



# Richmond City Council

*The Voice of the People*

*Richmond, Virginia*

## Ord. 2026-018

*Presented*

February 2, 2026

Richmond City Council Chambers



**Richmond City Council**

The Voice of the People Richmond, Virginia

# Ordinance No. 2026-018

*To repeal City Code § 12-46, concerning the disposition of revenues derived from the expiration of partial exemptions from real estate taxation and from certain sales of tax delinquent properties, and to amend ch. 12, art. II, of the City Code by adding therein a new section 12-48, concerning disposition of certain real estate tax revenue, for the purpose of providing for the disposition and evaluation of certain revenues for affordable housing initiatives*

Patrons - Ms. Robertson, Ms. Gibson and President Newbille



# Sec. 1: Repeals Sec. 12-46

~~12-46 (a): on an annual basis, the Director of Finance shall credit the difference between the full taxation amount and the partial exemption amount as of the date of such reduction, expiration, or termination to a special reserve assigned to support the Affordable Housing Trust Fund established by Section 16-51 each year after such expiration~~

~~Sec. 12-46 (b): the Director of Finance shall credit to a special reserve assigned to support the Affordable Housing Trust Fund established by Section 16-51 up to \$1,000,000.00 of all proceeds from the sale of tax delinquent properties~~



## Sec. 2: Insert New Sec.12-48.

### **Sec. 12-48. Disposition of certain real estate tax revenue.**

- Allocate 2.5% of real estate tax revenue to the fund annually
- Requires annual reporting (due with proposed budget):
  - An estimate of the amount going to AHTF in proposed budget
  - A report on the amounts credited/expended in prior year
  - A report detailing the current balance of the AHTF
  - A summary of prior year expenditures



# Sec. 26-355 (Real Property) Revenues: Adopted Budget & Actual

FY	Adopted Budget		Actual	
	Real Estate Revenue (Sec. 26-355, Current)	Proposed AHTF Allocation (2.5%)	Real Estate Revenue (Sec. 26-355, Current)	Proposed AHTF Allocation (2.5%)
2026	\$502,966,592	\$12,574,165		
2025	\$460,948,803	\$11,523,720		
2024	\$438,464,783	\$10,961,620	\$440,106,240	\$11,002,656
2023	\$376,849,967	\$9,421,249	\$397,771,183	\$9,944,280
2022	\$330,726,962	\$8,268,174	\$362,532,320	\$9,063,308



# Difference Between Proposed Ordinances

	<b>Ord. 2026-001 (Avula)</b>	<b>Ord. 2026-018 (Robertson, Gibson, Newbille)</b>
<b>Repeal Sec. 12-46?</b>	Yes	Yes
<b>Guarantee funding?</b>	No: Funding is only allocated to AHTF when year-over-year real estate tax revenue growth is > 0; amount allocated is 15% of said growth	Yes: 2.5% of non-Public Service Corporation (PSC) real estate tax revenue allocated to AHTF
<b>Minimum appropriation?</b>	Somewhat: Stated goal for minimum of \$10m to be allocated to AHTF each year, whether through growth formula or combination of real estate tax revenue growth and other sources such as debt, though Mayor would still have allocation amount discretion.	No
<b>Cap on appropriation?</b>	Somewhat: Appropriation “need not exceed” \$12m, though Mayor would still have discretion to allocate >\$12m to AHTF	No
<b>Built-in AHTF reporting requirement?</b>	Yes, every 4 years	Yes, annual
<b>Built-in evaluation and sunset potential?</b>	Yes	No
<b>Effective Date</b>	July 1, 2026	Upon adoption





# Richmond City Council

*The Voice of the People*

*Richmond, Virginia*