2025 Allegheny County Government Review Commission

DRAFT REPORT:
PROPERTY ASSESSMENT AND TAXATION

AUGUST 2026

ROHIT ACHARYA, CHAIR
MARK FOERSTER, VICE CHAIR
MATTHEW BARRON
EVAN FRAZIER
TRACEY MCCANTS LEWIS, ESQ.
WILLIAM D. MCKAIN, CPA
GRETCHEN E. MOORE, ESQ.
ROBERT VESCIO
MICHAEL J. WITHEREL, ESQ.

WHY PROPERTY ASSESSMENT IS A GOVERNMENT REVIEW ISSUE

The Allegheny County Home Rule Charter requires a Government Review Commission every ten years to study the Charter and County government, including the organization, practices, and responsibilities of County departments and agencies. The Commission's role is to evaluate how County government operates and recommend changes that may improve its effectiveness, accountability, and durability.

Although this charge focuses on County government, it implicitly requires the Commission to consider the broader conditions in which the County operates. County responsibilities and choices are shaped by economic and demographic realities, local, state and federal law, regional institutions, market conditions, and other forces beyond the County's direct control.

Property assessment sits at the intersection of these forces and warrants attention now. Reassessment remains a source of significant public anxiety while post-COVID changes in commercial real estate, housing demand, and development patterns are affecting the property tax base, and, in turn, shaping the fiscal environment in which local governments make decisions about their budget, tax policies, and service delivery.

The Commission is releasing this section of the report while consequential decisions are still being considered. County Council is debating legislation that would establish periodic countywide reassessments, and multiple pending lawsuits may affect the assessment system and its administration. Releasing the Commission's findings now allows them to inform those deliberations, clarify the distinct roles of assessment, taxation, and budgeting, and identify the governance and implementation issues that any path forward must address.

Contents

Property Assessment and Taxation* ... *3

Overview ... **3**

Assessment Process ... **6**
- **Statewide Reassessment Legislation: PA Senate Bill 567 of 2025** ... 6
- **Regular Reassessment Cadence** ... 6
- **Assessment Appeals and Pre-Bill Review** ... 7

Education and Planning ... **9**
- **Public Education on Reassessment** ... 9
- **Local Government Readiness** ... 9
- **County Capacity** ... 10
- **Accuracy and Accountability in State Equalization Data Reporting** ... 11

Taxation and Impact ... **12**
- **Alignment of County Anti-Windfall Rule with State Law** ... 12
- **Tax-Shock Mitigation** ... 12
- **Tax Abatement Inventory and Evaluation** ... 13

Future Considerations ... **14**
- **Land Valuation Feasibility Study** ... 14

Property Assessment and Taxation

Overview

A property assessment is the county's estimate of what a parcel is worth. Together, these assessments form the assessment roll: Allegheny County's authoritative record of its real property base. The roll is a multipurpose administrative dataset used by government officials, lenders, investors, insurers, planners, researchers, and others as a foundational input in their work. It is shared public information infrastructure, and its accuracy and credibility are important to the understanding of our region.

One of the assessment roll's most important functions is tax administration. A property assessment is the value placed on the land and building so that the tax system has a common starting point. In simple terms, assessment answers the question: What is the property tax base?

Under Pennsylvania law, counties establish and maintain the real property assessment rolls. The Pennsylvania Constitution requires property taxation to be uniform, but state law does not require counties to reassess on a specific schedule. Instead, the assessment system must continue to satisfy the uniformity requirement as property values change over time.

The Commission emphasizes that assessment is not the same thing as taxation. This distinction matters because many public concerns about reassessment are really concerns about tax bills, tax rates, public services, or local budgets. Those issues are connected to assessment, but they are not controlled by assessment alone.

Assessments provide an input into the tax bill. In most cases, a resident's property tax bill is shaped by three separate taxing bodies: the municipality, the school district, and the county. These are independent governments with their own legal authority, budgets, service responsibilities, and millage rates. They use the county assessment as a shared input, but each taxing body separately decides how much revenue to raise and what rate to apply.

