

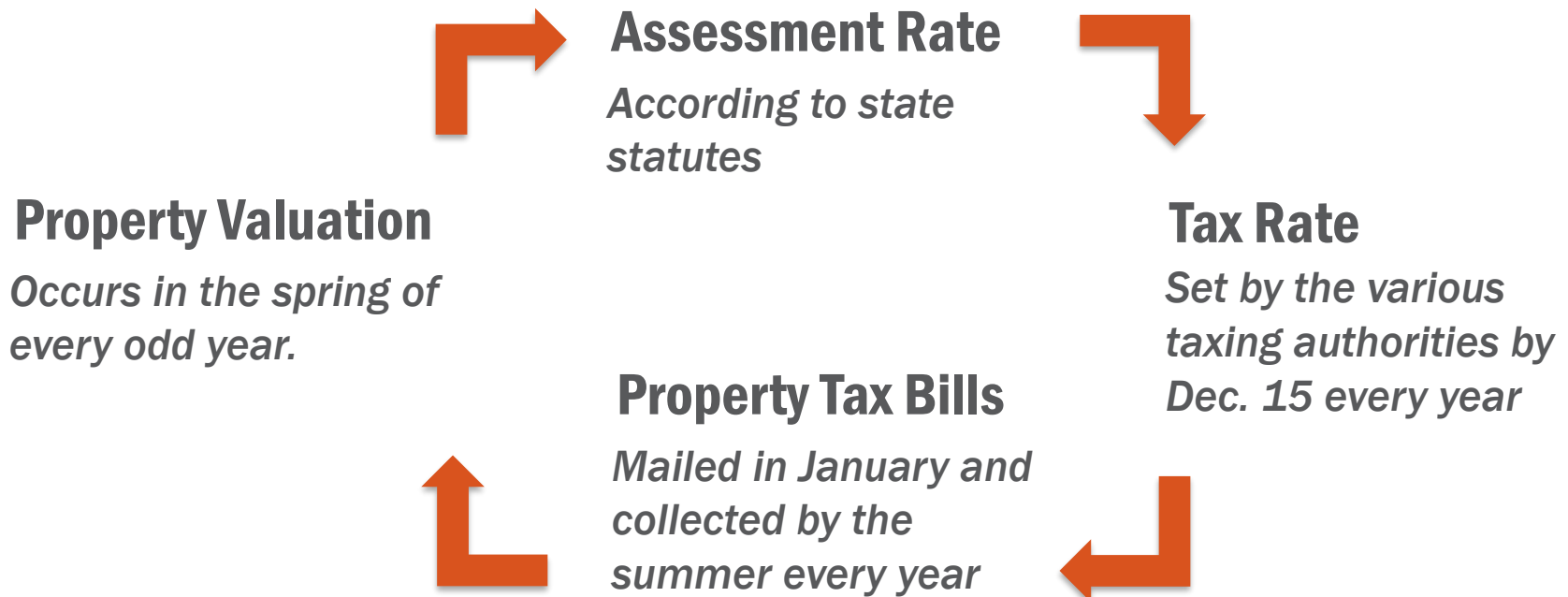


2021 Property Valuations

Finance and Governance Committee

May 4, 2021

Property Valuation and Taxation Cycle



Property Tax Equation

ACTUAL VALUE

Determined by the county assessment process



ASSESSMENT RATE

According to state statutes



MILL LEVY

Determined by the various taxing authorities

