

FY 2022 (CY 2021) PERFORMANCE PLAN

Real Estate Tax Relief		EID/HAB	Amy Yorczyk 1349																								
Program Purpose	<ul style="list-style-type: none"> Reduce the cost of real estate taxes so that qualified older and disabled homeowners can afford to stay in their Arlington home. 																										
Program Information	<ul style="list-style-type: none"> Recipients are Arlington homeowners who meet income and asset guidelines and are either at least age 65 or are totally and permanently disabled as defined by the Code of Virginia §58.1-3217. All homeowners, except a spouse, must meet the categorical eligibility. Eligible homeowners receive either a full or partial exemption, and/or a deferral of their real estate taxes based on household income and assets. Exempt taxes are not repaid. Deferred taxes are repaid when the property changes ownership. Owners who receive a partial exemption may choose to defer the non-exempt taxes. Arlington does not assess interest or penalty charges for deferrals. <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th colspan="3">CY 2021</th> </tr> <tr> <th>Income: One or Two Person Household</th> <th>Maximum Asset Level</th> <th>Exemption Type/Deferral</th> </tr> </thead> <tbody> <tr> <td>\$0-\$48,391</td> <td>\$413,714</td> <td>Full Exemption</td> </tr> <tr> <td>\$48,391.01 - \$59,145</td> <td>\$413,714</td> <td>75% Exemption</td> </tr> <tr> <td>\$59,145.01 - \$69,898</td> <td>\$413,714</td> <td>50% Exemption</td> </tr> <tr> <td>\$69,898.01 - \$86,029</td> <td>\$413,714</td> <td>25% Exemption</td> </tr> <tr> <td>\$86,029.01 - \$106,969</td> <td>\$558,513</td> <td>Deferral</td> </tr> <tr> <td>\$0 - \$106,969</td> <td>\$413,714.01 - \$558,513</td> <td>Deferral</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Eligibility determination is performed by DHS staff and reported to the Treasurer’s Office to update property records and adjust property tax bills. Program information is provided to homeowners as part of all property tax assessments and bills, as well as through the Area Agency on Aging. Program is locally administered under Arlington County Code Chapter 43 and must be within guidelines set by Code of Va. §58.1. The Real Estate Tax Relief program has been in existence since 1972. In July 2018, the Arlington County Board adopted changes to the program’s deadlines and eligibility criteria, which took effect January 1, 2019. These changes include adding the 75% exemption level, changing income levels, allowing for certain income deductions, and increasing the Maximum Asset levels. The program resulted in \$5,035,155 of uncollected property tax revenue for CY 2021, of which \$4,608,242 was exempted revenue and \$426,913 was deferred. 			CY 2021			Income: One or Two Person Household	Maximum Asset Level	Exemption Type/Deferral	\$0-\$48,391	\$413,714	Full Exemption	\$48,391.01 - \$59,145	\$413,714	75% Exemption	\$59,145.01 - \$69,898	\$413,714	50% Exemption	\$69,898.01 - \$86,029	\$413,714	25% Exemption	\$86,029.01 - \$106,969	\$558,513	Deferral	\$0 - \$106,969	\$413,714.01 - \$558,513	Deferral
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Service Delivery Model	<ul style="list-style-type: none"> All application and verifications are received through mail, dropped off, or email. In person interviews are not required for this program, however, on occasion, in person interviews are scheduled if requested. Service delivery is expected to remain the same for the next calendar year. 																										

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PM1: How much did we do?

Staff	Total 1.5 FTEs: <ul style="list-style-type: none"> • 0.25 FTE Supervisor • 1 FTE Program Benefits Specialist • 0.25 FTE Administrative Tech 				
Customers and Service Data	Households Receiving Real Estate Tax Relief	CY 2018	CY 2019	CY 2020	CY 2021
	Full Exemption	637	556	568	608
	75% Exemption	n/a	121	126	127
	50% Exemption	117	109	94	74
	25% Exemption	127	88	78	60
	Deferral only	22	40	33	25
	Total	903	914	899	894

PM2: How well did we do it?

