally dependent on the appeal process. I am not criticizing these petitioners because I believe they keep the process honest. The assessment process should always be open to debate and criticism by others who are knowledgeable of the assessment process.

**13. Please provide a copy of any updates to RPTAC rules and regulations for RPTAC that have been updated or modified.**

**RPTAC RESPONSE #13**

There have been no updates or modifications made to RPTAC rules and regulations.

**14. Please provide a copy of RPTAC Annual Report for Fiscal Year 2014. Where is this located on your website?**

**RPTAC RESPONSE #14**

The Annual Report for Fiscal Year 2014 is attached as **Exhibit 4**. It can be found on the Commission's website in the "About RPTAC" section.

**15. Did you meet all statutory deadline requirements for residential and commercial properties this past appeal season? Is anything needed to assist in the preparation for the upcoming season?**

**RPTAC RESPONSE #15**

This year, the Commission was unable to complete all of its decisions by our statutory February 1<sup>st</sup> deadline, nor was the Commission able to meet its 30 day decision deadline for all residential




cases or 80 day decision deadline for all commercial cases. Knowing that the Commission's ability to meet these deadlines is purely dependent upon the number of appeals filed, I knew that the 4,507 cases filed might be the number that could cause us problems in meeting these deadlines. However, I believe that we gave it our best efforts and considering the fact that we *were* able to complete the decisions by February 3<sup>rd</sup>, just two days beyond the deadline, I think we did fairly well under the circumstances.

In my estimation, the task could have been accomplished if we had greater participation by the part-time Commissioners. Unfortunately, we had two Commissioners who worked only sparingly this season due to other outside obligations and we continue to operate with one vacancy for a part-time Commissioner. If we had had all three on board, working 15 to 20 hours per week during the season, our task surely would have been accomplished on time. The remedy may be that we need to replace certain Commissioners with new members who can provide the number of hours needed to get the job done and fill the one vacancy that we have.

Thank you for the opportunity to respond to questions pertaining to the oversight of the FY 2014 budget. Please feel free to contact me if you should have any additional questions.

Sincerely,

  
Gregory Syphax,  
Chairperson