February 25, 2014

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 2013/2014 Oversight questions. Please see those responses below.

1. **Please provide the Committee with an updated list of current Commission members, 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.).

Answer: All members were appointed by Mayor Vincent Gray and confirmed by the Council.

MEMBERS	ROLE	CONFIRMATION DATE	TERM ENDING
Gregory Syphax	Chairperson	July 13, 2012	April 30, 2018
Richard Amato, Esq.	Vice Chair	July 13, 2012	April 30, 2015
May S. Chan	Full Time	July 13, 2012	April 30, 2014
Cliftine Jones	Full Time	July 13, 2012	April 30, 2018
Hillary R. Lovick, Esq.	Full Time	July 13, 2012	April 30, 2015
Frank Sanders	Full Time	Reconfirmed December 4, 2012	April 30, 2017
Karla Christensen 453.48 hours*	Part-Time	Reconfirmed June 18, 2013	April 30, 2017
Andrew Dorchester 427.1 hours*	Part-Time	July 13, 2012	April 30, 2014
Donald Isaac, Jr. 190 hours*	Part-Time	July 13, 2012	April 30, 2014
Alvin Jackson 51.5 hours*	Part-Time	May 7, 2013	April 30, 2017

James "Skip" Walker, Jr. 153 hours*	Part-Time	July 13, 2012	April 30, 2018
Sean Warfield 13.76 hours*	Part-Time	December 4, 2012	April 30, 2016
Trent Williams 617.83*	Part-Time	July 13, 2012	April 30, 2015
Vacant	Part-Time		

*Total hours worked in FY 2013

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

Answer: Please see attachment (Exhibit 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;**

Answer: Gregory Syphax –iPad, Richard Amato – iPad, May Chan – iPad, Carlynn Fuller Jenkins, Cell phone and iPad, Hillary Lovick – iPad, Frank Sanders – iPad.

   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;**

Answer: N/A

   c. **A list of employee bonuses or special award pay granted in FY 13, and FY14, to date;**

Answer: N/A

   d. **A list of any travel expenses, arranged by employee; and**

Answer: N/A

   e. **A list of the total overtime and workman's compensation payments paid in FY13, and FY14, to date.**

Answer: N/A

4. **Please describe the Commission's outreach efforts to the public (excluding public meetings held). 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.**

Answer:

Outreach Efforts:

The Commission sent letters to every Advisory Neighborhood Commission (ANC) requesting the opportunity to attend one of its monthly meetings and present information about the Commission and the process of filing an appeal. Of the total letters/emails sent, only six responded. Members of the Commission attended 6 ANC meetings. RPTAC has also made contact with the AARP which has agreed to allow the Commission to make a presentation to its local membership in the near future.

Website:

The website is updated at least monthly during the hearing season and on an as-needed basis from March through June. Currently on our website, the hearing schedules are in a PDF format and are searchable by Month. The decisions have a link based on the month of the hearing which, when selected, will bring up a "read-only" Excel spreadsheet. The spreadsheet contains 23 searchable fields – square, suffix, lot, number, street name, quadrant, unit, tax year, tax class, OTR 1st level Action, OTR 1st Level land value, 1st level improvement value, 1st level total value, RPTAC hearing date, RPTAC land value, RPTAC improvement value, RPTAC total value, the members of the hearing panel – each listed individually, the RPTAC overall decision (increased, reduced, stipulation, sustained or withdrawn) and the name of the OTR assessor of record.

5. **Please provide a status of the efforts to accept appeals electronically, and post decision electronically? What was accomplished in FY 13, and what is expected for FY14?**

Answer:

Unfortunately, due to the timing of the approval from the Office of Contracts and Procurement (OCP) of the agreement with File and Serve Xpress, we were unable to implement this initiative for FY 2013. The FY 2014 agreement has been approved and we are moving forward with submitting any necessary amendments to our regulations and providing information and training to the public in order to implement electronic filing for Tax Year 2015 that we anticipate receiving starting in June.

6. **Please describe and provide a status of any new initiatives for Fiscal Year 2014.**

Answer:

The new initiative adopted by the Commission for FY 2014 was the use of "Pre-hearing" and "Post-hearing" forms by part-time Commissioners. These two forms were created to allow the part-time Commissioners to prepare for hearings and render their opinions and recommended decisions to full-time Commissioners from their home offices, rather than having to spend additional time at the Commission's office. The idea was based on the perception that by filing the forms, part-time Commissioners would be better prepared for hearings. This in-turn would translate to shorter, more efficient hearings, at lesser cost to the city.

The system is currently under review to determine whether the system is worth keeping in place for TY 2015. It appears that whatever gains were realized by this system, it may have been lost by the time which was required to review the forms.

