

In Ohio, reassessments are routine

By Mark Belko / Pittsburgh Post-Gazette

Last year, the city of Cincinnati and the rest of Hamilton County, Ohio, had all 348,275 properties in the county reassessed. The end result: 7,000 appeals.

Likewise, Butler County in southwestern Ohio updated the values of its 155,000 parcels last year as well. It fielded 2,290 appeals, or 1.5 percent of all properties.

In neither county did the top elected official vow to go to jail to stop the reassessment. Politicians were not tripping over themselves to offer tips to property owners to fight their assessments, and it doesn't appear that anyone risked carpal tunnel syndrome through repeated finger pointing over what had gone wrong.

All over Ohio, property reassessments seem to take place over and over again without the kind of politically-laden controversy and turmoil that has punctuated the last three revaluations in Allegheny County, including the one this year.

While the Hamilton County reassessment already is on the books, Allegheny County is gearing up to handle some 44,266 appeals from disgruntled property owners who believe they have been treated unfairly. That represents 7.8 percent of the 570,000 parcels in the county.

The county likely will spend more than \$1 million to handle the appeals, an added burden for a budget already stretched thin by repeated state and federal budget cuts.

So why do reassessments in the Buckeye state seem to take place without fanfare while those in Allegheny County have all the civility of a cafeteria food fight?

A big reason, said officials in Ohio, is frequency.

Unlike Pennsylvania, where there is no uniform statewide system for assessing real estate, Ohio requires its counties to reassess every three years. There's a full reassessment, with visits to each parcel every six years followed by a computerized update three years later if property values have changed.

A regular cycle for reassessing property helps to keep values accurate -- or to correct those that aren't -- and prevents that kind of sticker shock many Allegheny County residents are experiencing right now, officials said.

"At the very least there will be a more regular process and the changes won't be so abrupt. Your changes are so horrendous because you don't do it that often," said Dusty Rhodes, the Hamilton County auditor who oversees the property assessment system. "If you only do it once every 10 years, you're just asking for trouble."

Mr. Rhodes, who is elected, was stunned to learn that Allegheny County Executive Rich Fitzgerald risked going to jail rather than implement the court-ordered reassessment.

"I never heard of something so ridiculous in my life, refusing to do your duty. Come on. Maybe if you don't want to do your job, don't run for office," he said.

Shelley Wilson, executive administrator of the tax equalization division of the Ohio Department of Taxation, which oversees the reassessment work done by counties, recommended that Pennsylvania "strongly consider" regular revaluation cycles.

"It keeps property values accurate, which is particularly important because the market [in Ohio] has been experiencing unprecedented decreases in value over the last few years," she said.

In fact, while many property owners in Allegheny County have been griping about skyrocketing assessments, the chief complaint from those in Ohio has been that their property values have not been lowered enough because of the collapse of the housing market several years ago.

Most of the appeals in Hamilton and Butler counties have involved property owners seeking larger reductions than the respective reassessments provided.

Far from avoiding reassessments, auditor Roger Reynolds in Butler County, Ohio, took the unprecedented step in 2009 of doing a voluntary revaluation only a year after he had conducted a full reappraisal that involved visits to each property.

He did so because he feared that property values were falling more rapidly than the reassessment had calculated, said Julie Joyce-Smith, director of real estate. "In retrospect, his insight in lowering them voluntarily was spot-on. It was exactly what we needed to do," she said.

Ms. Joyce-Smith said that regular reassessments also serve as a "protective measure" for taxpayers.

"I know people would have a hard time believing that but, in all honesty, we're able to give them a more fair and accurate value," she said, adding that not only applies when property is appreciating but when it is depreciating as well.

The International Association of Assessing Officers recommends that properties should be physically reviewed and individually reappraised "at least every four to six years."

Ira Weiss, an attorney representing six property owners whose lawsuit triggered the latest Allegheny County revaluation, also is an advocate for more frequent reassessments. He believes

they should be done on a regular basis and handled by the state, instead of 67 individual counties.

"Get the local politics and local processes out of it and it would end this endless cycle of litigation and reassessment," he said.

While a regular reassessment cycle works in Ohio and other states, a recent report by a Pennsylvania reassessment reform task force essentially skirted the issue.

Although the task force recommended additional education for assessors, disclosure of each county's system of property valuation and development of statewide criteria and procedures for assessment data collection, it did not specifically suggest a standard for how often reassessments should be done.

Instead it proposed developing a self-evaluation tool that would allow counties to determine when reassessments are warranted.

State Rep. Jesse White, D-Cecil, a member of the task force, said the group didn't recommend a specific cycle for reassessments because there were so many underlying problems with methodology and process that it felt they needed to be fixed first.

"The problems run so deep with the methodology and the processes that to simply mandate a time frame would be really irresponsible," he said.

And in some counties, he added, there might not be enough real estate activity over a certain period to warrant a reassessment, one reason the task force recommended a self-evaluation tool.

"It wasn't that we ignored the issue, but because there were so many other initial obstacles that needed to be dealt with first, no one felt comfortable putting a number down," he said.

Mr. Fitzgerald feels much the same way. He said there first must be a statewide system in place to reassess property before revaluations can be done at regular intervals.

He also questioned whether counties could afford to reassess property every one to three years, adding that's money that could be used to repair roads, bridges and other infrastructure or for other purposes.

For now, Mr. Fitzgerald is advocating a moratorium on single-county reassessments until statewide standards are adopted for valuing real estate. The state House has passed a bill that would place a hold on court-ordered reassessments.

However, Mr. Weiss believes such a moratorium would be unconstitutional. "You couldn't put a moratorium on public defenders," he noted.

Mr. Fitzgerald also took exception to Mr. Rhodes' statement about him refusing to implement the reassessment. He said that was an issue he ran and was elected on, arguing that the revaluation was the result of "judicial activism" that bypassed the will of elected leaders.

"It wasn't like I was out there all by myself," he said. "If Mr. Rhodes thinks he can do better, he can come here and run and make his case for reassessments."

Back in Ohio, meanwhile, reassessments have become such a matter of routine that Ms. Joyce-Smith simply can't envision going 10 years without doing one.

"We would be so high and so disproportionately high, if we did something every 10 years. Oh my goodness, I don't think I would want to work here," she said.

Mark Belko: mbelko@post-gazette.com or 412-263-1262.

First Published 2012-04-22 04:11:11