2.1	Applications processed accurately
2.2	Processing times for eligibility determinations

PM3: Is anyone better off?

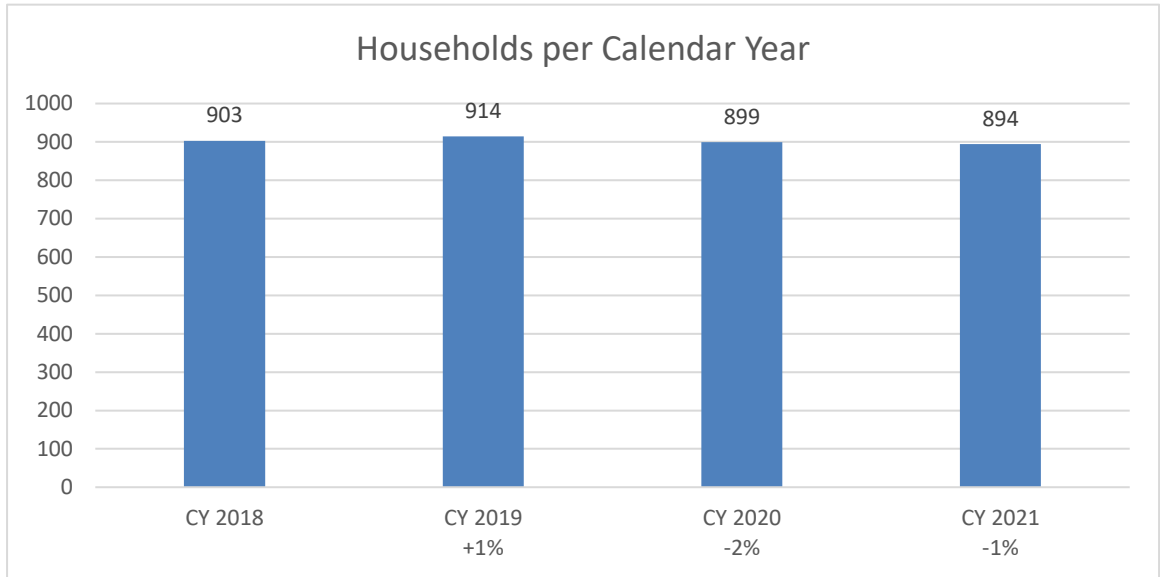
3.1	Increase the amount of money available to pay other expenses (e.g., medical, utilities, home repair)
3.2	Housing stability

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Measure 1 Households served

Data



Data Summary

- Since CY 2018, participation levels have remained fairly consistent.

What is the story behind the data?

- The Arlington County Board adjusted program eligibility requirements that took effect January 2019.
- The maximum income and asset levels increase each calendar year.
- The program application will be amended to capture race and ethnicity for CY 2023.

Recommendations

- Report disaggregated race and ethnicity data for households completing applications in CY 2023.

