

INTRODUCED: February 27, 2017

AN ORDINANCE No. 2017-035

To amend and reordain City Code § 26-549, concerning the moratorium on acceptance of applications for tax exemptions, for the purpose of imposing a new requirement that triennial applications for retention of the exempt status by designation of real or personal property be filed with and reviewed by the City Assessor during such moratorium.

Patrons – President Hilbert and Mr. Agelasto

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAR 27 2017 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 26-549 of the Code of the City of Richmond (2015) be and is hereby **amended** and reordained as follows:

Sec. 26-549. Moratorium on acceptance of applications for tax exemptions.

On the date upon which the ordinance from which this section is derived takes effect, the City Assessor shall not accept any application filed by nonprofit organizations seeking exemption from taxation for real or tangible personal property pursuant to the provisions of Sections 26-546 through 26-548. This moratorium shall be in effect until repealed by the

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: MAR 27 2017 REJECTED: _____ STRICKEN: _____

Council. Notwithstanding any other provision of law to the contrary, during the moratorium provided for in this section, (i) any organization granted an exemption by designation shall submit a triennial application to the City Assessor's Office by September 1 of every third year to determine if retention of the exempt status of real and personal property would be appropriate and (ii) the City Assessor shall review all such triennial applications received and determine if retention of the exempt status is appropriate, provided that the City Assessor and the Director of Finance may jointly appoint the Property Tax Exemption by Designation Committee pursuant to section 26-547 to review such triennial applications and make recommendations to the City Assessor regarding retention of the exempt status if both the City Assessor and the Director of Finance deem such appointment necessary.

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



Richmond City Council

The Voice of the People

Richmond, Virginia

Lou Brown Ali
Council Chief of Staff

Office of the Council Chief of Staff

Ordinance/Resolution Request

TO Allen Jackson, City Attorney

THROUGH Lou Brown Ali, Council Chief of Staff *MCB on behalf*

FROM Meghan Brown, Deputy Council Chief of Staff *MCB*

COPY Chris A. Hilbert, 3rd District Council Member
Parker C. Agelasto, 5th District Council Member
Haskell Brown, Deputy City Attorney
Lisa F. Townes, 3rd District Liaison
Amy E. Robins, 5th District Liaison

DATE February 16, 2017

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TITLE **Ordinance to amend City Code for Tax Exemption by Designation**

RECEIVED

FEB 17 2017

OFFICE OF CITY ATTORNEY

This is a request for the drafting of an **Ordinance** **Resolution**

REQUESTING COUNCILMEMBER/PATRON

President Hilbert
Councilman Agelasto

SUGGESTED STANDING COMMITTEE

Finance & Economic Development

ORDINANCE/RESOLUTION SUMMARY

The patrons request an ordinance to amend City Code dealing with the triennial review process of property tax exemptions by designation. The amendment shall include language that:

- 1.) Requires, during the moratorium period, each organization granted an exemption by designation shall file a triennial application with the City Assessor's Office no later than September 1 of every third year in order to retain its tax-exemption status.
- 2.) Assigns responsibility for the triennial application process for determining if retention of the exempt status is still appropriate to the City Assessor during the moratorium period.
- 3.) Allows, at any time during the moratorium period, the City Assessor and the Director of Finance to jointly reconvene the Property Tax Exemption by Designation Committee if both determine that such action is warranted.

BACKGROUND

Currently, any organization that has been granted exemption by designation is required to submit a triennial application to the City Assessor's Office by September 1 of every third year to determine if retention of the exempt status is still appropriate. The Property Tax Exemption by Designation Committee then reviews all triennial applications and make a written recommendation to the City Assessor regarding the retention of the exempt status.

The Property Tax Exemption by Designation Committee was originally put in place to review each application requesting exemption by designation from property taxation, and provide a written report to City Council on each application. The Committee was also charged with reviewing each triennial application. In early 2013, City Council adopted an ordinance to place a moratorium for accepting any new applications requesting exemption by designation. Since the time the moratorium was put in place, there has not been a need for the Property Tax Exemption by Designation Committee because there were no new applications being submitted for review.

The City Assessor and the Director of Finance, who are jointly responsible for appointing the five members of the Property Tax Exemption by Designation Committee, agree that, because the moratorium is still in place, the triennial review process would be more efficient if conducted by the City Assessor's Office rather than reconvening the Committee. The City Assessor's Office role will be limited to review of the triennial applications to insure the organizations are still operating as exempted. Upon review of the triennial applications, if the City Assessor determines that the exempted organizations are no longer operating as exempt then those properties will be placed back on the taxable roll.

FISCAL IMPACT STATEMENT

Fiscal Impact	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Budget Amendment Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Estimated Cost or Revenue Impact	N/A	

Attachment/s Yes No