Table 1 illustrates how a single County assessment becomes three separate property tax obligations. The County, through the Office of Property Assessments, certifies the assessed value used as a shared input by the County, municipality, and school district. Each of these taxing bodies then adopts its own budget and millage rate through its respective governing process: the County Executive and County Council for the County, municipal officials for the municipality, and the elected school board for the school district. Each taxing body sets their taxing rate in mills where one mill equals $1 of tax for every $1,000 of assessed value. Applying each rate to same assessed value produces the amount owed to each taxing body. These amounts may appear on separate or combined bill, depending on local billing arrangements, but they remain imposed and received by separate governments.

The example uses a $150,000 assessed value, Allegheny County's 2026 millage rate, and simple averages of the applicable municipal and school district rates. It does not include exemptions and does not represent the bill of any particular taxpayer. Other authorized property tax levies may also apply in some jurisdictions but are not included here.

In this illustration, the school district millage produces approximately 64% of the combined property tax bill, compared with 20% for the municipality and 16% for the County. The rates reflect each taxing body's distinct responsibilities, tax base, revenue sources, budgetary requirements, and fiscal decisions. Although the County establishes the assessed value used by all three taxing bodies, it does not set the municipal or school district rates nor does it receive the revenues those rates generate.

Table 1: Illustrative Property Tax Calculation Using Representative 2026 Millage Rates

Taxing Body	Assessed value used	Millage Rate	Property Tax Calculation	Estimated Property Taxes	Share of Total Estimated Property Taxes
Allegheny County	$150,000	6.43	$150,000 x 6.43 ÷ 1,000	$964.50	16%
Municipality	$150,000	8.10*	$150,000 x 8.10 ÷ 1,000	$1,215.00	20%
School District	$150,000	25.33**	$150,000 x 25.33 ÷ 1,000	$3,799.50	64%
Combined	$150,000	39.86***	$150,000 x 39.86 ÷ 1,000	$5,979.00	100%

* Simple average of all municipalities wholly within Allegheny.
** Simple average of all school districts wholly within Allegheny County except for Clairton which maintains separate millage rates for land and buildings.
*** Sum of the representative millage rates.

The division of responsibility illustrated in Table 1 helps clarify what assessment reform can and cannot solve. A sound assessment system identifies the tax base fairly and uniformly, while decisions about tax rates, revenue needs, and public services remain with the municipality, school district, or county government. If residents believe they are not receiving services commensurate with what they pay in taxes, that concern should be directed to the relevant taxing body. Keeping property values out of alignment with the market does not resolve it.

Allegheny County's current assessment system is still based on its last countywide reassessment, completed in 2012 and used for the 2013 tax year. There is currently no regular reassessment cycle in place. Values are generally adjusted through property-level changes and appeals rather than a routine update of the entire tax base.

The Commission therefore starts from a basic principle: Allegheny County should keep its assessment roll reasonably aligned with the underlying property market through reassessments conducted at regular intervals. The precise interval is a policy choice, but regular reassessment should be treated as a feature of ordinary assessment administration rather than an extraordinary event undertaken only after the system has substantially diverged from the market. This approach is standard practice across the country: Pennsylvania is the only state in the country that does not require regular countywide property reassessment.

It is true that the existing system has mechanisms for correcting individual assessments. New construction can be valued using accepted appraisal methods, and property owners and taxing bodies may challenge assessments through the appeals process. But those mechanisms do not fully address the broader problem created when appreciation and depreciation occur unevenly across property types and geographic areas. Over time, a base-year assessment roll will become increasingly disconnected from the current market, even where properties can still be corrected individually.

When reassessments are delayed for many years, the system becomes less fair and harder for taxpayers to understand and trust. Some taxpayers may end up paying more than their fair share while others pay less. The eventual correction can also create legal, fiscal, and political shock. The longer the county waits, the larger the potential redistribution of the tax burden and the harder reassessment becomes to explain, administer, and defend. Regular reassessments are more likely to produce smaller and more understandable changes, allow taxpayers to distinguish between an update to the tax base and a decision to raise additional revenue, and reduce the fiscal disruption experienced by taxing bodies.

