

## FY 2024 Performance Plan

Real Estate Tax Relief		EID/HAB	Amy Yorczyk x 1349																								
Program Purpose	<ul style="list-style-type: none"><li>Reduce the cost of real estate taxes so that qualified older and disabled homeowners can afford to stay in their Arlington home.</li></ul>																										
Program Information	<ul style="list-style-type: none"><li>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.</li><li>Eligible homeowners receive either a full or partial exemption, and/or a deferral of their real estate taxes based on household income and assets.</li><li>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.</li></ul> <table><tr><th colspan="3">CY 2023</th></tr><tr><th>Income: One or Two Person Household</th><th>Maximum Asset Level</th><th>Exemption Type/Deferral</th></tr><tr><td>\$0-\$54,706</td><td>\$467,402</td><td>Full Exemption</td></tr><tr><td>\$54,706.01 - \$66,864</td><td>\$467,402</td><td>75% Exemption</td></tr><tr><td>\$66,864.01 - \$79,019</td><td>\$467,402</td><td>50% Exemption</td></tr><tr><td>\$79,019.01 - \$97,256</td><td>\$467,402</td><td>25% Exemption</td></tr><tr><td>\$97,256.01 - \$120,978</td><td>\$467,402</td><td>Deferral</td></tr><tr><td>\$0 - \$120,978</td><td>\$467,402.01 - \$630,993</td><td>Deferral</td></tr></table> <ul style="list-style-type: none"><li>Eligibility determination is performed by DHS staff and reported to the Treasurer’s Office to update property records and adjust property tax bills.</li><li>Program information is provided to homeowners as part of all property tax assessments and bills, as well as through the Area Agency on Aging.</li><li>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.</li><li>The program resulted in \$5,407,359, uncollected property tax revenue for CY 2023, of which \$4,946,357 was exempted revenue and \$461,002 was deferred.</li></ul>			CY 2023			Income: One or Two Person Household	Maximum Asset Level	Exemption Type/Deferral	\$0-\$54,706	\$467,402	Full Exemption	\$54,706.01 - \$66,864	\$467,402	75% Exemption	\$66,864.01 - \$79,019	\$467,402	50% Exemption	\$79,019.01 - \$97,256	\$467,402	25% Exemption	\$97,256.01 - \$120,978	\$467,402	Deferral	\$0 - \$120,978	\$467,402.01 - \$630,993	Deferral
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Service Delivery Model	<ul style="list-style-type: none"><li>All applications and verifications are received through mail, dropped off, or emailed. In person interviews are not required for this program, however, on occasion, in person interviews are scheduled if requested.</li><li>Service delivery is expected to remain the same for the next calendar year</li></ul>																										
PM1: How much did we do?																											

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Staff	Total 1.5 FTEs: <ul style="list-style-type: none"><li>• 0.25 FTE Supervisor</li><li>• 1 FTE Eligibility Worker</li><li>• 0.25 FTE Administrative Tech</li></ul>				
Customers and Service Data	Households Receiving Real Estate Tax Relief	CY 2020	CY 2021	CY 2022	CY 2023
	Full Exemption	568	608	597	615
	75% Exemption	126	127	115	119
	50% Exemption	94	74	65	63
	25% Exemption	78	60	56	51
	Deferral only	33	25	26	21
	Total	899	894	859	869
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				

## FY 2024 Performance Plan

Real Estate Tax Relief																	
Measure	1	Households served															
Data	<div><p>Households per Calendar Year</p><table><thead><tr><th>Calendar Year</th><th>Households Served</th><th>% Change</th></tr></thead><tbody><tr><td>CY 2020</td><td>899</td><td>-2%</td></tr><tr><td>CY 2021</td><td>894</td><td>-1%</td></tr><tr><td>CY 2022</td><td>859</td><td>-4%</td></tr><tr><td>CY 2023</td><td>869</td><td>+1%</td></tr></tbody></table></div>		Calendar Year	Households Served	% Change	CY 2020	899	-2%	CY 2021	894	-1%	CY 2022	859	-4%	CY 2023	869	+1%
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Data Summary	<ul style="list-style-type: none"><li>Since CY 2020, participation levels have remained fairly consistent.</li></ul>																
What is the story behind the data?																	
<ul style="list-style-type: none"><li>The maximum income and asset levels increase each calendar year.</li><li>The program application was amended to capture race and ethnicity for CY 2023. This was the first year the program was able to report race and ethnicity for applying residents. The program anticipates more homeowners will report their demographic information as future tax year cycles conclude.</li><li>By the end of CY 2024, staff expect to capture more information on race/ethnicity.</li><li>The dip in program participation in CY 2022 may be attributed to the impact Covid-19 had on this particularly vulnerable population.</li><li>There was a slight increase in program participation in CY 2023.</li><li>Additional staff were approved for the local housing team, so we anticipate adding one-half time position to provide support to the program for the next calendar year.</li></ul>																	
Recommendations		Target Dates															
<ul style="list-style-type: none"><li>Continue to collect race ethnicity data in CY 2024 to have a more complete sample. Develop strategies to enhance data capture, such as asking clients to share demographic information when contacting them.</li></ul>		<ul style="list-style-type: none"><li>CY 2024 Q1</li></ul>															
<ul style="list-style-type: none"><li>Develop a race and ethnicity data chart for CY 2024, potentially utilizing Arlington Homeowners as the comparison population.</li></ul>		<ul style="list-style-type: none"><li>CY 2024 Q2</li></ul>															

