

INTRODUCED: April 25, 2016

AN ORDINANCE No. 2016-140

To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of certain revenues from real estate taxes, for the purpose of funding the operation of public schools in the city.

\_\_\_\_\_  
Patron – Mr. Baliles

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: MAY 23 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Chapter 12, Article II of the Code of the City of Richmond (2015) be and is hereby amended and reordained by **adding therein a new** section numbered 12-37 as follows:

**Sec. 12-37. Disposition of revenues from real estate taxes.**

Beginning July 1, 2017, the Director of Finance shall credit an amount equal to 60.8 percent of the amount of real estate taxes collected pursuant to Chapter 26, Article V, Division 2, exclusive of those real estate taxes accounted for pursuant to Section 12-35, to a special reserve assigned to support the operation of public schools in the city. The City Council may appropriate funds from

AYES:            5            NOES:            4            ABSTAIN: \_\_\_\_\_

ADOPTED: \_\_\_\_\_ REJECTED: \_\_\_\_\_ STRICKEN:        JAN 8 2018

this reserve for the operating budget for public schools in the city as submitted by the School Board of the City of Richmond. It is the intent of the City Council to reevaluate and, if necessary, adjust the percentage of real estate taxes set forth above once every five years.

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



# Richmond City Council

The Voice of the People

Richmond, Virginia

4-25

## Office of the Council Chief of Staff

### Ordinance/Resolution Request

**TO** Allen Jackson, Richmond City Attorney  
Richmond Office of the City Attorney

**THROUGH** Lou Brown All *[Signature]*  
Council Chief of Staff

**FROM** William E. Echelberger, Jr, Council Budget Analyst *[Signature]*

**COPY** Mr. Jonathan T. Bailles, 1st District Representative  
Haskell Brown, Deputy City Attorney  
Vincent Jones, Council Deputy Chief of Staff  
Ell Wong, 1st District Council Liaison

**DATE** April 15, 2016

**PAGE/s** 1 of 2

**TITLE** Real Estate Tax for Schools

RECEIVED

APR 15 2016

OFFICE OF CITY ATTORNEY

This is a request for the drafting of an  Ordinance  Resolution

**REQUESTING COUNCILMEMBER/PATRON**

Mr. Jonathan T. Bailles

**SUGGESTED STANDING COMMITTEE**

Finance and Economic Development

**ORDINANCE/RESOLUTION SUMMARY**

The Patron requests an ordinance that notes that:

- Dedicates 60.8 percent of the City's Current and Delinquent Real Estate Tax Revenues to operation of Richmond Public Schools.
- Requires that this share of Real Estate Tax Revenues shall be used for no other purpose than the operation of Richmond Public Schools.
- The percentage of the City's Current and Delinquent Real Estate Tax Revenues to operation of Richmond Public Schools shall be reevaluated every five years.
- The ordinance shall be effective on July 1, 2017.

**BACKGROUND**

**Summary:** This ordinance dedicates a fixed percentage of the City's Real Estate Tax Revenues for operation of Richmond Public Schools. Such dedication of revenues will provide a stable and predictable source of operating support for public education in the City.

- Richmond Public Schools estimates that the portion of the City Real Estate Tax Revenues utilized for support of Public education in FY 2016 is 60.8 percent.
- Estimated Real Estate Tax Revenues included in the FY 2017 Proposed Budget are \$250,225,128. The required 60.8% share of the City's FY 2017 Current and Delinquent Real Estate Tax Revenues is estimated at \$152,136,878.

**Fiscal Impact:** This ordinance dedicates a fixed percentage of the City's Real Estate Tax Revenues for operation of Richmond Public Schools. For FY 2017 the amount is estimated at \$152,136,878. This amount is \$6,137,220 more than the \$145,999,657 included in the FY 2017 proposed budget, not including the State Sales Tax for Education, which is appropriated by the Commonwealth under the Standards of Quality.

**FISCAL IMPACT STATEMENT**

Fiscal Impact Yes  No

Budget Amendment Required Yes  No

**Estimated Cost or Revenue Impact**

The fiscal impact is to dedicate an amount estimated at \$152,136,878 for FY 2017 to RPS. Future budgets will have the same percentage dedicated.

Attachment/s Yes  No