Assessment accuracy and uniformity are also fiscal-resilience issues. County government, municipalities, and school districts all make budget decisions using the assessment base. If that base is stale, public officials have a weaker picture of the real tax base, the likely effects of millage decisions, the distribution of the tax burden, and the fiscal risks associated with changes in the property market. Regular, credible assessment practice can help governments align fiscal planning more closely with current conditions and future obligations, communicate fiscal choices honestly, and avoid budget surprises that may undermine public trust.

Reassessment is not the solution to every fiscal challenge facing the region. However, regular reassessment gives governments a more accurate view of changing market conditions, even when it cannot prevent the fiscal pressures those conditions create. Underlying economics following the COVID-19 pandemic, for example, have led to many recent high-profile assessment reductions involving commercial office buildings. Those market changes would create fiscal pressure even under a system of regular reassessment.

In the current system, appeals process can cause those changes to be reflected unevenly across the assessment roll. Large commercial property owners often have both a greater financial incentive and more resources to pursue assessment appeals than individual homeowners. As a result, declining commercial values may be recognized relatively quickly through appeals, while residential and other property assessments remain tied to an older base year unless they are separately challenged. This can shift a greater share of the tax burden onto taxpayers whose properties have not been updated, even when their relative position in the market has also changed.

Regular reassessments would not prevent declines in commercial value or eliminate their fiscal consequences. They would instead allow property classes and geographic areas to be updated through a common process, reduce reliance on appeals as the principal mechanism for recognizing market change and make shifts in the distribution of the tax burden more gradual, comprehensive, and predictable.

Reassessment and ongoing assessment maintenance should therefore be understood as investments in the fairness and uniformity of the tax base, the quality of fiscal planning, and the credibility of the County's shared public information infrastructure.

The Commission's recommendations below are designed to make reassessment a routine and trusted public function. A credible system requires regular updates, county capacity, accessible review, clear communication, local-government coordination, and taxpayer protections. Together, these measures support a fairer tax base, more reliable fiscal planning, and a more credible foundation for regional decision-making.

Assessment Process

Statewide Reassessment Legislation: PA Senate Bill 567 of 2025

Pennsylvania is the only state in the country that does not require regular countywide property reassessment. That leaves counties to decide when to reassess, and it allows local political pressure to delay needed updates for years. Allegheny County can improve its own system, but a robust solution also requires state action.

The Commission supports PA Senate Bill 567 of 2025, the statewide reassessment legislation introduced by Senator Fontana. The bill would create a recurring reassessment framework, provide implementation resources, and restore statewide equalization infrastructure. Those pieces matter because reassessment requires money, technical capacity, oversight, and a predictable schedule.

The Commission supports PA Senate Bill 567 of 2025 as a strong statewide foundation while recognizing that Allegheny County may still choose a local cadence that is more closely tied to county governance. Either serve the same purpose: making reassessment routine and less vulnerable to political avoidance.

As part of its research, the Commission points to North Carolina General Statutes § 105-286, which requires counties to conduct a countywide reassessment at least once every eight years. Counties may adopt shorter recurring cycles, and many reassess every four years. The Commission believes this type of explicit flexibility could make statewide legislation more palatable while giving counties greater autonomy to choose a reassessment cadence that reflects their local conditions, administrative capacity, and governance needs.

Regular Reassessment Cadence

Because Pennsylvania does not mandate regular countywide property reassessment, reassessment timing becomes inherently political. Elected officials may be tempted to postpone reassessment because residents fear disruption and possible tax effects. But postponement strongly contributes to growing inequities. A reassessment system that depends on political will is likely to fail whenever the next reassessment is inconvenient.

The Commission recommends that Allegheny County move toward best-practices and adopt a regular reassessment schedule that would begin in the first year of each County Executive term. That would create a predictable four-year cadence and remove reassessment timing from ordinary political avoidance. A fixed schedule makes reassessment a normal function of government rather than a crisis decision shaped by the political dynamics.