## FY 2024 Performance Plan

### Forecast

- In CY 2024, the program will serve approximately 865 households.

## FY 2024 Performance Plan

Real Estate Tax Relief																	
Measure	2.1	Applications processed accurately															
Data	<div><h3>Applications Processed Accurately</h3><table><thead><tr><th>Cycle</th><th>Count</th><th>Accuracy</th></tr></thead><tbody><tr><td>CY 2020</td><td>8/8</td><td>100%</td></tr><tr><td>CY 2021</td><td>7/7</td><td>100%</td></tr><tr><td>CY 2022</td><td>15/15</td><td>100%</td></tr><tr><td>CY 2023</td><td>15/16</td><td>94%</td></tr></tbody></table></div>		Cycle	Count	Accuracy	CY 2020	8/8	100%	CY 2021	7/7	100%	CY 2022	15/15	100%	CY 2023	15/16	94%
Cycle	Count	Accuracy															
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CY 2021	7/7	100%															
CY 2022	15/15	100%															
CY 2023	15/16	94%															
Data Summary	<ul style="list-style-type: none"><li>Accuracy rates consistently exceed performance standard of 90%. Approximately two cases per month are reviewed by the supervisor during the application period, which may vary if the situation warrants based on experience and quality of work.</li></ul>																
<b>What is the story behind the data?</b>																	
<ul style="list-style-type: none"><li>All eligibility criteria – including income, assets, homeownership, and categorical requirements – are reviewed by the supervisor to ensure accuracy.</li><li>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.</li><li>The Informational Services Bureau is working with program staff to develop a new web-based system to replace the current access system of record. This system should have increased functionality, including the ability to scan and attach information into the system of record.</li><li>In FY 2024, one application was not processed accurately. It contained a new type of account distribution that was unknown to staff. The household was initially assessed as being eligible for a partial exemption, but it was determined later that they were eligible for a full exemption.</li></ul>																	

## FY 2024 Performance Plan

Recommendations	Target Dates
<ul style="list-style-type: none"><li>Continue same training and review process.</li><li>Continue to work closely with ISB to develop an enhanced system of record.</li></ul>	<ul style="list-style-type: none"><li>FY 2025 Q2</li><li>FY 2025 Q4</li></ul>
Forecast	
<ul style="list-style-type: none"><li>Accuracy rate will be 95%</li></ul>	

## FY 2024 Performance Plan

Real Estate Tax Relief																	
Measure	2.2	Processing times for eligibility determinations															
Data	<div><p>Eligibility Determinations Processed on Time</p><table><thead><tr><th>Cycle</th><th>Count</th><th>Percentage</th></tr></thead><tbody><tr><td>CY 2020</td><td>898/974</td><td>92%</td></tr><tr><td>CY 2021</td><td>849/953</td><td>89%</td></tr><tr><td>CY 2022</td><td>816/928</td><td>88%</td></tr><tr><td>CY 2023</td><td>884/937</td><td>94%</td></tr></tbody></table></div>		Cycle	Count	Percentage	CY 2020	898/974	92%	CY 2021	849/953	89%	CY 2022	816/928	88%	CY 2023	884/937	94%
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CY 2022	816/928	88%															
CY 2023	884/937	94%															
Data Summary	<ul style="list-style-type: none"><li>The percentage of determinations made on time was 94% in CY 2023, exceeding the goal of 85%.</li><li>Determinations made before November 30<sup>th</sup> are considered timely. Data is derived from an Access database maintained by the program supervisor.</li></ul>																
What is the story behind the data?																	
<ul style="list-style-type: none"><li>The percentage of determinations made on time has remained fairly consistent, with a slight decrease in CY 2021 and 2022.</li><li>Often the processing of applications is not completed because the worker is waiting for additional required verifications from the applicant.</li><li>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.</li><li>Program staff and partners conduct outreach with previous clients each year to encourage them to reapply.</li></ul>																	
Recommendations		Target Dates															
<ul style="list-style-type: none"><li>Continue to monitor processing times.</li></ul>		<ul style="list-style-type: none"><li>On-going</li></ul>															
Forecast																	
<ul style="list-style-type: none"><li>The timeliness rate will be 90%.</li></ul>																	

