

Discovering, Assessing, and Enrolling New Construction

<p>Question 1: How many new staff do you anticipate funding for this activity using Program funds? Alternatively, if your office does not plan to add new staff, but instead plans to use Program funds in some other way that will supplement instead of supplant existing staff resources for this activity, please explain how that will be done.</p>	<p>Answer to Question 1:</p> <p>Program funds will be used to hire and support two (2) Real Property Appraiser positions, one (1) Assessor-Recorder Senior Office Specialist position and two (2) Assessor-Recorder Office Specialist positions, for a total of five (5) new positions in the San Francisco Office of the Assessor-Recorder (ASR).</p> <p>The Real Property Appraisers will be responsible for assessing and enrolling newly constructed property and lien date, in-progress new construction valuations. The ASR Office Assistants will support the appraisal work by photographing and documenting new construction properties and entering essential property characteristics into the property tax assessment database system; this assistance will enable the Real Property Appraisers to work more efficiently in reducing the backlog of new construction cases. The ASR Senior Office Specialist will expedite parcel splits and other parcel management work to allow for the reassessment of newly constructed condominium units, as units are sold, rather than at a later time.</p> <p>Matching Funds (Non-Program funds) will be used to hire and support two (2) Senior Real Property Appraiser positions and two (2) Real Property Appraiser positions. These four (4) new positions will be responsible for assessing and enrolling newly constructed property and lien date, in-progress new construction valuations for commercial and residential properties. Matching funds are designated for new positions and do not supplant the office's current funding level for existing staff.</p>
<p>Question 2: What was the dollar value enrolled by existing staff in 2013/14 through discovering, assessing, and enrolling newly constructed property?</p>	<p>Answer to Question 2:</p> <p>In FY2013-14, the Office of the Assessor-Recorder's existing staff enrolled approximately \$1.2 billion in property assessments of newly constructed and lien date, in-progress new construction for residential and commercial properties.</p>
<p>Question 3: What is the estimated dollar value anticipated to be enrolled by Program staffing in each fiscal year through discovering assessing, and enrolling newly constructed property?</p>	<p>Answer to Question 3:</p> <p>Assuming the dollar value enrolled in FY2013-14, the Office of the Assessor-Recorder anticipates that Program-funded staff will enroll the following amounts in each fiscal year during the three-year pilot program, through assessing newly constructed and in-progress new construction residential and commercial properties:</p> <p>FY2014-15: \$155 million FY2015-16: \$180 million FY2016-17: \$180 million</p> <p>These projections are in addition to any additional dollar value for new construction cases enrolled by new staff funded with ASR's matching funds; those projections are not included as part of these estimates.</p>

<p>Question 4: What is the estimated backlog of new construction assessments and enrollments?</p>	<p>Answer to Question 4:</p> <p>San Francisco is experiencing a significant increase in construction activity well above historical averages (as described in the Additional Information section). As of July 1, 2014, the Office of the Assessor-Recorder's estimated backlog of potentially assessable new construction permits totaled 7,900. This backlog of new construction permits comprises permits that have passed an initial screening process to be assigned to an appraiser, not necessarily permits that will all result in additional enrolled value.</p>
<p>Question 5: What is the estimated rate at which the Program staffing will reduce this backlog?</p>	<p>Answer to Question 5:</p> <p>The office estimates with the addition of Program-funded staff, it will reduce its new construction backlog by at least 1,000 cases in FY2014-15 and by at least 1,500 cases in each of the following fiscal years, compared to the prior year's backlog (calculated as of July 1st annually).</p>
<p>If applicable: If your county plans to use Program funds to procure information technology (IT) resources to aid in this activity, describe the IT system and the benefits it will provide, including the estimated change in assessed valuation that it will change to the roll in each fiscal year.</p>	<p>IT System: Not applicable.</p>
<p>Please provide any additional pertinent information the Department of Finance should consider regarding this particular activity as it relates to your county .</p>	<p>Additional Information: The City and County of San Francisco's Office of the Assessor-Recorder is applying for \$1,285,000 in grant funding from the State-County Partnership Program to focus on new construction enrollment and assessment. The grant funds requested on an annual basis total \$300,000 in FY2014-15, \$460,000 in FY2015-16, and \$525,000 in FY2016-17. Program funding will cover the cost of hiring five (5) new staffers, starting in November 2014, and supporting those staffing costs during the grant period, from FY2014-15 through FY2016-17.</p> <p>ASR screens about 25,000 building inspection permits annually as part of its new construction assessment workload. In a typical year, about 5,000 of those 25,000 permits become new cases to assess for property value. However, San Francisco's level of new construction cases is growing based on the high volume of real estate development activity and an improved San Francisco economy. The office anticipates this upward trend in new construction cases to continue through the State-County Partnership Program three-year grant period. As of July 1, 2014, ASR has a backlog of 7,900 potentially assessable new construction permits. Without additional resources to handle the higher caseload, our office will fall further behind, resulting in forgone property tax revenue. Through the State-County Partnership Program, the office will be able to reduce its backlog of new construction assessments, and thereby, more effectively increase property tax revenues for the City and County of San Francisco and the State of California.</p>