Fixing Allegheny County's Property Assessment System: Part II

Invited Remarks before the July 29, 2026 Public Hearing of Allegheny County Committee on Assessments 6:00 PM Wilkinsburg Municipal Building, 605 Ross Avenue, Wilkinsburg, PA 15221

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Thank you for the opportunity to share some additional views with you this evening. My credentials in the area of state and local taxation, especially here in Pennsylvania with regard to administration of the real property tax, are an appendix to these remarks.

As an aside, I was years ago the architect for the US House and Senate of several federal statutes which got NYC out of bankruptcy, and put in place federal obligations to make NYC fiscally responsible in return for federal financial support. New York Governor Hugh Carey (A Democrat) thanked me personally in a letter that I display in my CMU campus office. NYC has not been in fiscal hot water ever since. Folks still buy their bonds.

More recently, Pittsburgh City Council listened to me, and voted down Mayor Ravenstahl's proposed solution to the City's pension problems 9 to 0. Council chose ***not*** to go to Wall Street to trade receipt of $200 million (for the pension fix) in return for handing over control of public parking via a long term lease to be controlled by a private equities firm. I convinced City Council such a lease was worth 10 times that or about $2 *billion.* Council decided it could use parking rates and enhanced revenues itself.

On July 1, 2026, I provided to you some general thoughts about how proposed Bill No. 13892-26, mandating a cyclical reassessment every three years, could be improved. Basically, the County has historically failed to both provide the resources to OPA and get in return demonstrable performance

My first point here is that the cyclical reassessment proposal before you is just aspirational, and not operational. It thus will not fix the problem of a comical real property assessment system. The

1The views in this document are solely those of the author and do not represent the views of the Heinz College, Carnegie Mellon University, or its Board of Trustees.

proposal, because it does not pay for cyclical reassessment, let alone require application of best practices in the annual operations of OPA, will be yet another hand waving for the moment.

My second point is that there are many ways to strengthen the proposal. For example, accountability can be materially enhanced by requiring the bonding of the Chief Assessor and senior OPA administrators. There are already other County positions that require bonding [The Treasurer for example], and arguably private scrutiny of their conduct with serious financial penalties for independently discovered administrative failures will improve administrative conduct.

My third point is that a failed reassessment system will result in yet again another round of uniformity suits and judicial receivership of the property assessment system.

My fourth point is, because each of you does not have directors insurance, you face individually and collectively personal, financial risks should litigation of yet another failed reassessment transpire and it can be demonstrated that the failure was known, foreseeable and avoidable.

Let me be a little more specific to get your attention.

In the private sector, were you a nuclear services company, and your services were associated with a nuclear incident resulting in loss of life and/or hundreds of millions of costs, there would be liability claims in a court of law over financial responsibility. The insurance company would inquire if the losses were due to your mistake, negligence, or intent.

Similarly, if you were a lawyer, whose advice resulted in a client's losses, the client might well take you into court to try to prove that the bad advice and resulting losses were due to your mistake, negligence, or intent.

So, in the immortal words of Inspector Callahan *in Dirty Harry*, Do you feel lucky? Really?

Or, in strictly financial terms, besides the personal risks you run by adopting the proposal as is, do you think failing to fix the comical real property assessment system will improve or put further at risk you bond rating? Really?

Thanks for the opportunity to make these observations to you this evening. I'd be happy to answer any questions you might have.

Appendix 1.1 Educational Background

AB Economics (with Honors and Distinction), Department of Economics, University of Michigan, Ann Arbor, 1966. (Junior Year at London School of Economics).

Phd Economics., University of Wisconsin-Madison; fields in public finance and human resources, 1970.

Appendix 1.2 Employment Background

Assistant Professor of Economics, University of North Carolina-Chapel Hill, 1969-73
Associate Professor of Economics, University of North Carolina-Chapel Hill, 1973-79
Professor of Economics & Public Policy, SUPA/Heinz College, Carnegie Mellon, 1979-.

Visiting Professor of Economics and Public Policy, University of Rochester, 1992-3, 1993-4;
Senior Research Associate, Rochester Center for Economic Research, 1994-.