7. **Please provide a list of the Commission's public meeting dates, times, and locations for FY 2013 and FY 2014 to date (or scheduled); as well as a copy of agendas and minutes for each meeting held.**

Answer:

Our statute requires the Commission to have four Public Administrative meetings per calendar year. We met this requirement in 2013. Please see attachment (Exhibit B) for agendas and minutes taken for each meeting and are also available on the Commission's website in the "About RPTAC" section.

Public Administrative Meetings	Date	Time	Location
#1	March 6, 2013	2:00 pm	441 4th St NW # 360N
#2	August 15, 2013	2:30 pm	Same
#3	September 26, 2013	2.:30 pm	Same
#4	December 20, 2013	5:30 pm	Same

8. **Please provide a list of all training and continuing education classes attended by Commissioners, during FY 2013 and FY 2014 and dates attended (or scheduled).**

Answer:

Please see attachment (Exhibit C)

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?**

Answer:

For Tax Year 2013, the Commission received 3,467 appeals. This is a decrease of 810 appeals from Tax Year 2012. Of these appeals, 3,438 were "standard assessment appeals" which are valuation appeals that are automatically placed in the Office of Tax and Revenue's tracking system. For Class 1 properties, the Commission received a total of 2,235 appeals, with 50 appeals being withdrawn, for a total of 2,185 appeals heard by the Commission. Of these cases, 1,732

(79%) were sustained, 308 (14%) were reduced, 145 (7%) were resolved by way of Stipulation Agreements between the Office of Tax and Revenue and the Petitioner. The Commission also received 1,203 appeals in tax Class 2; 38 were withdrawn leaving a total of 1,165 appeals that were heard by the Commission. Of these appeals, 5 (<1%) were increased, 748 (64%) were sustained, 300 (26%) were reduced, and 112 (10%) were resolved by way of Stipulation Agreements between the Office of Tax and Revenue and the Petitioner.

10. **Informally, based on the assessments released by the Office of Tax and Revenue, would you expect the caseload for TY 2014 to be lower or higher than in prior recent years?**

Answer:

For Tax Year 2014 (season ended February 3, 2014), the Commission received 3,271 standard assessment appeals. This is a decrease of 167 appeals. Of the 3,271 appeals received, 2,182 were sustained, 460 were reduced, 5 were increased, 213 were withdrawn, and 411 were resolved by Stipulation Agreements between the Petitioner and the Office of Tax and Revenue.

11. **Please provide a copy of all rules and regulations for RPTAC that have been drafted or published as final, and also provide date and status of publication.**

Answer: Please see attached (Exhibit D).

12. **Please provide a copy of RPTAC Annual Report for Fiscal Year 2013. Where is this located on your website?**

Answer: The FY 2013 Annual Report is attached (Exhibit E). It is posted on the website in the "About RPTAC" section.

13. **Last year (FY2012/FY2013 Performance Oversight), you referenced three challenges the Commission faces:**
    - ***Staying abreast of changing market conditions and understanding how such changes impact property values in the various sub-markets in the city.***
    - ***Streamlining the appeals process via on-line application and registration, and developing more efficient methods for managing and processing cases.***
    - ***Reducing the period of time between hearings and making final written decisions.***

    How has the Commission managed these challenges; and what additional resources may be needed (if any) to continue to manage these challenges in the future? Please also discuss any new challenges to be aware of.

Answer:

Market Conditions: The Commission has been able to tract the real estate market in the city via data gathering and analyses using primarily CoStar Real Estate Services and Metropolitan Regional Information Systems (MRIS). Some data and analyses are also extracted from various other sources such as published information and statistics from the

Greater Capital Area Association of Realtors (GCAAR), Delta Associates, Price Waterhouse Coopers - Kopacz (PWC), CR Richard Ellis (CBRE), and the Washington Business Journal, to name a few.

Sales data are extracted, organized, and analyzed into units of comparison that reflect market trends. This type of analysis is done for each property type (commercial retail, office, industrial, land, and residential properties). Residential sales data are also organized according to sub-markets. On the following pages are examples of how the Commission analyzes sales data.

Online Filing: We are pleased to announce that File & ServeXpress™ has been selected as the electronic filing ("e-filing") and electronic service ("e-service") solution for the DC Real Property Tax Appeals Commission (RPTAC). The contract was approved by the Office of Contracts and Procurement on February 3, 2014. File & ServeXpress provides a web-based digital gateway between the legal community and court systems with access to universally compatible e-Filing and document management technology that meets the needs of all types and sizes of courts, firms, cases and practice areas. It has existing e-Filing and/or e-Service projects spanning 30 states and the District of Columbia with more than 165,000 registered users and 39,000 law firm clients, including all of the top 100 law firms in the country and manages more than 45 million secure document exchanges per year. It is currently used by the DC Superior Court, the DC Contracts Appeals Board (CAB), and the Public Employees Relations Board (PERB). The e-filing and e-service solutions allow documents to be filed electronically with the government agencies directly and securely. The intake process is automated. This eliminates paper-based and fax filing as well as the handling, organizing, and storing of all the paper-based products saving time and resources and creating a much more efficient process. Once filed, the user is able to instantly receive immediate filing receipts and verifiable proof of service records.

