

# **A LOOK AT REASSESSMENT FOR REHOBOTH BEACH**

**May 7, 2012**

# **APPLICABLE LAW**

# State of Delaware Constitution

## ARTICLE. VIII REVENUE AND TAXATION

§ 1. Uniformity of taxes; collection under general laws; exemption for public welfare purposes.

Section 1. All taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax, except as otherwise permitted herein, and shall be levied and collected under general laws passed by the General Assembly. County Councils of New Castle and Sussex Counties and the Levy Court of Kent County are hereby authorized to exempt from county taxation such property in their respective counties as in their opinion will best promote the public welfare. The county property tax exemption power created by this section shall be exclusive as to such property as is located within the respective counties. With respect to real property located within the boundaries of any incorporated municipality, the authority to exempt such property from municipal property tax shall be exercised by the respective incorporated municipality, when in the opinion of said municipality it will best promote the public welfare.

# State of Delaware Constitution

## ARTICLE. VIII REVENUE AND TAXATION

### § 7. Real estate assessments; inclusion of values.

Section 7. In all assessments of the value of real estate for taxation, the value of the land and the value of the buildings and improvements thereon shall be included. And in all assessments of the rental value of real estate for taxation, the rental value of the land and the rental value of the buildings and the improvements thereon shall be included. The foregoing provisions of this section shall apply to all assessments of the value of real estate or of the rental value thereof for taxation for State, county, hundred, school, municipal or other public purposes.

# Delaware Code

## TITLE 22 – Municipalities

### CHAPTER 11. ASSESSMENTS FOR MUNICIPAL TAXATION

§ 1105. Tax rate upon reassessment; notice.

(a) When any total reassessment of taxable properties within a municipal corporation of this State (hereinafter "municipality") shall have become effective, a tax rate shall be computed so as to provide the same tax revenue as was levied during the prior fiscal year. That rate shall be known as the "rolled-back rate." Any initial assessment made on new construction shall not be taken into account in determining such limitation.

(b) The ordinance establishing a property tax rate upon total reassessment shall state the percent, if any, by which the tax rate to be levied exceeds the rolled-back rate computed pursuant to subsection (a) of this section, which shall be characterized as the percentage increase in property taxes adopted by the governing body. Within 15 days of the meeting at which the ordinance shall be considered by the governing body, the municipality shall advertise, in a newspaper of general circulation in the municipality, said percentage increase in the tax rate.

# Delaware Code

## TITLE 24 – Professions and Occupations

### CHAPTER 40. REAL ESTATE APPRAISERS

§ 4019. Exception.

(e) The Council on Real Estate Appraisers shall develop standards in cooperation with the Delaware Association of Counties and the Executive Director of the League of Local Governments or his or her designee for licensing and training of assessors in order for municipal and county assessment departments to be in compliance within 3 years of the development and adoption of said standards.

The Council on Real Estate Appraisers has adopted the standards required by this section.

**As of December 1, 2014 anyone employed as an assessor by the City must be licensed as a “State licensed assessor.”**

# EXISTING SYSTEM

## The City's current assessment system:

- Is based on a revaluation that was completed in 1968 by Associated Surveys Co. which was then located in Wayne, New Jersey.
- Uses printed assessment cards to record the information about each property.
- Prints the tax bills from a computer where the assessment figures for each property are entered from the assessment cards.
- Uses a manual, created by Associated Surveys in 1968, of values and factors to perform “maintenance” assessments.
- Has, since 1968, been updated by a combination of professionals and citizen property owners who have served on the Assessment Board.
- Sets the assessed value at 50% of the fair market value as determined in 1968.



