

What reassessment would mean in Orange

One cause of the unbearable residential property taxes in Orange is a state-mandated property revaluation that took place five years ago under the administration of Mayor Mims Hackett Jr. when home property values were at their highest level. After the revaluation, the tax bills of individual homeowners increased by 40 percent to as much as 100 percent.

In one year, property taxes on homes rose by \$500 to \$6,000. The revaluation shifted a major part of the cost of government from commercial property owners to homeowners. For example, the White Castle on Central Avenue had their taxes reduced \$30,000 by revaluation at the same time residential taxes shot up. Revaluation forced homeowners to pay more than their fair share of property taxes.

Many of those hurt by revaluation were homeowners on fixed incomes. All homeowners were put in jeopardy of losing their homes, their retirement savings and their financial security.

If we conduct a reassessment

Point Of View

By Eldridge Hawkins Jr.

now that residential property values are much lower, we can begin to repair the imbalance between residential and commercial property values and achieve fairness for all taxpayers. If the City Council approves the reassessment process, taxes will be based on today's lower market values, not the unfair assessments of the past revaluation.

Orange has already begun the process of reassessment. We have updated our tax maps and we have secured approval from Essex County. If we can get the updated values on the books for this January, then all tax bills after January will be based on the updated property values.

This means that if you are a

homeowner whose property taxes increased by hundreds or thousands of dollars after the last revaluation, your taxes after January could be significantly less than they would be without reassessment.

At the City Council meeting on Wednesday at 7 p.m., council members have the opportunity to vote their support of reassessment by approving a contract with the firm that will conduct the reassessment. If the vote is delayed until September or later, there won't be time to compete the reassessment by the Jan. 1 deadline, and the property tax bills of homeowners will remain unnecessarily high next year.

Some have questioned the wisdom of taking on the cost of reassessment during a recession. The answer is that the cost will be paid over five years, and the \$50,000 annual cost represents approximately \$10 per year for the average homeowner. For a few dollars, ideally, many taxpayers will see their taxes lowered by hundreds or thousands of dollars compared to

what they would pay without reassessment.

Reassessment is not the silver bullet that will solve all of our fiscal problems in Orange. It does not reduce government costs. It does not guarantee either the redevelopment or the new taxpaying businesses and economic growth we need to hold down taxes in the long run. Orange faces a very serious more-than-\$3 million budget gap caused mostly by Gov. Chris Christie's cuts in state aid. Those cuts could cause service reductions, personnel changes and reorganization as we work to make up for the lost revenue.

What reassessment will do is help stabilize property taxes for many homeowners. After reassessment, some families who might have left Orange because of high property taxes will be able to stay. Reassessment will give homeowners more money to pay for the necessities of life in these hard economic times.

Eldridge Hawkins Jr. is mayor of Orange.