Ratio studies and assessment-quality measures should continue to be used as diagnostic tools for monitoring changes in the market. Measures such as the common-level ratio (CLR), coefficient of dispersion (COD), price-related differential (PRD), and median assessment ratios can reveal whether assessments are drifting away from market values or becoming less uniform across properties.

The Commission does not, however, recommend waiting for statistical thresholds to force a reassessment only after the system has already become significantly distorted. Large deviations often reflect broader economic conditions affecting multiple counties at the same time. If several counties cross the same thresholds simultaneously, the resulting demand for qualified personnel, contractors, technology, and other implementation resources could create unnecessary shortages and compressed timelines. A regular reassessment schedule would allow counties to plan and budget in advance, while continuing to use these measures to identify emerging problems and evaluate assessment quality.

A regular cadence also improves implementation. Reassessment is a major administrative undertaking, and conducting it routinely allows the county to preserve institutional knowledge, maintain staffing and vendor plans, improve data over time, and avoid rebuilding the entire operation after long gaps.

The county should also continue evaluating tools that can reduce cost, delay, and disruption, including Computer-Assisted Mass Appraisal (CAMA) systems, improved parcel data, aerial imagery, flyovers, LiDAR, and other assessment technologies. These tools should be paired with strong quality control, transparent methods, IAAO (International Association of Assessing Officers) review, and careful attention to equity.

Although the Commission strongly supports a four-year reassessment cycle as the long-term goal, it recognizes that Allegheny County may need a transitional period after such a long gap between reassessments. The first one or two cycles could occur on a five-year schedule while the county rebuilds internal capacity, strengthens its data systems, develops institutional knowledge, and establishes reliable staffing and vendor arrangements. Once that foundation is in place, the county should move to a regular four-year cycle. Other counties have used similar transitional approaches when adopting more frequent reassessment schedules.

Assessment Appeals and Pre-Bill Review

The success of reassessment, and its establishment as a routine government function, will depend heavily on residents’ experience with the process. Even accurate valuations can lose public trust if notices are confusing, errors are difficult to correct, or the review and appeals process feels adversarial or impossible to navigate. A poor user experience could undermine the entire reassessment effort.

The Commission therefore recommends an enhanced pre-bill review and resident-support process focused on residents' needs and experiences. Before new values are certified and used to calculate tax bills, residents should have a clear opportunity to review the information used to value their property, identify factual errors, submit corrections, understand the basis for the new value, and learn what evidence is relevant to a formal appeal. The county should also conduct outlier screening, continue to apply International Association of Assessing Officers (IAAO) standards, and tests for bias and nonuniformity before values are certified.

Notices should be written in plain language and clearly explain the old value, new value, amount of change, reason for the change where possible, available tax-relief programs, correction deadlines, informal review options, formal appeal rights, and where residents can get help. Residents should not need to hire a professional simply to determine whether the county has the correct square footage, property characteristics, sales information, or comparable-property assumptions.

Residents should also have multiple ways to submit corrections and appeals. These may include mail, telephone assistance from a live representative with a callback option, direct online submission to the Office of Property Assessments, in-person assistance, and other methods the County considers appropriate. Many residents have limited experience interacting with government bodies and may find the process intimidating. Providing several accessible avenues for participation will make it easier for residents to engage with the system and increase confidence in the outcome.

The county should also make the distinction between a factual correction and a formal appeal much clearer. Some disputes can be resolved because the county has incorrect property data. Others require judgment about market value and should proceed through the appeals process. A stronger front-end review can route these issues appropriately, correct straightforward errors earlier, reduce unnecessary appeals, lower resident frustration, and allow the appeals board to focus on disputes that genuinely require adjudication.

The Commission also recommends exploring potential avenues to increase the capacity of the County Law Department in handling appeals, including a potential hybrid staffing model in which contract attorneys are brought in to help address increased volume of work.