# ASSESSMENT CARD - FRONT

BLOCK 37	LOT 13 & 14	CARD	OF	CHANGE OF OWNERSHIP			DATE	BOOK & PAGE	SALE PRICE		
PROPERTY ADDRESS <i>10 New Castle Street</i>											
Rehoboth Hts. - New Castle St.											
				<i>Robert Kane, et al (Rob Kane, et al) (Rob Kane, et al) (Rob Kane, et al)</i>			<i>9/10/03</i>		<i>1,150,000<sup>00</sup></i>		
				<i>Holy Trinity, L.L.C.</i>			<i>2/7/03</i>		<i>705,000<sup>00</sup></i>		
				George W. Shockley, Jr.			1-30-78	T&R			
				Helen S. Simpler, Grace S. Cooper & The Sussex Trust Co., Trustees							
LAND VALUE COMPUTATIONS							SUMMARY				
FRONTAGE FIGURED	AVERAGE DEPTH	DEPTH FACTOR	EQUIV. FRONTAGE	UNIT PRICE	TOTAL	COND. %	APPRAISED VALUE	YEAR	APPRAISED VALUE	ASSESSED VALUE	ASSESSMENT CHANGE
<i>25</i>	<i>100</i>	<i>100</i>	<i>25</i>	<i>175</i>	<i>4375</i>			19	LAND <i>7900</i>		
<i>25</i>	<i>100</i>	<i>100</i>	<i>25</i>	<i>174</i>	<i>4350</i>			19	BLDGS. <i>7600</i>		
					<i>8725</i>	<i>90</i>	<i>7852</i>	19	TOTAL <i>15500</i>		
								19	LAND <i>7900</i>		
								19	BLDGS. <i>8950</i>		
								19	TOTAL <i>16850</i>		
								19	LAND <i>7900</i>	<i>3950</i>	
								19	BLDGS. <i>—</i>	<i>—</i>	
								19	TOTAL <i>7900</i>	<i>3950</i>	
								19	LAND <i>7900</i>	<i>3950</i>	
								19	BLDGS. <i>48400</i>	<i>24200</i>	
								19	TOTAL <i>56300</i>	<i>28150</i>	
								19	LAND		
								19	BLDGS.		
								19	TOTAL		
								19	LAND		
								19	BLDGS.		
								19	TOTAL		
								19	LAND		
								19	BLDGS.		
								19	TOTAL		

STREET	UTILITIES	TOPOGRAPHY
CONCRETE	WATER	LEVEL
BRICK	SEWER	HIGH
BLACKTOP	ELECTRICITY	LOW
SEMI-IMPROVED	ALL UTILITIES	ROLLING
DIRT		SWAMPY
NO STREET		DITCH
SIDEWALK		
CURB & GUTTER		

BUILDING PERMIT DATA	
<i>BP. 4915 NEW 2 STO HSE - ✓</i>	<i>10/22/03</i>
<i>5267 SHED</i>	<i>✓ 10/23/03</i>
<i>BP-5701 DRIVEWAY - NO CHANGE</i>	
<i>LA 111110205-06</i>	<i>10/23/05</i>

