



prerequisites for the implementation of such traffic light signal violation monitoring system at such intersection have been fulfilled.

(b) *Implementation.* The Chief Administrative Officer shall:

(1) Have the authority to implement the provisions of this section;

(2) Promulgate the rules and regulations necessary to administer the traffic signal enforcement program in compliance with all requirements of Code of Virginia, § 15.2-968.1 and this section; and

(3) Be responsible for the compliance of all aspects of the traffic signal enforcement program with applicable State law.

(c) *Private contractor.* The City may enter into an agreement with a private entity for the installation and operation of traffic light signal violation monitoring systems and related services as permitted by Code of Virginia, § 15.2-968.1(I). However, any such agreement shall be:

(1) Procured only in accordance with the requirements of Chapter 21; and

(2) Subject to the restrictions imposed by Code of Virginia, § 15.2-968.1(I).

(d) *Penalties.*

(1) *For failure to comply with traffic light signal.* The operator of a vehicle shall be liable for a monetary penalty imposed pursuant to Code of Virginia, § 15.2-968.1 and this section if such vehicle is found, as evidenced by information obtained from a traffic light signal violation monitoring system, to have failed to comply with a traffic light signal within the City. No monetary penalty imposed under this section shall exceed \$50.00, nor shall it include court costs.

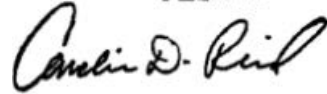
(2) *For disclosure of personal information.* Any person who discloses personal information collected by a traffic light signal violation monitoring system in violation of

the provisions of Code of Virginia, § 15.2-968.1(H) shall be subject to a civil penalty of \$1,000.00.

(3) Civil penalties collected under this section resulting from a summons issued by a City police officer shall be paid to the City and placed in a special fund called the Safety Camera Program Special Fund to be applied first to sustaining the photo enforcement program established pursuant to this section and second implementing the strategies set forth in any Vision Zero Action Plan adopted by the Safe and Healthy Streets Commission.

§ 2. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:  
TESTE:**

A handwritten signature in black ink, appearing to read "Amelia D. Reil".

**City Clerk**

the maximum extent possible for the purpose of verifying information and streamlining the application process for taxpayers.

(h) The application or certification shall be filed by no later than January 14<sup>th</sup> of the tax year for which deferral is sought.

(i) *Program provisions related to property transfer, joint ownership, or owner death.*  
The accumulated amount of deferred taxes and interest shall be paid to the City by the property owner upon the sale or transfer of the property, or from the estate of the decedent within one year after the death of the owner. If the real estate is owned jointly and all such owners applied and qualified for the deferral program, the death of one of the joint owners shall not disqualify the survivor or survivors from participating in the deferral program. All accumulated deferred taxes and interest shall be paid within one year of the date of death of the last qualifying owner.

(j) *Annual reporting and evaluation of deferral program.* Beginning January 30, 2028, and each year thereafter, the Director of Finance shall report to the Finance and Economic Development standing committee and to the Council no later than January 30 the following:

- (1) Full-time equivalent staff dedicated to program administration; program staffing costs; and any other program spending;
- (2) Number of program participants;
- (3) Total amount of real estate taxes deferred by tax year;
- (4) Total interest charged on deferred real estate taxes; and
- (5) Average amount of accumulated taxes deferred and interest.

The report shall include evaluation of program effectiveness, to include data on customer satisfaction among program participants, and recommendations for program continuance, discontinuance, or modification.

§ 2. This ordinance shall be in force and effect upon adoption.

**DATE:** December 8, 2025 (updated December 19 to fix typographical error)  
**TO:** The Honorable Members of City Council  
**THROUGH:** RJ Warren, Council Chief of Staff  
**THROUGH:** Maria Garnett, Council Policy Analyst  
**FROM:** The Honorable Sarah Abubaker, Councilmember 4<sup>th</sup> District  
**RE:** To amend ch. 26, article V, div. 2 of the City Code by adding therein a new section 26-370, concerning a deferral program for certain real estate taxes pursuant to and in accordance with Code of Virginia § 58.1-3219 et seq.

