



## Revaluation process ongoing in Norwalk

*Property owners will have the opportunity to appeal assessment beginning December 5*

**(Norwalk, Conn.)** - The City of Norwalk is in the final phase of its revaluation of properties in the city, and while the initial assessment shows the majority of residential and commercial property values going up, it does not mean a similar tax increase is on the horizon.

“Whether a property increased or decreased in value is not necessarily indicative of the next tax bill. Property assessments are only one factor in determining taxes, as the main driver is the city’s budget and mill rate, both of which have yet to be approved,” said Norwalk Mayor Harry Rilling. “I understand residents and property owners may have concerns, and I encourage them to schedule a hearing if they feel their property assessment is not equitable.”

Representatives from Tyler Technologies Inc. will be conducting a series of informal hearings at City Hall for anyone with questions or concerns about the new assessments between December 5 and December 29. If a property owner believes the assessment on their property is inaccurate, disproportionate or excessive, they are encouraged to schedule an informal hearing by visiting [norwalkct.org/hearing](http://norwalkct.org/hearing).

For more information on revaluation and Frequently Asked Questions please see the attached document.



## Revaluation Introduction

The City of Norwalk is in the final phase of its revaluation of real estate within the city as of the valuation date 10/1/2018. The State of Connecticut requires its cities and towns to revalue all real estate on a periodic basis in order to equalize values and distribute the tax burden in a fair and equitable way.

There are five major phases to a municipal revaluation: Data Collection, Market Analysis, Valuation, Field Review, and Informal and Formal Appeal Hearings. All Norwalk property owners have been mailed preliminary values and are encouraged to participate in informal and formal appeal hearings made available by the city if the property owner disagrees with the preliminary value. The city solicited bids for revaluation services in March of 2017, and has since engaged the services of Tyler Technologies' CLT Appraisal Services (Tyler) to partner with its Assessor's Office to complete this revaluation. Tyler is a national firm that has been appraising properties since 1938 and has completed more than 2,500 appraisal projects in 46 states.

The below frequently asked questions are provided to the city's taxpayers to enhance their understanding of and to provide an opportunity to participate in the valuation process.

## Frequently Asked Questions

### What is revaluation and mass appraisal?

According to the Dictionary of Real Estate Appraisal (Fourth Edition) published by the Appraisal Institute, a revaluation is the "mass appraisal of all property within an assessment jurisdiction to equalize assessed values; the reappraisal of a property." Mass appraisal is the process of estimating the market value of a universe of properties, as of a specific date, using standard methodology, which allows for statistical testing and reporting.

### Is revaluation required in Connecticut?

Under Connecticut law, the assessment of each parcel of real property represents 70 percent of its fair market value as of the date of a revaluation. Revaluation is undertaken every five years with inspections required every 10 years. The date of revaluation is also known as the assessment date. In Connecticut, the assessment date is October 1. The assessment remains unchanged until the next revaluation cycle, when citywide market values are re-estimated. Values remain unchanged during a revaluation cycle unless there is physical change to a property (e.g., new construction; addition; or demolition), change in use, subdivision, or other specific circumstances as permitted by statute. Change in value, either positive or negative, based upon sale or transfer alone subsequent to the revaluation date is prohibited by statute.

## **Will a revaluation increase my taxes?**

A change in assessment alone has no effect on your tax bill. Local budgets and the dollar amount necessary to support services such as education, police and fire, etc. within the jurisdiction are the factors which affect the amount of taxes property owners must pay. For example, if the same amount of money is to be raised after the revaluation as in the previous year and each assessment doubles, the tax rate would merely be cut in half and the tax bill would remain the same.

## **If I disagree with my assessment, what are my options?**

If any property owner believes that the assessment on their property is inaccurate, disproportionate or excessive they are encouraged to schedule an informal hearing at <https://norwalkct.org/hearing>. These informal hearings will be held throughout the month of December 2018. A formal hearing may also be scheduled after February 1, 2019, with the city's Board of Assessment Appeals at <https://my.norwalkct.org/baa/PreBAA.aspx>. These formal hearings will be held in March of 2019. If after availing themselves of the local appeal process, the property owner still feels the assessment is incorrect, they may appeal to the Superior Court for the judicial district in which they are located, as prescribed in state statute, "Any person aggrieved by the action of the BAA may, within 2 months from the time of such action, have the same right to appeal to the Superior Court as provided by CGS §12-117a."