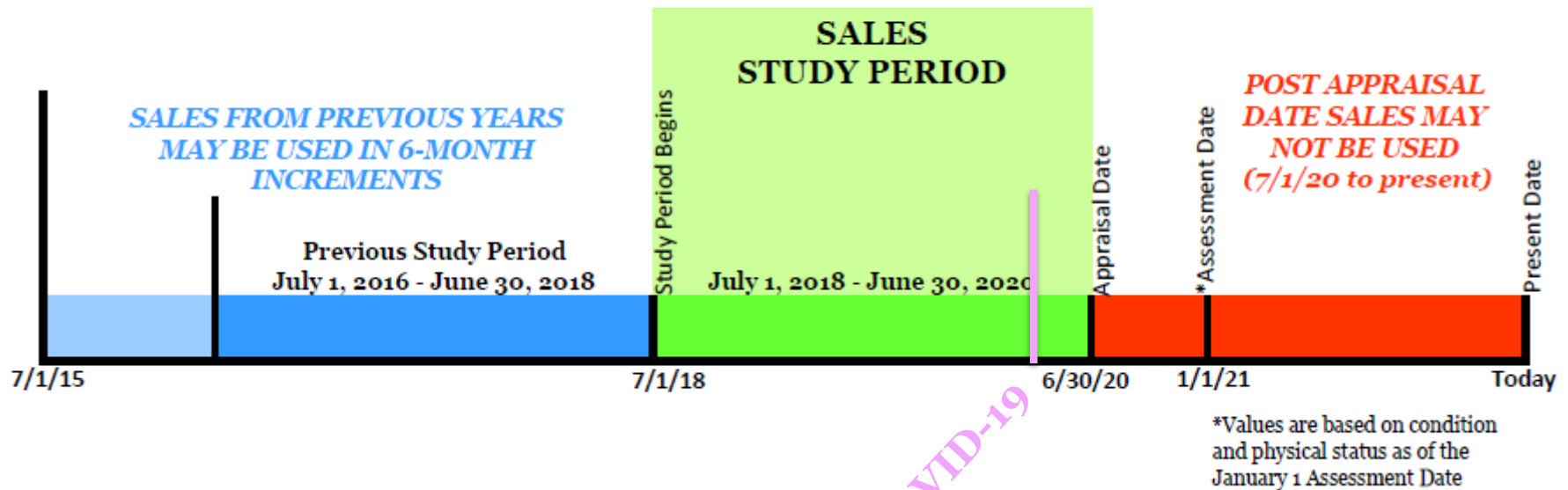


**PROPERTY
TAX**

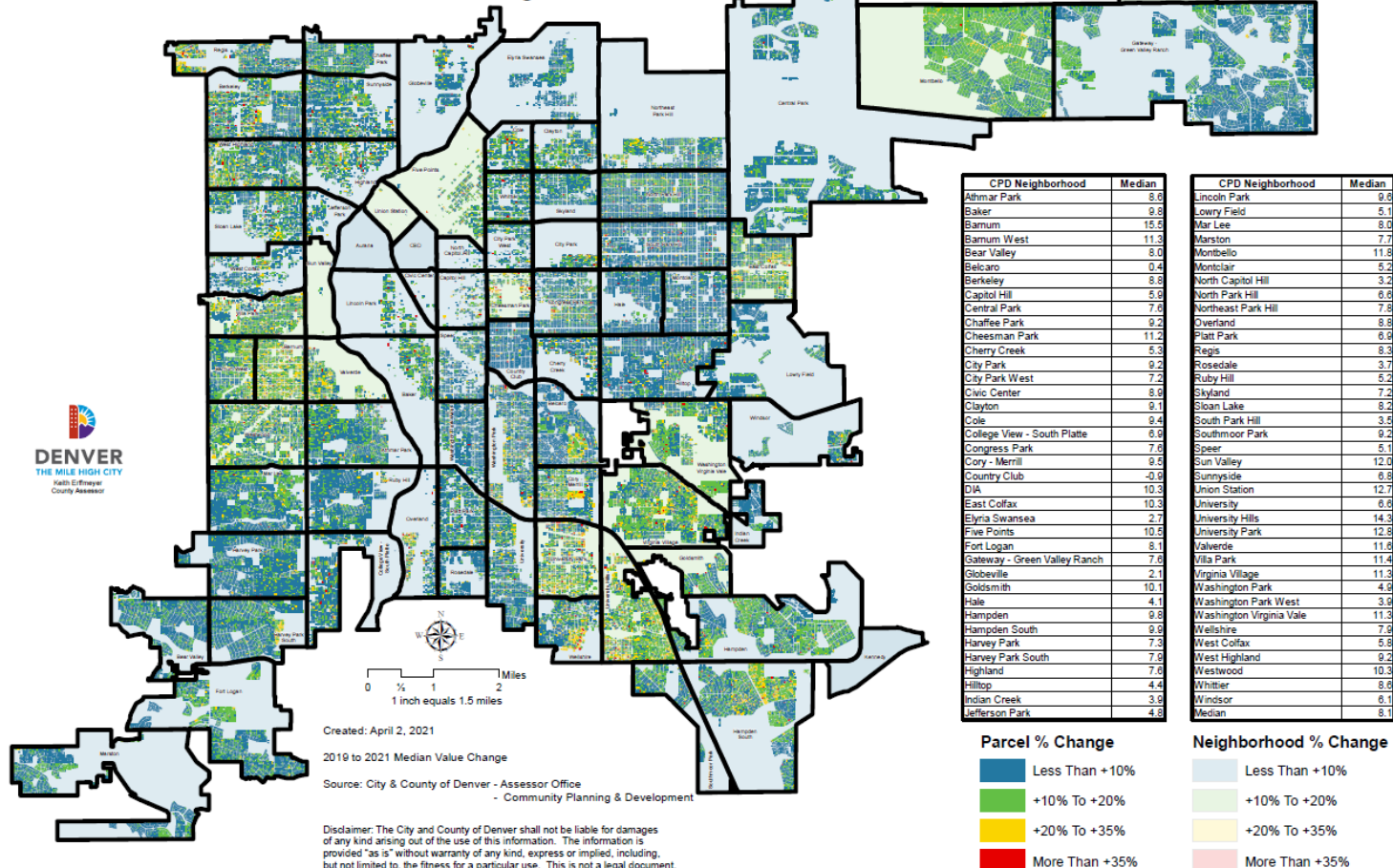
Assessment Basics

- Much of the Assessment process is governed by the Colorado Revised Statutes (Title 39)
- More than 226,000 taxable properties of all types were revalued for 2021
- Base Period: JULY 1, 2018 – JUNE 30, 2020
- Must be trended to June 30, 2020 = Date of valuation