Target Dates

- CY 2023

Forecast

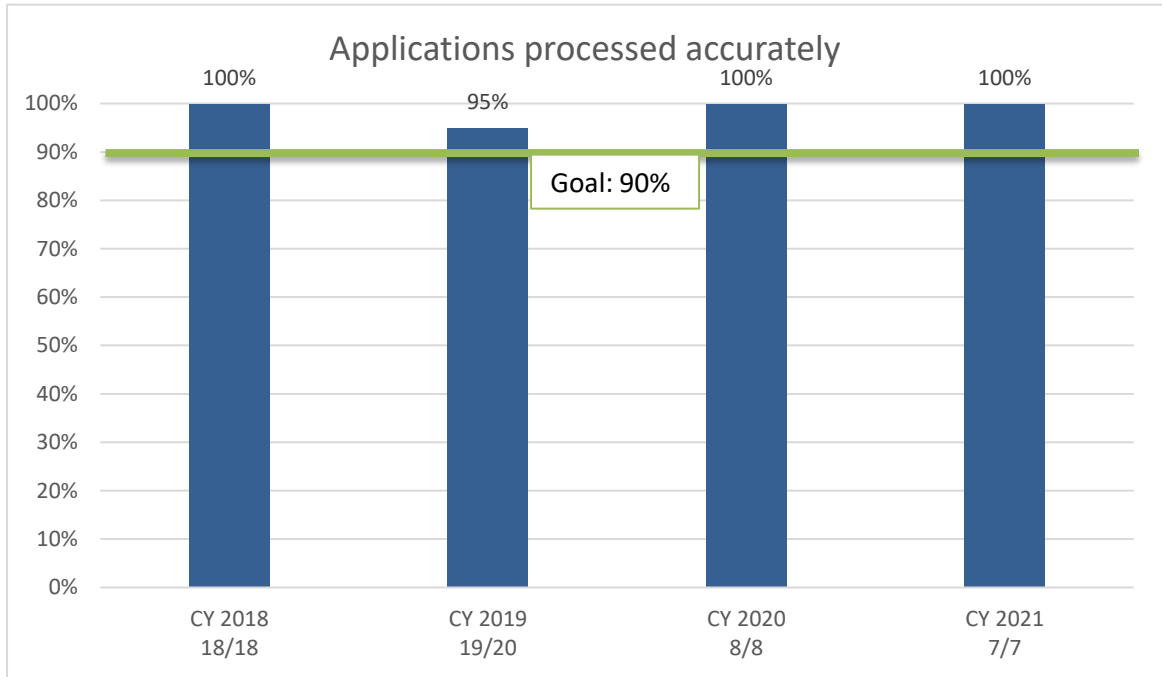
- In CY 2022, the program will serve approximately 900 households.

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Real Estate Tax Relief

Measure 2.1 Applications processed accurately

Data



Data Summary

- Accuracy rates consistently exceed performance standard of 90%. Approximately three cases per month are reviewed during the application period, which may vary if the situation warrants based on experience and quality of work.
- In the past couple of years, due to limited office access because of the pandemic, fewer cases were read than in previous years.

What is the story behind the data?

- All eligibility criteria – including income, assets, homeownership, and categorical requirements – are reviewed by the supervisor to ensure accuracy.
- The percent correct has been well above the target due to the experience and quality of staff and program controls. Each error is discussed with staff, and if broader training is needed, it is provided.
- The Arlington County Board adjusted program eligibility requirements that took effect January 2019, which increased the complexity of eligibility determinations.
- The program application will be amended to capture race and ethnicity for CY 2023.

Recommendations

- Continue same training and review process, and consider increasing the number of reviews as staffing allows.