ASSOCIATED SURVEYS CO. WAYNE, N. J.
PROPERTY RECORD CARD
CITY OF REHOBOTH BEACH, DE

# ASSESSMENT CARD - BACK

REMARKS, S.P., COST, IMPRVT., ROOM INVENTORY, RENT SCHEDULE, ITEM IS	DESCRIPTION AND COMPUTATION			
ADULT OCCUPANT VERIFICATION INTERIOR HAS BEEN INSPECTED	1. OCCUPANCY	OWNER	TENANT	ONE FAM. MULTIPLE FAM.
APPOINTMENT CARD DATE _____ SIGNATURE _____	SEASONAL	STORES	OFFICES	APARTMENTS
PURCH. PRICE: YR. 19 _____ LAND \$ _____ L. & BLDG. \$ _____	ROOMING HS.	OTHER	TOTAL UNITS	-1 (X=)
BLDG. COST: YR. 19 \$ _____ RENT SCHEDULE _____	2. STORY HEIGHT	ONE	1 1/2	TWO
IMPR. COST: YR. 19 \$ _____	HEIGHT	-35	-50	+10 X B
OTHER COST: YR. 19 \$ _____	3. DESIGN	CONVENTIONAL	APT. HS.	DUPLIC. ROW
	CONVERSION	+5	+5	+5
	4. FOUNDATION	TILE	BRICK	STONE
	PIILING	PIERS OR DRY WALL	-4	
	5. EXTERIOR WALLS	SIDING: WD.	LAP	SHING
	VERT.	PLASTIC	ALUM.	ASPH.
	PAINTED C. BLK.	-4X	HARD PLANK	MASONRY
	STUCCO	SOLID MASONRY	WOOD FRAME	
	BRICK	+10X	STONE	+12X
	NOTE: * TOTAL BLDG. ONLY X STORY HEIGHT			
	6. ROOF	GABLE	HIP	GAMB.
	ASPH. SH.	WD. SH.	ASB. SH.	SLATE
	TILE	SPANISH	CM.	CLAY
	SM. DORMS. EXTRA		GABS. OR HIPS EXTRA	
	7. FLOORS	CONCRETE	B	1
	TERRAZZO		EARTH	-4
	PINE		HARDWOOD	
	TILE		SINGLE	
	8. INT. FINISH	PLSTR. OR EQUIV.	B	1
	PT. KNOT PINE		DRY WALL	
	PT. WD. PANEL		WALL BOARD	
	9A. UNF. INT.	-30X	* NO FINISH	-15X
	BASE BLDG. AREA	%	BASE BLDG. AREA	%
	8B. ATTIC	ATTIC STAIRS	FULL FIN	ATTIC STAIRS
	BSMT. AND	ATTIC	+20X	%
	B. REC. RM.	+30X	%	B. APT. +20X
	B. REC. RM.	+20X	%	B. REC. RM. +10X
	9. HEATING	FORCED AIR	H.W.	VAP.
	* X STY. HT.	ELECTRIC	GAS	OIL
	RADIANT	FLR. OR WL. UNITS	* PIPELESS FURN.	
	PERIM.	RECESS. RADS.	EXP. RADS.	EXP. RISERS
	NO HTG.	-8X	* PARTIAL OR LIMITED HEATING	-4X
	9A. AIR COND.	CENTRAL	SEPARATE	+4X
	B.I. WALL OR ROOM UNITS	+4X	1 X	% BASE BLDG. AREA
	3 FIXT. STD. BATHS	2	2 FIXT. TOILET RMG.	1
	3 FIXT. ST. SH. BATHS	2	EXTRA BATH TUBS	
	EXTRA ST. SHWRS.		W.C.	
	4 FIXT. ST. SH. BATHS	2	URS.	
	* OV/UN 3 @ ±15		NO H.W. SYST.	-20
	TOTAL NO. FIXTS.	* 17	NO WASTE	-25
	DESCR. ONLY	NO SINKS	LAVS	OP SH NDS
	NO. OF FIXTS. WITH CERAMIC TILE OR EQUIV.			
	11. BUILT-IN	FIREPLACES	+40X	1
	B.I. INCH.		+20	
	B.I. BAR-B-Q		+20	