All e-filing data collected will be transmitted to the agency's systems as part of the integration processes. The system will be implemented at a fixed cost to the agency ($60,000 for FY 2014). The systems will require virtually no ongoing investment in development, upgrade or maintenance from the agency because it is a web-based solution. The provider will offer training and education for Commissioners, clerks, and other Commission personnel, as well as for non-agency users. The provider will be available toll free 24 hours per day, seven days per week to answer questions regarding filing and service activity or technical issues.

Public Access Terminals ("PATs") will be placed in the agency for attorneys and/or self-represented case participants who are unable to electronically file documents remotely. These terminals will be free to use and help ensure that there are no artificial barriers in place to inhibit the use of electronic filing. Non-subscribers to the system can also be served via an automated process that utilizes delivery of documents via U.S. Mail or Fax.

Users can file new cases or file into existing cases and may choose from one of three submission types: 1) "file only" – file documents to the Agency, 2) "file and serve" – file documents to the agency and serve parties, and 3) "serve only" – serve documents to other parties without filing into the agency. Users will be guided through these actions with clearly marked buttons on the web site and a process that mirrors their standard workflow.

The system will also support "bulk" filing and multi-case filing. The system will support "public", "private", "sealed" and "in camera" document settings and can be suppressed by the Agency. The system will use a PDF format for documents that reduces the risk of unmonitored modifications.

The system will support other document formats, such as:
Microsoft Word (DOC/DOCX)
WordPerfect (WPD)
Rich Text Format (RTF)
Plain Text (TXT)
Portable Document Format (PDF)
Tag Image File Format (TIFF)
Bitmap (BMP)
Joint Photographic Experts Group (JPG)
Graphics Interchange Format (GIF)

The system will utilize unique passwords and user IDs that restrict access to only the appropriate fields in the system that are authorized for each user. The system will provide SSL encryption during login so that all traffic transferred between the user's browser and system servers is protected to prevent the data from unauthorized interception and access.

When a document is filed electronically, the system automatically records the time and date of submission. At the conclusion of a successful filing or service, the systems will provide electronic confirmation to the filer or initiator of service. The confirmation will include the time and date the submission is received by the system. The system will provide the ability for clerk review of each incoming filing, accepting or rejecting the submission.

Accepted submissions will be automatically file stamped with date and time and may be routed online to a Commission for action or otherwise processed according to the Commission's docketing events and rules.

The system provides functionality to allow Commissioners, or their designees, to review proposed decisions and automatically convert them to signed decisions and issue them back out to the appropriate parties. The system will allow document linking to allow filers to link their documents to each other. The system will provide a search filings tool that allows the user to search and sort filings based on many different types of data associated with a filing.

The system will allow the Commission to continue to receive paper filings if necessary - clerks will be able to optionally scan and upload paper-filed documents into the eFile application and then route the electronic version to a Commissioner for action. Public documents will be available to the public online. Public access users will be able to search, view and download public documents through an easy to use online interface.

Final Decisions: The Commission works hard to try to make its decisions as quickly as possible after an appeal has been heard. The Commission is well aware of the fact that the best decisions are likely to be those which can be made as soon as the hearing is over. However, this is generally not an option. Given the number of cases, the complexities of some of the appeals, the tight scheduling of cases, and the time that it takes us to write detailed decisions, the effort to make *quick* decisions after a hearing is generally futile. The best we can do is to make sure that we meet our statutory deadlines, which require decisions to be made within 30 days for residential properties and 80 days for commercial properties.

14. Fiscal Year 2013 was the first complete year for RPTAC, how did it go? What changes, if any, were implemented for FY 2014, and what is needed for FY15?

Answer:

All things considered, the appeal season worked out very well. Our operation plan and the processing of cases moved smoothly and we were able to meet our statutory deadline of having all decisions completed by February 1st for the second year in a row. The Commissioners and the staff work extremely well together, especially under pressure. Those Commissioners who were able to finish early helped other Commissioners in any way that they could to ensure that our deadlines could be met. With very few exceptions, we met the statutory deadline requirements for both residential and commercial properties. I would also point out, that writing our decisions is significantly more difficult than what the previous boards wrote in the past. Our decisions are expected to be more detailed and more explanatory than previous board decisions, yet they must not make public information that is deemed confidential or proprietary to the owner. This requires Commissioners to develop a high level of skill and subtlety in writing their decisions.

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

Sincerely,

Gregory Syphax

Gregory Syphax
Chairperson

Attachments