Target Dates

- September 2022

Forecast

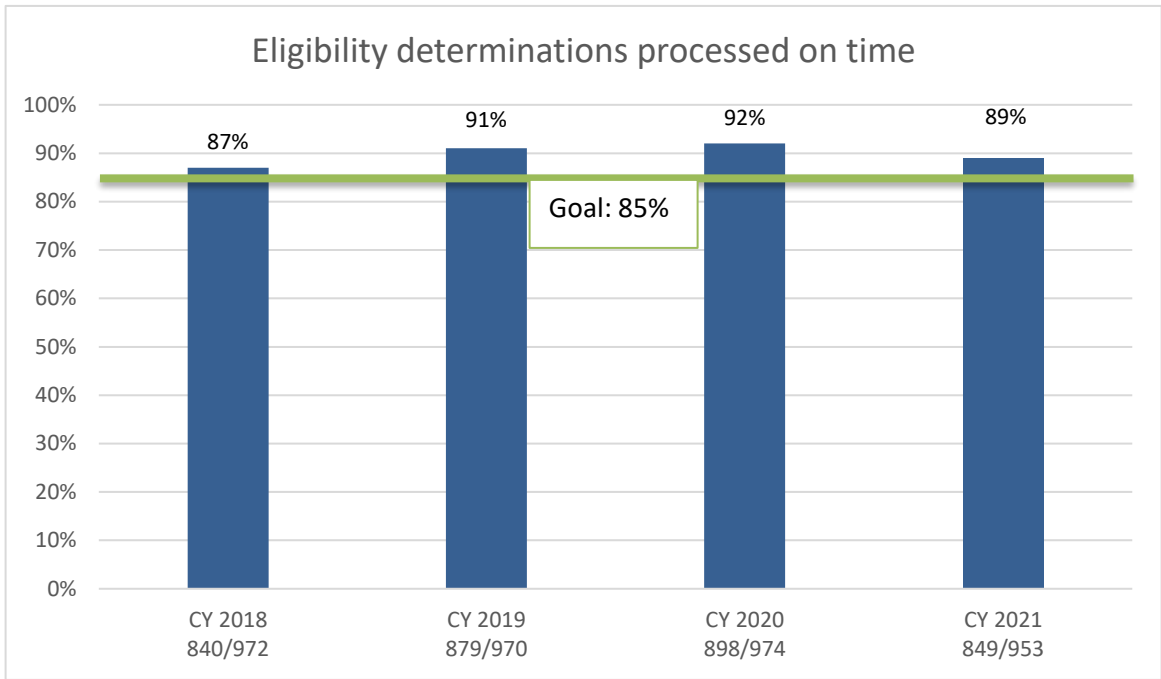
- Accuracy rate will be at least 95%

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Measure 2.2 Processing times for eligibility determinations

Data



Data Summary

- The percentage of determinations made on time was 89% in CY 2021, exceeding the goal of 85%.
- Determinations made before November 30th are considered timely.
- Data is derived from an Access database maintained by the program supervisor.

What is the story behind the data?

- The percentage of determinations made on time has remained consistent between CY 2018 and CY 2021.
- Often the processing of applications is not completed because the worker is waiting for additional required verifications from the applicant.
- Once an application is entered into the system of record, information is transferred to the Treasurer’s Office and the applicant does not have to pay their real estate taxes until a decision is made on their case.
- Program staff and partners conduct outreach with previous clients each year to encourage them to reapply.

Recommendations

- Continue to monitor processing times.

Target Dates

- On-going

Forecast

- Timeliness rate will be 85%. In CY 2022 administrative issues related to application printing and real estate tax bill mailings may slow processing times.