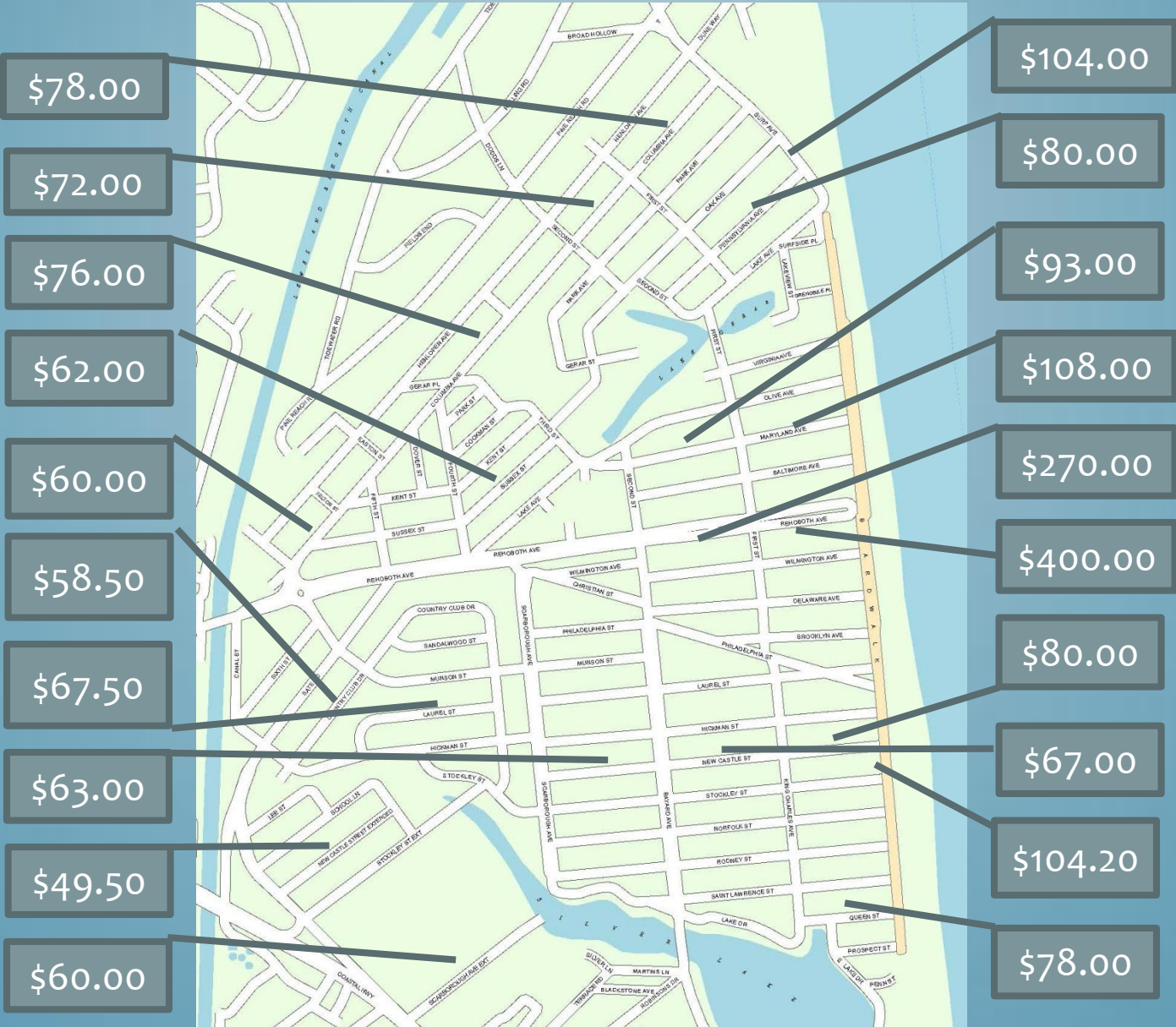
  

NEW CASTLE ST.