**CNL-2025-0041**

**PURPOSE:** This ordinance seeks to provide tax relief for residents who pay real estate taxes by allowing certain real estate taxes to be deferred, subject to 2% interest, as authorized by Code of Virginia § 58.1-3219 et seq.

**BACKGROUND:** The growth in the City of Richmond’s property tax base over the past decade has been significant, with especially sharp increases in residential property values due to the City’s strong housing market. Because the City has maintained the same real estate tax levy of \$1.20 per \$100 in assessed value since 2008, those sharp increases in residential property values have been accompanied by significant increases in real estate tax bills—in a period that has also featured historically high inflation. For example, land book data from the Assessor of Real Estate shows that the median residential (non-condominium) real estate assessment increased from \$141,000 in tax year 2016 to \$325,000 in tax year 2026, an increase of 130.5% (not adjusted for inflation; adjusted for inflation, the increase is still substantial at 71.28%). In contrast, U.S. Census Bureau data shows that median household income for the City of Richmond grew only 53.3% (not adjusted for inflation or seasonal variation) from 2016 to 2023, the most recent year for which data is available. (Adjusted for inflation, median household income in the City grew 20.7% over that period.) Although increases in property values can help homeowners build equity, considerable increases in real estate tax bills from one year to the next can contribute to short-term housing unaffordability, particularly given the much slower increase in household wages. The state, through § 58.1-3219 et seq. of the Code of Virginia, authorizes localities to create programs and specify terms and conditions through which property owners may, subject to interest, defer all or a portion of the year-over-year increase in their real estate tax bill above a threshold of 105%. By

exercising that authority to create such a program, the City can demonstrate a commitment to using every available tool to support housing affordability and prevent displacement.

**COMMUNITY ENGAGEMENT:** This resolution is informed by growing constituent requests – from a variety of constituent backgrounds and experiences – for the City to do as much as it can to help lower the cost of living and the cost of housing specifically.

**STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL:** This resolution is consistent with the Mayor’s stated commitment to prioritizing housing affordability.

**FISCAL IMPACT:** The potential fiscal impact for this program has two parts: the cost of administering the program and the amount of temporarily foregone real estate tax revenue from program participation. Administrative costs will likely be partially or fully offset by the amount of interest collected on deferred taxes once those taxes are paid, particularly once the program has been in effect for several tax years. It is not possible to produce an exact figure for expected fiscal impact from this legislation, particularly the portion related to temporarily foregone tax revenues, because of data limitations. Further, the amount of temporarily foregone real estate tax revenue will differ from one year to the next and depend on several factors, chiefly the percentage increase in residential real estate assessments and tax bills, the number of eligible properties, the number of participants, and the amount deferred. However, available data from the Assessor of Real Estate allows Council staff to provide rough, initial estimates of the likely lower and upper bounds for real estate tax revenues that would be foregone to the City in the short term due to enrollment in the program if it were implemented in tax year 2026 (as an example). Using tax year 2026, the homeownership rate for the City of Richmond, and median residential and condominium property values as an illustration, the likely amount of temporarily foregone real estate tax revenue ranges from roughly \$391,000 to \$1.56 million, based on a lower bound of 25% participation among eligible property owners and an upper bound of 100% participation. This is a negligible share (~~-0.4%~~ 0.5%) of the \$314.4 million total owed in 2026 real estate taxes for the residential and condo categories.