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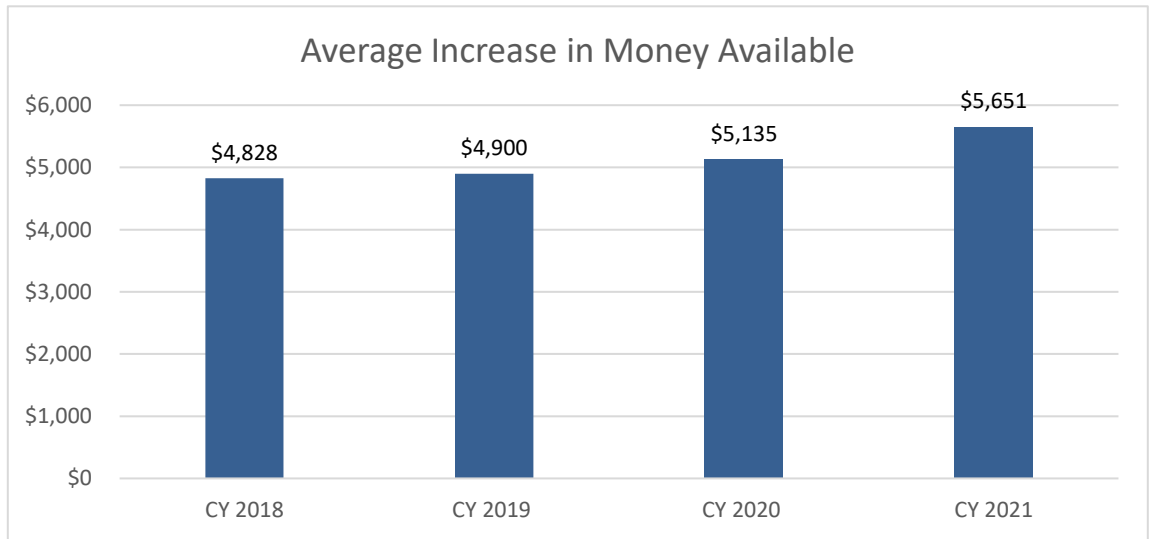
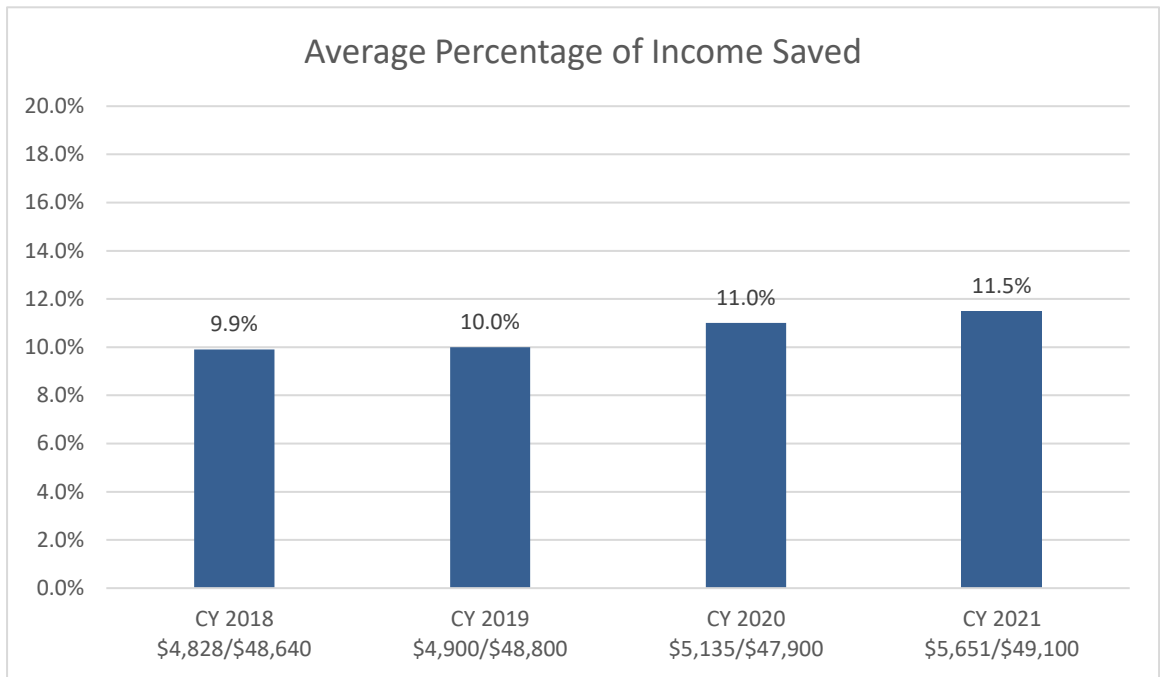
Real Estate Tax Relief

Measure

3.1

Increase the amount of money available to pay other expenses (e.g., medical, utilities, home repairs)

Data



Data Summary

- The Real Estate Tax Relief program enables eligible homeowners who are older or have disabilities to have more money available to pay for other expenses.
- In CY 2021, the average participant’s household income was \$49,100. The average tax relief of \$5,651 accounts for approximately 11.5 percent of the average household’s annual income.
- Data is collected from the Real Estate Tax Relief Program and from the Treasurer’s Office.

What is the story behind the data?

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- Homeowners with the lowest income (assuming their assets are within the allowable levels) receive the most relief.
- In January 2020, a survey was distributed with all review applications assessing the impact of the program on Real Estate Tax Relief households. 55% (312/560) of those sent surveys responded.
- 96% of households that responded to the survey strongly agreed (272/312) or somewhat agreed (27/312) that the Real Estate Tax Relief program helped them remain in their homes.
- Survey recipients overwhelmingly responded with positive comments about the program. The most common responses were that they were *“very appreciative of the program”* and that they *“would not be able to remain in their home without the program”*. Participants indicated that the program helped them afford other expenses on a fixed income, such as medical care and home repairs.