15A ROOMS	15B CONDITIONS	15C BUILT-IN EQUIP.	BASE BUILDING AREA	BASE BUILDING PRICE	FACTOR 1-9A INCL.	19 2004	19
LIVING	FOUNDATION	RANGE & OVEN	1390	17,580	1.66	29182	
DINING	STRUCTURE	EXHAUST FAN & HOOD					
BED	INTERIOR						
KITCHEN	ROOM SIZE	GARBAGE DISPOSAL	12A 10. 2100	+ 11. 400		2500	
BATH	CLOSET SPACE	LAUNDRY FACILITIES	12B TOTAL ADTNS. AND ATTACHED ITEMS * NO. (3)			1530	
TOILET	STRD. SPACE		12C OTHER				
DEN	DESIREABILITY		12D TOTAL ITEMS 12-12C INCLUSIVE			33212	
OTHER	LOCATION LOT	INTER. COMM.	14 GRADE DIFFERENTIAL 1.49	X 120 =		49485	
REC.	NEIGHBORHOOD	PROTECTION ALARMS	15 NORMAL COND. 96	ECON. COND. 96			
INSPECTOR	DATE 10/22/05	APPRAISER SA/RSP	15 ACCRUED CONDITION 97	PERCENT		48000	
15D. CONSIDERATIONS NOT CHECKED UNDER ITEMS 15A-B-C							
20. DETACHED GARAGES, OUT BUILDINGS, ALL OTHER & MISCELLANEOUS							
TYPE	DESCRIPTION AND SIZE	AREA	RATE	SCHEDULE VALUE	NORM. COND.	ECON. COND.	ACCR. COND.
A SHED							400
B							
C							
D							
20. TOTAL APPRAISER VALUE ITEMS 20A-D INCL.							
TOTAL ITEMS 16 & 20A-D INCL.							