## **How will I know if my assessment is equitable?**

There are two very good methods to determine this. First, compare your properties to similar properties that sold in the previous year. Your value should be in-line with these sale prices. Second, if no recent sales are available, compare your assessment to other similar properties in your area using the Street Listing of Values available in the Assessor's Office or online. The municipal real estate database is available online via the City of Norwalk website or the Vision Government Solutions, Inc. (VGSI) website: <http://gis.vgsi.com/NorwalkCT/Search.aspx>. Your value should be in-line with these similar properties. Remember, very few properties are exactly alike. Your value should be comparable, but it will seldom be exactly the same as what seems to be similar property.

## **What is market value and who determines my property value?**

The standard definition used for purposes of revaluation, and as written in the CAAO Handbook for Connecticut Assessors, is: "Market value is the most probable price in cash that a property would bring in a competitive and open market, assuming that the buyer and seller are acting prudently and knowledgeably, allowing sufficient time for the sale, and assuming that the transaction is not affected by undue pressure." Buyers and sellers of real estate determine market value. The estimated market value of your property is based on an analysis of the sales in your jurisdiction and local market for one to two years prior to the assessment date. It is the Appraiser's job to research and analyze the sales and create models that reflect the local real estate market. Some of the factors which contribute to the analysis and resultant value are; location, size, quality of construction, age of improvements, topography, utilities, zoning restrictions if any, etc.

# What happens during a revaluation?

## Phase 1 - Data Collection

During this first phase of the revaluation, data mailers were sent to all property owners requesting that they verify the data on file for their property. Also, Tyler data collectors and city personnel performed inspections of properties noting the location, size, age, and quality of construction, improvements, topography, utilities, zoning restrictions, if any, and numerous other characteristics.

## Phase 2 - Market Analysis

A variety of resources are used to analyze the real estate market. While the physical data is being collected, appraisal personnel analyzes property sales that took place over the prior year to determine which market factors influence property values. Once all the data is collected and reviewed for accuracy, appraisers will determine land values and set neighborhood boundaries, which contributes to the valuation rates attributed to various locations throughout the city.

## Phase 3 - Valuation

Valuation is done using three recognized appraisal methods: the Cost Approach, the Income Approach and the Sales Comparison Approach. During this phase, individual characteristics of buildings are analyzed using information gathered in both phases 1 and 2. Each property is compared to other comparable properties with similar characteristics. Then the contributory market value of improvements is added to the previously determined land values. This value is the final estimate for each parcel of property, building and land.

## Phase 4 - Field Review

Field Review is the method of checking and re-checking both the values that have been determined and the data that has been collected. During this review, properties are viewed in the field by experienced appraisers who double-check uniformity and accuracy of information.

## Phase 5 - Informal and Formal Appeal Hearings

Norwalk is in the hearing phase now that the data collection, market analysis, valuation, and field review phases of this revaluation are completed and property owners have been mailed the preliminary estimate of their property's value. At this time, anyone with questions concerning the revaluation process or about the data collected on their property will have an opportunity to meet with a member of Tyler's staff to discuss their property value.

The informal hearing is the first step in the appeal process if the property owner feels their assessment is inaccurate. The informal hearings will take place in during December 2018. A follow-up notice will be mailed to owners who participate in an informal hearing, showing any change to the assessment.

All owners will receive another assessment notice in early 2019 before the next round of appeals, the Board of Assessment Appeals, which is a formal appeals process undertaken annually by state statute. As with the informal hearings, owners who wish to formally appeal their assessment will have the opportunity to do so at Board of Assessment Appeals hearings.

## What qualifications do the revaluation company and its appraisers have?

Prior to engagement, the city conducted extensive reviews of the proposals it received in response to its Requests for Proposals (RFP) for revaluation services, followed by interviews of qualified respondents. All companies provided detailed description of personnel, licenses, certifications, and other municipalities and jurisdictions revalued.

Each person employed on this project is certified by passing the State of Connecticut's qualification testing. Each has met the educational, experience and exam requirements defined by the Connecticut Office of Policy and Management, Intergovernmental Affairs Unit for the phase they are involved in.

### **Project Manager or Supervisor:**

- Has a minimum of three years in the field of assessing, evaluation, or appraising.
- Holds Land/Residential Certification.
- Holds Commercial/Industrial Certification.
- Passing grade on examination in the areas of mass appraisal, Connecticut revaluation legal requirements, sales analysis, and statistical evaluation of the revaluation. They must possess extensive knowledge of state laws, department rules, appraisal manuals, governing local assessment administration and have demonstrated an ability to apply these to unusual situations of property appraisal, assessment and review.

### **Commercial and Industrial Appraisers:**

- Has a minimum of three years in the field of assessing, evaluation, or appraising.
- Holds Land/Residential Certification.
- Passing grade on examination in the area of valuation of Commercial and Industrial properties.

### **Residential Appraisers:**

- Minimum of two years' experience in the field of assessing, revaluation or appraising.
- Passing grade in the area of valuation of Land and Residential properties.

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