Visiting Professor of Economics, Spring 2014; Washington University, St. Louis

Appendix 1.3 Selected Public Service

Brookings Economic Policy Fellow, Assistant to the Assistant Secretary for Economic Policy, U.S. Treasury, 1970-1971.
Assistant to the Deputy Secretary, U.S. Treasury, 1971-1972.
Economist, Joint Committee on Taxation, U.S. Congress, 1975-1978.
Director of Research, Pennsylvania Tax Commission, 1979-1981.
Voting Member, Pennsylvania Local Tax Reform Commission, 1987
Member, Advisory Committee, Pennsylvania General Assembly, Joint State Government Commission, Committee on Government Efficiency, 1991-2.

Appendix 1.4 Selected Awards

Presidential Pen, President Richard M. Nixon,1972
Presidential Pen, President Gerald R. Ford, 1976
Exceptional Service Award (Gold Medal), U.S. Treasury, 1972
Steven D. Gold Award, Association for Public Policy and Management, National Conference of State Legislatures, and the National Tax Association, November, 2005
Fellow, National Academy of Public Administration, December, 2015.

Who's Who in the World
Who's Who in America

Appendix 1.5. Selected State and Local Finance Papers

July 1, 2026, Fixing Allegheny County's Property Assessment System: A Call for Lasting Reform
Invited Remarks before the July 1 Public Hearing of Allegheny County Council's Committee on Assessments
5:30 PM July 1, 2026, CCAC North Campus, Pittsburgh, PA 15237 >br>
https://www.andrew.cmu.edu/user/rs9f/rpstrauss_july_1_2026.pdf

April 18, 2023, “Just How Criminal is the Operation of Allegheny County's Office of Property Assessments? A Presentation to the Northmont Brotherhood Retired Men's Club (NBC)
April 18, 2023 Northmont Presbyterian Church, 9AM
https://www.andrew.cmu.edu/user/rs9f/rpstrauss_final_presentation_nbc_4_18_2023.pdf

August 26, 2021 “Property Taxes Are Going Up: What Can Homeowners do?,”
Interview, Realtors.com
https://www.realtor.com/news/trends/why-property-taxes-are-rising-and-what-homeow

June 2, 2019 “Hundreds of commercial property owners are challenging Philly’s assessments, with $63 million at stake,” Philadelphia Inquirer.
https://www.inquirer.com/news/assessment-commercial-property-lawsuit-uniformity-p

August 10, 2018, Philadelphia Inquirer, “165,000 Philly homeowners may be paying too much in property taxes. Is the city assessing property fairly?”

November 19, 2017, Philadelphia Inquirer, “Property tax likely here to stay in Pa. Here's why”
http://www.philly.com/philly/news/pennsylvania/property-tax-pennsylvania-amendmen

Strauss, Robert P (2017) . Pennsylvania House of Representatives Select Committee on Tax Modernization and Reform, ”Financing Pennsylvania’s Public Sector: Past as Prologue?” Prepeared Testimony presented to a Hearing, Ryan State Office Building, Harrisburg, PA, (November 15, 2017,)
https://cmu.box.com/s/sg8afkc3rz9g76ifarje1792rwfwprfx

Strauss, Robert P and Michael J. Suley,
“Pennsylvania is in dire need of assessment reform”
Robert P. Strauss and Michael J. Suley
February 26, 2015
Philadelphia Inquirer
https://www.andrew.cmu.edu/user/rs9f/strauss_suley_assessment_reform_inquirer_final_2_24_2015.pdf

Strauss, Robert P and Bingbing Hou(2013). A Sales Ratio Study of the City of Philadelphia’s 2013 Certified and 2014 Proposed Real Estate Assessments:
A Report to the Controller of the City of Philadelphia
https://www.andrew.cmu.edu/user/rs9f/phila_cod.pdf

Strauss, Robert P. and Elaine Wei (2013), “Predicting the Frequency and Depreciation of Real Assessment Quality in Pennsylvania,” A Paper Presented at the 105th Annual Research Conference of the National Tax Association November 17, 2013
https://www.andrew.cmu.edu/user/rs9f/rps_ew_nta_2013.pdf

