



December 23, 2016

Arlington County Board
2100 Clarendon Boulevard
Suite 300
Arlington, Virginia 22201

Dear Vice-Chair Fiset and Mr. Vihstadt,

On behalf of the Arlington Chamber of Commerce and the Apartment & Office Building Association, we thank you both for engaging with us in a collaborative dialogue regarding appointments to the Arlington County Board of Equalization. We believe that our discussions to date have been extremely constructive and that our joint efforts will ultimately produce a strengthened pool of qualified nominees to serve on the body overseeing equalization appeals. This open dialogue between the business community, property owners and the County, along with state legislation on which we have agreed to work together to amend the process for appointing Board members will make significant headway in leveling the playing field for aggrieved businesses appealing the assessed value of their property and removing perceptions of unfairness and conflicts of interest. We sincerely thank you for your openness and initiative in this regard.

In addition to the state legislation, we would like to continue our dialogue with regard to several other issues related to the equalization appeals process identified by our members. As requested, we have provided brief narrative descriptions below of remaining issues of concern to the business community and property owners. We look forward to working with the County to address these issues at the local level.

Length of terms

Members of the Board of Equalization are currently appointed to serve one-year terms. As such, there is a perception that appointees may be held more beholden to their appointing authority and less likely to issue rulings contrary to the County's position for fear of reprisal in terms of failure to receive reappointment. Lengthening the duration of terms of appointment would not only address this concern, but may further promote consistency in rulings, result in greater institutional knowledge and expertise of Board members and minimize costs and challenges with regard to member training.

Freeholder requirement

Members serving on the Board of Equalization are currently restricted in that they must be freeholders in Arlington County, thus significantly limiting the pool of potential qualified candidates to exclude those who may rent their homes or own or manage commercial property in Arlington County. This is of particular significance in Arlington County, where roughly half of the County's real estate tax revenue comes from commercial properties and over 50 percent of residents rent their homes. Consideration is recommended for allowing some percentage of Board members to not meet the freeholder requirement.

Covenant not to sue



When a property owner is granted some measure of relief by the assessor in an administrative appeal, they are asked to sign a legal document making such reduction in their assessment contingent upon their agreement not to seek further relief from the Board of Equalization or Circuit Court. It is our understanding that Arlington County is unique in this regard and that no other Virginia jurisdictions make use of such a policy. If further relief is sought before either the Board of Equalization or the Circuit Court, the reduction is taken off the table and the assessor will defend the original assessed value at further levels of appeal. This serves to intimidate property owners and businesses from appealing what they believe to be erroneously high assessments and does nothing to help arrive at the fair market value, which should be the ultimate goal.

County Attorney representation of the assessor and Board of Equalization

Given that the County's assessor is a party to the semi-judicial proceedings of the Board of Equalization, the County Attorney's dual representation of the Board and the assessor presents a conflict of interest and a perception of unfairness to appellants. The business community requests consideration for securing outside counsel for the Board of Equalization.

Sincerely,

Kate Bates, President & CEO, Arlington Chamber of Commerce and Brian Gordon, Vice President, Government Affairs, Apartment & Office Building Association/Co-Chair, Arlington Chamber of Commerce Government Affairs & Economic Development Committee