Recommendations	Target Dates
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|--|---|
| <ul style="list-style-type: none"> • Continue to assist homeowners with their real estate taxes to enable homeowners to remain in their homes. • Repeat a client survey for CY 2023. | <ul style="list-style-type: none"> • September 2022 • February 2023 |
|--|---|

Forecast

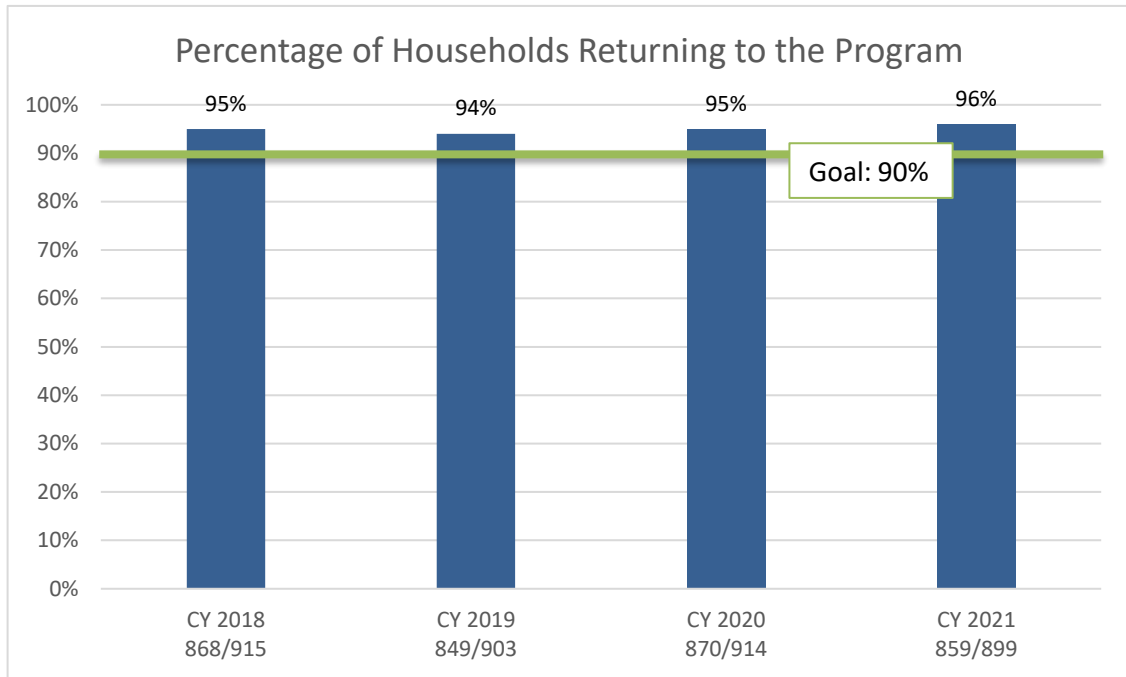
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| <ul style="list-style-type: none"> • The amount of relief homeowners receive is projected to increase to \$5,700 as property assessments increase. |
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3.2 Housing Stability

Data



Data Summary

- 96% of households served in CY 2020 returned to the program in CY 2021.
- Data is derived from an Access database maintained by the program supervisor.

What is the story behind the data?

- Homeowners may be able to stay in their home longer with the help of the program because they have more money for other expenses. Ninety-six percent of recipients were able to stay in their home and receive Real Estate Tax Relief from one year to the next.
- The average length of stay in the program is eight years.
- Homeowners complete a simple, short review application (and do not need to provide additional documentation unless there is a change in household circumstances) for the next two years after their initial/full review. This eases the application process.
- As homeowners become familiar with the Real Estate Tax Relief process, they build a relationship with the worker and are more comfortable providing documentation and asking questions.

Recommendations

- Continue to monitor processing times.

Target Dates

- On-going

Forecast

- Approximately 95% of households served in CY 2021 will return to the program in CY 2022.