The success of reassessment will depend not only on the accuracy of the values, but also on whether residents can understand, question, and navigate the process. For that reason, public communication and user experience should be treated as core components of reassessment implementation, not as secondary administrative concerns.

Education and Planning

Public Education on Reassessment

Reassessment is easy to misunderstand. Residents often assume that a higher assessment means a higher tax bill, even though taxes also depend on the millage rates set by each taxing body. Pennsylvania's anti-windfall rules limit automatic revenue increases after reassessment, so some property owners may pay more, some less, and others about the same. Yet few residents understand these rules, and appeals, exemptions, and tax relief programs add further complexity.

The Commission recommends an active public education and listening campaign before, during, and after reassessment. This should include plain-language notices, visual examples, town halls, community partners, municipal briefings, media explainers, translated materials where needed, and simple tools that help residents understand what changed, who controls tax rates, what relief programs exist, and how to ask for help.

The county should also educate elected officials, municipal staff, school districts, neighborhood groups, and media outlets so residents receive consistent explanations. Public education should be two-way: resident questions and complaints should be treated as operational feedback that can reveal confusing notices, bad data, technical barriers, and implementation problems before those problems become formal appeals.

The goal is not to downplay the effects of reassessment. It is to make the process visible, understandable, and navigable. If the county wants regular reassessment to become a normal function of government, it must build the public-facing education and support infrastructure that residents need to understand and navigate it.

Local Government Readiness

The Commission's charge is focused on county government, but reassessment has downstream effects for municipalities and school districts. Those governments use county assessment values in their own tax systems and need to understand what they are responsible for at each stage of the reassessment timeline. Their decisions about millage rates, public communication, appeals, resident support, and tax relief cannot wait until final values are issued.

The Commission recommends that municipalities and school districts begin preparing before a formal reassessment is underway. Early in the process, they should identify available relief tools, determine whether additional state authority is needed, assign responsibility for public communication, and plan for the budget and staffing effects of increased resident questions and appeals. As preliminary values become available, they should begin analyzing likely tax impacts and preparing millage-rate options, especially in light of anti-windfall laws. Before final tax bills are issued, they should be ready to explain those decisions clearly and direct residents to the appropriate county or local process.

Local governments should also coordinate with the county throughout the reassessment process so residents receive a consistent explanation of what reassessment updates, what each taxing body controls, and when key decisions will be made.

A central part of this preparation is understanding which relief tools are already available, how they can be implemented, and which require authorization from the Commonwealth. Municipalities and school districts should consider programs such as the Long-Term Owner-Occupant Program, commonly known as LOOP, and other protections for residents facing sudden tax pressure. Where legally appropriate, they may be able to use the county's LOOP legislation or implementation work as a model. They should also advocate early for any state legislation needed to expand or enable local relief options.

Reassessment is a multiyear process, and the downstream work begins well before final tax bills are due. Local governments that wait until the end of the process will have too little time to make sound policy decisions, communicate with residents, or put relief measures in place.

County Capacity

Regular reassessment will not succeed if Allegheny County treats each reassessment as a one-time emergency project. Long gaps force the county to rebuild staffing, vendor management, parcel data, valuation review, public communication, quality control, appeals planning, and legal defense under pressure. County staff have described the last reassessment as requiring major temporary staffing and burnout-heavy management effort. That is not a sustainable model for a function that should become routine.

The Commission recommends that Allegheny County build and maintain a durable assessment-capacity plan inside county government. The goal should not be to do every technical task in-house or to avoid outside vendors. The goal should be to keep enough institutional knowledge inside the County to be an intelligent owner of the assessment system: to maintain data quality between reassessments, manage vendors effectively, review models, understand ratio studies, spot outliers, explain methodology to the public, coordinate appeals capacity, and preserve lessons from one cycle to the next.