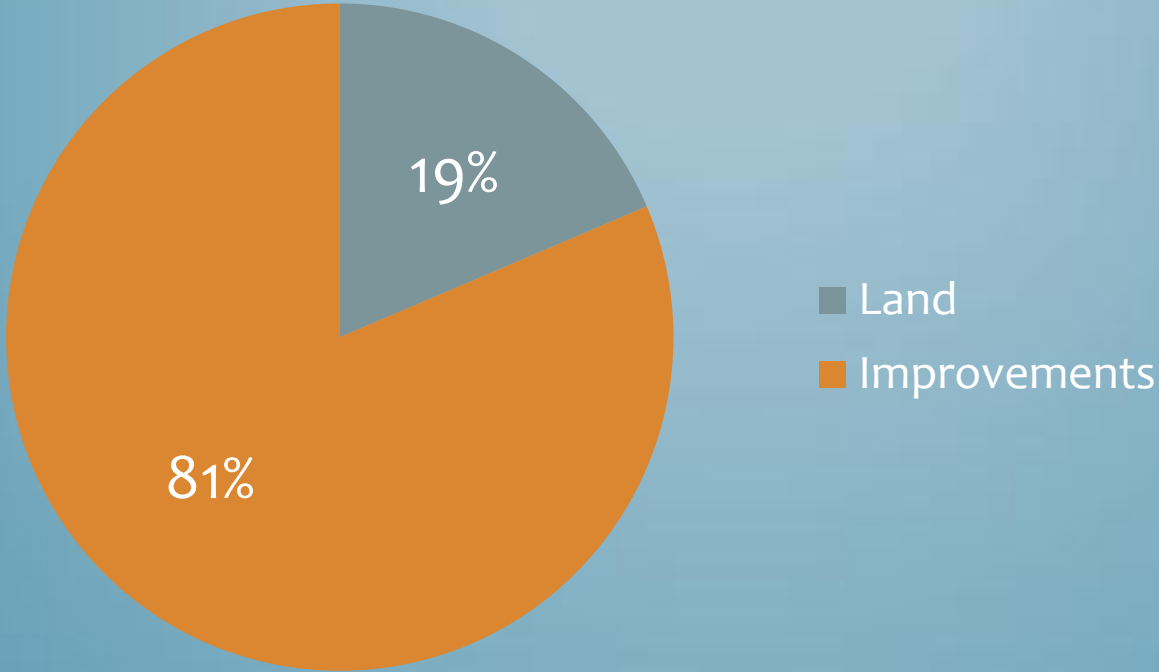
# SAMPLING OF FRONT FOOTAGE ASSESSMENT



# **RECENT SALES DATA & ANALYSIS**

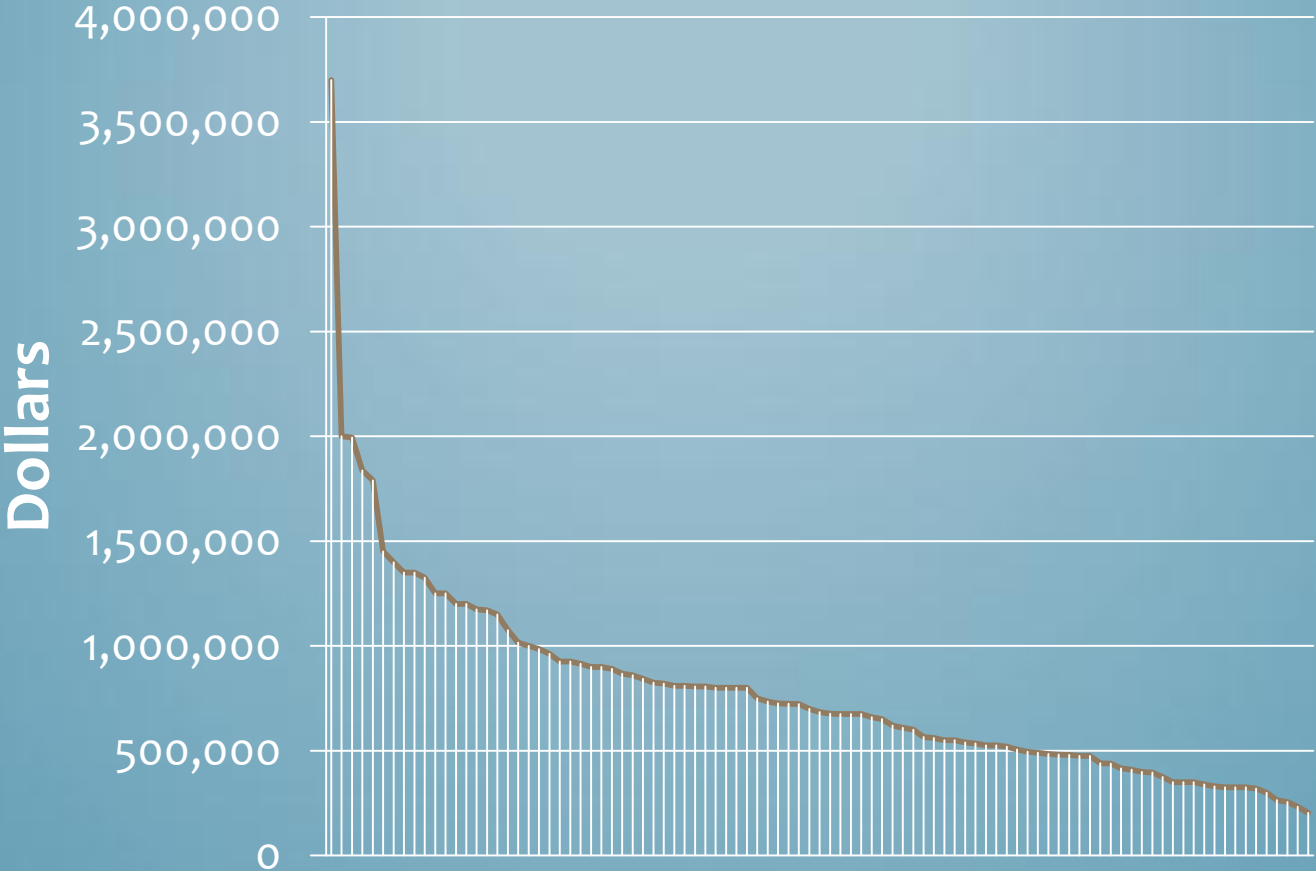


# CURRENT ASSESSMENT PROPORTION FOR THE TEST PARCELS





# DISTRIBUTION OF SALES PRICE OF TEST PARCELS \$3,700,000 TO \$203,000







# DISTRIBUTION OF TAX CHANGE IN DOLLARS

## \$597.53 TO (\$402.30)



# DISTRIBUTION OF TAX INCREASE AS PERCENTAGE 675.78% TO (-71.69%)