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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	<div><h3>Average Percentage of Income Saved</h3><table><thead><tr><th>Cycle</th><th>Average Percentage of Income Saved</th></tr></thead><tbody><tr><td>CY 2020</td><td>11.0%</td></tr><tr><td>CY 2021</td><td>11.5%</td></tr><tr><td>CY 2022</td><td>15.0%</td></tr><tr><td>CY 2023</td><td>15.0%</td></tr></tbody></table></div> <div><h3>Average Increase in Money Available</h3><table><thead><tr><th>Cycle</th><th>Average Increase in Money Available</th></tr></thead><tbody><tr><td>CY 2020</td><td>\$5,135</td></tr><tr><td>CY 2021</td><td>\$5,651</td></tr><tr><td>CY 2022</td><td>\$5,899</td></tr><tr><td>CY 2023</td><td>\$6,223</td></tr></tbody></table></div>		Cycle	Average Percentage of Income Saved	CY 2020	11.0%	CY 2021	11.5%	CY 2022	15.0%	CY 2023	15.0%	Cycle	Average Increase in Money Available	CY 2020	\$5,135	CY 2021	\$5,651	CY 2022	\$5,899	CY 2023	\$6,223
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Data Summary	<ul style="list-style-type: none"><li>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.</li></ul>																					



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- In CY 2023, the average participant's household income was \$41,124. The average tax relief of \$6,223 accounts for approximately 15 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?

- Homeowners with the lowest income (assuming their assets are within the allowable levels) receive the most relief.
- In January 2023, a survey was distributed with all full applications assessing the impact of the program on Real Estate Tax Relief households. 41% (97/237) of those sent surveys responded. 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*", "*helps me save money for home healthcare*" Participants indicated that the program helped them afford other expenses on a fixed income, such as medical care and home repairs.

### Recommendations

- Continue the program as is as it allows qualified seniors to remain in their homes
- Explore opportunities to expand survey outreach, sending it out with the full review packet every three years. Determine if there are opportunities to incorporate survey data into a new performance metric.

### Target Dates

- CY 2024
- FY 2025 Q3

### Forecast

- The amount of relief homeowners receive is projected to increase to \$6,590 as property assessments increase.

## FY 2024 Performance Plan

Real Estate Tax Relief																	
	3.2	Housing Stability															
Data	<div>Percentage of Households Returning to the Program</div> <table><thead><tr><th>Cycle</th><th>Percentage</th><th>Count</th></tr></thead><tbody><tr><td>CY 2020</td><td>95%</td><td>870/914</td></tr><tr><td>CY 2021</td><td>96%</td><td>859/899</td></tr><tr><td>CY 2022</td><td>95%</td><td>849/894</td></tr><tr><td>CY 2023</td><td>97%</td><td>831/859</td></tr></tbody></table>		Cycle	Percentage	Count	CY 2020	95%	870/914	CY 2021	96%	859/899	CY 2022	95%	849/894	CY 2023	97%	831/859
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Data Summary	<ul style="list-style-type: none"><li>96% of households served in CY 2022 returned to the program in CY 2023.</li><li>Data is derived from an Access database maintained by the program supervisor.</li></ul>																
<b>What is the story behind the data?</b> <ul style="list-style-type: none"><li>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.</li><li>The average length of stay in the program is eight years.</li><li>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.</li><li>As homeowners become familiar with the Real Estate Tax Relief process, they build a relationship with the specialist and are more comfortable providing documentation and asking questions.</li></ul>																	
<b>Recommendations</b>		<b>Target Dates</b>															
<ul style="list-style-type: none"><li>Continue to monitor the household return rate.</li></ul>		<ul style="list-style-type: none"><li>On-going</li></ul>															
<b>Forecast</b>																	
<ul style="list-style-type: none"><li>Approximately 95% of households served in CY 2023 will return to the program in CY 2024.</li></ul>																	