Philadelphia offers a useful comparison, though not a model to copy mechanically. Philadelphia's Office of Property Assessment describes a standing public assessment process for more than 580,000 properties, including a staffed sales-validation unit, geographic market areas, model development, professional evaluator review, automated quality control, internal ratio studies, and external ratio review. The lesson is that a modern assessment system depends on continuous internal capability, not only a large contract every decade.

The Commission recommends that Allegheny County develop a hybrid staffing and management model for reassessment. The county should identify which functions must remain core internal responsibilities and which can be supported by vendors, consultants, temporary staff, universities, or independent reviewers. Internal responsibilities should include assessment data governance, sales validation standards, vendor oversight, public-facing methodology explanation, quality-control review, appeals coordination, and long-term technology ownership.

This recommendation should be paired with a realistic budget and workforce plan. Technical expertise in property assessment is important, but managing any kind of complex process also requires a separate set of operational skills. The county will need strong leadership, clear roles, effective vendor oversight, staff development, documentation, succession planning, and sustained investment in technology.

The largest investments will likely come at the outset. After that, staffing, technology, public communication, appeals, and vendor costs can be planned across the reassessment cycle. A regular cadence makes those needs more predictable and helps the county preserve capacity rather than rebuilding it after each long gap.

Accuracy and Accountability in State Equalization Data Reporting

A proposed ordinance providing for periodic reassessments is under consideration as County Council File 13892-26. Among other things, the ordinance would make a Chief Assessment Officer ineligible for future appointment or reappointment when information submitted to the State Tax Equalization Board (STEB) proves inaccurate. It would also create criminal penalties, including possible imprisonment, for intentional material misrepresentation. The Commission strongly recommends striking both provisions.

The proposed ineligibility standard is overly broad. Some degree of error is inherent in any large-scale data-collection and reporting process, particularly one involving multiple records, systems, calculations, and personnel. An inaccurate submission does not, by itself, establish misconduct or even negligence by the Chief Assessment Officer. Automatically disqualifying an officer from future service would fail to distinguish ordinary data error from deliberate misrepresentation. It would also invite the use of minor errors or technical violations as grounds for removing an official, politicizing what should remain a professional and evidence-based assessment process. The provision would discourage qualified candidates from serving and make officials less willing to identify and correct mistakes promptly.

The proposed criminal provision is unnecessary and potentially disproportionate. Knowingly falsifying or presenting false government records may already be prosecuted under existing Pennsylvania law, and deliberate misconduct can also be addressed through established legal and administrative processes. Creating a separate offense specifically for STEB submissions would therefore risk duplicating existing remedies. Allowing each certification requiring revision to constitute a separate offense could also multiply penalties arising from a single course of conduct and discourage prompt and comprehensive correction once inaccurate information is discovered.

Accurate information submitted to STEB is essential to fair assessment appeals. Because the submission process involves complex data collection, calculations, systems, and personnel, some errors are inevitable and should be identified and corrected promptly. Existing law already provides a means to address intentional falsification or misconduct. The county should therefore focus on maintaining accuracy and accountability while keeping the process as free from potential politicization as possible.

Taxation and Impact

Alignment of County Anti-Windfall Rule with State Law

For many residents, the first question about reassessment is simple: if my property value goes up, will my tax bill automatically go up too?

Not necessarily. Reassessment changes how the tax base is divided among property owners; it does not automatically give the county permission to collect more money. Pennsylvania's anti-windfall law requires local governments to lower their tax rates after reassessment so that higher property values do not, by themselves, produce a large increase in tax revenue.

Consider a simplified example. If the total assessed value of existing property doubles, the tax rate must initially be reduced by roughly half. The government therefore does not collect twice as much simply because the assessment roll was updated. Individual tax bills may still rise or fall because properties do not all change in value at the same rate. But reassessment alone cannot be used as a hidden tax increase.

After making that initial adjustment, state law allows a local government to approve a limited increase through a separate public vote. In Allegheny County, that vote may produce no more than 105% of the previous year's qualifying property-tax revenue. New construction and improvements are treated separately because they represent real growth in the tax base, rather than higher values assigned to property that was already there.