**DESIRED EFFECTIVE DATE:** January 1, 2027

**REQUESTED INTRODUCTION DATE:** December 8, 2025

**CITY COUNCIL PUBLIC HEARING DATE:** January 26, 2026

**REQUESTED AGENDA:** Regular

**RECOMMENDED COUNCIL COMMITTEE:** Finance and Economic Development

**AFFECTED AGENCIES:** Department of Budget and Strategic Planning  
Department of Finance  
Assessor of Real Estate

**RELATIONSHIP TO EXISTING ORD. OR RES.:** None

**ATTACHMENTS:** Underlying Data for CNL-2025-0041 – UPDATED

**STAFF:** Maria Garnett, Council Policy Analyst, (804) 298-5052



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

**Date:** December 8, 2025 (updated December 19 to fix typographical errors)  
**To:** RJ Warren, Council Chief of Staff  
Will Perkins, Senior Legislative Services Manager  
**From:** Maria Garnett, Council Policy Analyst  
**Re:** Data referenced in [resolution ordinance](#) CNL-2025-0041

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RJ and Will:

This document serves as an attachment to the fiscal impact statement portion of the O&R transmittal for resolution titled CNL-2025-0041.

**It is not possible to produce an exact figure for expected fiscal impact from this legislation, particularly the portion related to temporarily foregone tax revenues, because of data limitations.** However, available data allows for us as Council staff to provide rough, initial estimates of the likely lower and upper bounds for real estate tax revenues that would be foregone to the City due to enrollment in the program if it were implemented in tax year 2026, as an illustrative example. These estimates assume that all accumulated interest is paid along with the principal amount of deferred taxes.

Rough, initial estimates of temporarily foregone real estate tax revenues associated with participation in the tax deferral program created by this ordinance can be calculated as follows:

- Step 1: Exclude residential and condo properties with taxable assessed values exceeding 200% of the median for tax year 2026
- Step 2: Calculate amount of real estate tax owed in excess of 105% of the prior year's bill for each eligible property
- Step 3: Multiply result of Step 2 by 43.5% (the [homeownership rate](#) for the City of Richmond, i.e., the percentage of housing units occupied by the property owner)
  - This represents the 100% program participation upper bound
- Step 4: Multiply result of Step 3 by 25% to produce the lower bound

### **Step 1**

**Data source:** City of Richmond Assessor of Real Estate, Master data file as of September 15, 2025, <https://www.rva.gov/assessor-real-estate/data-request> (Last accessed 11/6/2025)

Created two new variables, INELIGIBLE-R and INELIGIBLE-C

- INELIGIBLE-R = ~~No~~ Yes if assessed value for 2026 exceeded 200% of the \$325,000 median (syntax: =IF(AY2>650000, "Yes", "No"))
- INELIGIBLE-C = ~~No~~ Yes if assessed value for 2026 exceeded 200% of the \$260,000 median (syntax: =IF(AY2>520000, "Yes", "No"))

Inserted two pivot tables, one for residential properties and one for condominiums

Applied filters: EXEMPT\_CODE = blank (to exclude tax-exempt properties); PROP\_TYPE = Residential; PROP\_TYPE\_2 = Dwelling, Multi-Family (for residential pivot table) and = Condominium (for condominium pivot table); INELIGIBLE-R (for residential pivot table) and INELIGIBLE-C (for condominium pivot table) = No

In each pivot table (residential and condominium), by neighborhood and total, calculated sum of total assessed value of properties meeting criteria for tax year 2025 (ASSESS\_TOTAL\_VALUE\_2) and tax year 2026 (ASSESS\_TOTAL\_VALUE\_1)

## **Step 2**

Double-click on 2026 assessed value totals generated in each pivot table to create new tabs containing all properties meeting criteria in Step 1

- Residential: 47,281 properties
- Condominium: 3,822 properties

Calculate percent change in assessed value from 2025 to 2026 for each property and create new variable to flag properties with a percent change greater than 5%

- Residential: 22,780 properties (48%)
- Condominium: 860 properties (22.5%)

For properties with percent change greater than 5%, calculate difference between actual taxes owed for 2026 and 105% of taxes owed for 2025

- Residential: \$3,474,470 total, \$152.52 average
- Condominium: \$119,914 total, \$139.44 average

## **Step 3**

Residential:  $.435 \times \$3,474,470 = \$1,511,394$

Condominium:  $.435 \times \$119,914 = \$52,163$

Total: \$1,563,557

## **Step 4**

$.25 \times \$1,563,557 = \$390,889$