2021 / 2022 Valuation Study Period *Appraisal Date June 30, 2020*



City & County of Denver
Single Family and Townhome
2019 to 2021 Median Value Change



Median changes in Actual Values from 2019 Reappraisal to 2021 Reappraisal

Property Type	Median Change	Median Value
Single Family Residences	+8.3%	\$469,000
Rowhouses	+6.6%	\$476,200
Condominiums	+4.8%	\$290,200
Apartments	+8.8%	
CBD/LoDo/CPV (offices)	-6.2%	
Warehouses	+27.1%	
Retail	+2.2%	
Hotels/Motels	-12.8%	

Metro Area Median Value Changes

County	Number of Accounts	Median Residential Increase	General Commercial Change	Apartment/ Multi-Family Increase	Vacant Land Increase
Adams	193,200	8%	12%	11%	15%
Arapahoe	232,000	7%	13%	19%	19%
Boulder	141,500	11%	-20% to +6%	15%	20%
Broomfield	26,000	7%	+8%	19%	10%
Denver	265,000	7%	-10% to +25%	9%	10%
Douglas	157,800	8%	-15 to +30%	12%	21%
Elbert	16,600	6%	-12% to +7%	6%	15%
Jefferson	207,016	10%	+10%	15%	18%

Property Tax Calculation

Residential Example:

Actual Value (determined by Assessment process)	\$469,000
x Residential Assessment Rate (state statutes)	<u>x 7.15%</u>
= Assessed Value	\$33,530
x Mill Levy (set by taxing authorities)	<u>.074195</u>
= Property Taxes	\$2,487.76

Non-Residential Example:

Actual Value (determined by Assessment process)	\$1,000,000
x Residential Assessment Rate (state statutes)	<u>x 29%</u>
= Assessed Value	\$290,000
x Mill Levy (set by taxing authorities)	<u>.074195</u>
= Property Taxes	\$21,516.55

State of Colorado Appeal Process

- Property owners may file an appeal (online, mail, or in-person) through June 1, 2021
- If an appeal is filed, please specify why you believe the value is not appropriate as of June 30, 2020
- Tell us what we don't know about the property, we value your input and welcome the opportunity to make corrections
- The Assessor's Office will respond with a Notice of Determination no later than August 16, 2021

Gallagher Amendment – Prior to 2021

- The statewide property tax base (taxable values) had to maintain a proportional relationship between residential (45%) and non-residential property (55%). The non-residential rate was fixed at 29% while the residential rate for 2020 was 7.15%
- If residential valuation growth outpaced non-residential growth, the Division of Property Taxation (State agency under DOLA) would calculate the residential rate to achieve this ratio (a rate reduction).

Gallagher Amendment – Current Status

- The ratios of 7.15% and 29% will not change unless the legislature acts or a ballot initiative is successful to change either/both.

TOTAL MILL LEVY DISTRIBUTION

■ DPS ■ City Not Capped ■ City 2A Capped ■ Urban Drainage



Capped Revenues

- “2A” was passed in 2012 which caps the City’s revenue for the following funds at +6% (plus local growth) annually:
 - General Fund
 - Social Services
 - Affordable Housing
 - Fire Pension
 - Police Pension



	Collection Year 2013-2021 % Change	Collection Year 2020-2021 % Change
Total Assessed Value	110%	1.8%
2A Capped Property Tax	48%	7%
General Fund Property Tax	55%	8%
Uncapped Property Tax	82%	2%
Total Property Tax	60%	5%

Property Tax Relief

- The Denver Property Tax Relief Program provides a partial refund of property taxes paid, or the equivalent in rent, to qualifying Denver residents.
 - New for the 2020 program year: income limits are higher for both renters and homeowners.
- Property Tax Deferral Program for Seniors and Active Military
 - *Program through the State of Colorado*
- Property Tax Exemption Program for Seniors and Disabled Veterans
 - *Program administered locally but refunded by the State of Colorado*

Housing Relief

- Emergency Rent Assistance Program
- Colorado Foreclosure Hotline (877) 601-HOPE
- Temporary Rental and Utility Assistance
- Low-Income Energy Assistance Program (LEAP)
- Colorado Housing Connects
- MetroDPA

For a full list of housing services, visit:
www.denvergov.org/housing



Questions?