Allegheny County has adopted a stricter rule. County Code § 5-809.03, amended in 2005 by Ordinance No. 40-05, generally limits reassessment-related revenue from existing property to no more than 100% of the prior year's amount—effectively a self-imposed 0% increase after the initial millage rollback. By contrast, the county charter and the state-law framework reflected in Act 71 of 2005, now codified at Second Class County Code § 1980.2, permit an increase of up to 5% through a separate and transparent rate action.

The Commission recommends amending the county's anti-windfall ordinance to align it to the flexibility allowed under state law and the county charter. The county would still first roll back millage to neutralize reassessment-driven revenue growth from existing property. Any additional increase within the state-allowed 5% margin would then require a separate public vote and explanation. This preserves the anti-windfall principle while giving elected officials limited room to address inflation, service costs, and implementation expenses in a reassessment year.

Anti-windfall rules also should not be confused with limits on real growth in the tax base. The rules are designed to prevent a windfall from updated values on existing property; they do not stop the county or other taxing bodies from receiving new revenue when actual development adds new taxable value.

Tax-Shock Mitigation

Anti-windfall rules protect the public from a taxing body collecting more money simply because values were updated. They do not protect individual households whose share of the tax base rises sharply. A reassessment can make the system fairer overall while still creating hardship for residents whose tax bills increase quickly.

The Commission recommends a layered tax-shock strategy. It should combine early public education, resident listening, clear explanation of anti-windfall rules, strong implementation of existing relief programs, accessible informal and formal appeals, and targeted protections for residents facing large reassessment-driven increases.

The county should treat current-law relief as an implementation responsibility. That includes the Long-Term Owner-Occupant Program (LOOP), senior relief, existing exemptions, payment plans where appropriate, and homestead-exemption expansion. The county should also explore additional tools to protect residents from undue hardship.

Tax-shock mitigation is not a substitute for accurate assessments. It is the practical companion to accurate assessments. If the county wants the public to trust reassessment, it must show that fairness and resident protection can be pursued at the same time.

Tax Abatement Inventory and Evaluation

Allegheny County uses or participates in many tools that reduce, redirect, or replace ordinary tax revenue. These include tax abatements, exemptions, payment-in-lieu-of-taxes agreements (PILOTs), tax-increment financing (TIFs), transit revitalization investment districts (TRIDs), and related arrangements. Each tool may have a valid purpose, but the county does not yet have an established schedule for assessing and updating policies as necessary, nor one clear public picture of their cumulative cost, expiration dates, geography, beneficiaries, compliance status, and public return.

The Commission recommends a centralized, county-accessible repository for tax abatements, exemptions, and related tax expenditures that is developed and managed by Allegheny County Economic Development (ACED), with support from OPA and other necessary departments. That repository should include, at minimum, PILOTs, Local Economic Revitalization Tax Assistance Act tax abatements (LERTAs), TIFs, TRIDs, legally reviewable charitable exemptions, homestead-related shifts where relevant, and other arrangements that reduce, redirect, or replace ordinary tax revenue.

Coordination with municipalities and school districts is important because a single property or project may receive relief from multiple taxing bodies, and the full fiscal effect can only be understood by looking across those commitments together. To the extent legally and practically possible, the Commission also recommends coordination with municipalities and school districts so that the inventory includes abatements across all taxing bodies within the County.

In addition to a public inventory, the Commission recommends more robust public reporting on the tax abatement portfolio. Public reporting should show active abatements and related tax expenditures, approval dates, expiration dates, compliance status, geographic distribution, fiscal impact, beneficiaries, project types, affected taxing bodies, and whether promised public benefits are being delivered. The Commission believes that the County should be able to explain what it is giving up, what it is receiving in return, and whether the arrangement is still serving its intended purpose.

Better reporting can also make incentives more useful for development. Clear rules, reliable status information, predictable expiration tracking, and consistent coordination with assessment and billing systems reduce uncertainty for developers, lenders, municipalities, and county staff. That matters because uncertainty around timing, eligibility, and tax treatment can delay projects, weaken cost estimates, and make new development harder to finance. Regular performance measurement and reporting will help to inform any necessary policy updates.