***"Real Estate Re-Re-Re-Re Assessment in Allegheny County: II** December 2, 2005*
Department of Civil nd Environmental Engineering, CMU
Update of November 9, 2005 ISRI Seminar
School of Computer Science
CMU

"KDKA Talk Radio Fred Hornsberger Interview: Assessments"
Pittsburgh, PA
2PM Wednesday October 5, 2005

"Real Estate Re-Re-Assessment in Allegheny County"
A Presentation to the Men's Club
(with a statistical appendix)
Northmont United Presbyterian Church
8169 Perry Highway
Pittsburgh, PA
9AM Tuesday October 4, 2005

"Talk Radio Interview on Allegheny County Assessments"
Pittsburgh, PA
Sunday, September 17, 2005

"KDKA The Editors: Allegheny County Assessments"
County Executive Dan Onorato and Professor Robert Straus
April 2, 2005
Requires MP4 Reader such as Apple Quicktime

"Is Assessment 2005 Going to be Reform or
Allegheny County's Version of "Ground Hog Day?"
Prepared Remarks before the Allegheny County Council
Gold Room
Allegheny County Courthouse
March 15, 2005

Residential Real Estate Assessment Fairness in Four Urban Areas"
with David A. Strauss,
State Tax Notes, 31, 10 (March 8, 2004), 815-820.
(Reprinted from (forthcoming) Proceedings of the National Tax Association
, 96th Annual Research Conference, Chicago, Illinois).

Two topics need action before tax is raised
Real estate-assessment reform and school board accountability will help schools get fairly funded.
Philadelphia Enquirer, Sunday 1/12/03
Reprinted in Pittsburgh Tribune-Review, Thursday, January 16, 2003
Harrisburg Patriot-News, Friday, January 17, 2003.

"Restoring the Public Trust in Allegheny County's Real Estate Assessments"
A Presentation to the League of Women Voters of Greater Pittsburgh
May 15, 2002
Pittsburgh, Pennsylvania

Mirror, Mirror on the Wall, Which Pennsylvania County has the
Fairest Real Estate Assessments of them All? (Hint: Not Allegheny)
The Voter , Newsletter of the Allegheny League of Women Voters
May, 2002

"Reassessment 2000: Do you feel lucky?"
Opinion and Commentary, Pittsburgh Tribune-Review, May 28, 2000

"Distributional and Economic Effects
of Pennsylvania's Local Property Taxes"
Testimony before the Pennsylvania Senate Education Committee,
Harrisburg, Pennsylvania,
Room 8EB, Capitol East Wing, 1-5PM
March 22, 2000

"What's Next? CMU prof offers exacting framework for county's future,"
Opinion and Commentary, Pittsburgh Tribune-Review, November 14, 1999, J1, J

Home Rule tax reform? Think again, says CMU prof
Tribune-Review. Commentary. Friday, Sept. 17, 1999. A7.

Strauss, Robert P and Shawn Sullivan (1998),“The Political Economy of the Property Tax: Assessor Authority and Assessment Uniformity,” *Proceedings*, *91st Annual Conference on Taxation,* National Tax Association-Tax Institute of America, Austin, Texas (November, 1998), 254-66. (Reprinted in *Tax Notes*, 82, 1 January 4, 1999; and in *State Tax Notes*, 16, 5 (December 21, 1998), 327-338)

https://www.andrew.cmu.edu/user/rs9f/nta982n.pdf

The Assessment of Residential Property in Allegheny County:
Report 2: : Sources of State Variation in Assessment Quality
A Report to the Allegheny Board of County Commissioners, October 15, 1995.

The Assessment of Residential Property in Allegheny County: Report 1: Sources and Quality of Data . A Report to the Allegheny Board of County Commissioners, September 28, 1995.

"The Final Report and Recommendations of the Pennsylvania Local Tax Reform Commission "
October 30, 1987

Final Report of the 1981 Pennsylvania Tax Commission

http://www.andrew.cmu.edu/user/rs9f/final_report_pa_tax_commission_March_1981.pdf