The Commission recommends regular Allegheny County Economic Development (ACED) presentations to County Council on the collective portfolio. Those presentations should not be limited to new approvals or isolated projects. They should help Council understand patterns: where tools are being used, which communities or types of projects benefit, whether expirations are being tracked, whether by-right programs are producing the intended results, and how abatements fit into the county's broader economic-development strategy.

This is also a Council-role recommendation. Council's highest-value role is not to adjudicate every technical LERTA, TIF, TRID, PILOT, or exemption application one at a time. That pulls a part-time legislative body into administrative review and still does not answer the larger policy question: whether the county's tax-abatement strategy is producing enough public value for the revenue being forgone. Council should use portfolio reporting to set eligibility rules, guardrails, look-back requirements, and strategic priorities while technical staff and administering entities manage routine application review. ACED should be equipped with the necessary capacity to manage the individual projects and overall portfolio management.

Future Considerations

Land Valuation Feasibility Study

The Commission recommends that Allegheny County study whether it can produce separate land values that are accurate, understandable, and defensible. This is not a recommendation to adopt a land-value or split-rate property tax. It is a first step toward determining whether reliable land values could support future tax policy, public reporting, land-use analysis, and development decisions.

Separating land value from building value matters because it makes different tax treatment possible. Under a land-value or split-rate property tax, land is taxed at a higher rate while buildings and other improvements are taxed at a lower rate. The county cannot responsibly evaluate that approach until it can value the two components credibly.

The appeal is straightforward: property owners should not face a larger tax penalty for improving their property. Repairing a roof, renovating an older building, adding housing, or reusing a vacant structure would have less effect on the tax bill. At the same time, valuable vacant lots, surface parking, and severely underbuilt parcels would not receive unusually low tax bills merely because little has been built on them.

The same logic applies to density. If a single-family house and a multi-unit residence sit on similar neighboring lots, the land component of their assessments should reflect the similar value of their locations. A multi-unit building can spread that land cost across more households rather than effectively being penalized simply because more people live on the property.

This distinction becomes more important as infrastructure and maintenance costs rise. Greater density allows more households to use existing streets, utilities, transit, and other public infrastructure, broadening the tax base without requiring a comparable expansion of those systems. It can also support safer, more walkable neighborhoods by locating more residents near destinations and services, increasing pedestrian activity, and putting more “eyes on the street.”

Pennsylvania, and Pittsburgh in particular, has a long history with this approach. Pittsburgh and Scranton adopted split-rate taxation in 1913, and Pittsburgh became the largest U.S. city to use the model. It remained a prominent national example for much of the twentieth century, although the split applied only to the city’s property tax—not to county or school district taxes.

Pittsburgh repealed the system in 2001 after a countywide reassessment sharply changed land values and produced confusing and unexpected bills. Historical accounts cite poor coordination, failure to publish separate land and building values before billing, and a reassessment process poorly suited to the split-rate system. The episode does not prove the concept failed; it shows that implementation requires accurate valuations, advance modeling, intergovernmental coordination, and clear public communication.

The study should be practical, not theoretical. It should begin with land valuation capacity: what data the county has, how land and improvement values are currently separated, whether those land values can be tested independently, and what methods would be needed to make them more reliable.

A common objection is that land valuation is too difficult to administer. The study should test that concern rather than treat it as a veto. One approach would group parcels into areas with broadly similar land values, establish prevailing rates from typical parcels and market evidence, and then adjust for parcel size, land-use restrictions, topography, flood risk, and relevant sales or construction evidence.

For example, the county could test a small residential market area by deriving a local land rate from typical properties and lot sizes, then applying it to comparable parcels. Neighboring lots would receive similar land values even if one contains a renovated home and another contains a smaller or older structure.

The study should determine whether a transparent, locally calibrated method can produce land values reliable enough for public reporting, planning, and possible future tax analysis.