



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Finance & Economic Development Standing Committee

October 10, 2024

Legislative Summary

Previous Meeting: September 19, 2024

Next Meeting: November 21, 2024

Paper(s) for Consideration

1. ORD. 2024-187

President Lambert, Ms. Robertson

Patron(s): Mr. Addison, Ms. Lynch, Vice

To amend City Code §§ 26-871, concerning the establishment of annual license taxes, and 26-873, concerning exemptions to license taxes, to increase the threshold for business, professional and occupational license taxes from \$250,000.00 to \$500,000.00.

Key Points:

- A.** In February 2022, the BPOL threshold was increased from \$100,000 to \$250,000 via legislative action. By increasing this threshold, more Richmond businesses would be added to the population of businesses which pay a \$30 flat fee as opposed to their higher BPOL taxes.
- B.** The goal of this proposed ordinance is to increase the number of Richmond businesses that pay no tax/fee or pay a minimal fee by raising the threshold to \$500,000.
- C.** City Administration is performing a complete review of the BPOL Program and currently does not support the proposed legislation.

Fiscal Impact: None Yes

Estimated \$1M revenue loss for the City of Richmond. No revenue replacement plan has been proposed.

2. ORD. 2024-222

Vice President Lambert

Patron(s): Ms. Trammell, Ms. Robertson,

To amend and reordain City Code § 26-355, concerning the levy of tax on real estate, to establish a tax rate of \$1.16 for the tax year beginning Jan. 1, 2025, pursuant to Va. Code § 58.1-3321 (b), and increasing such rate from the Rolled Back Tax Rate of \$1.136 as computed in accordance with Va. Code § 58.1-3321 (a).



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Key Points:

- A. To amend Section 26-355 of the Code of the City of Richmond by levying a real estate tax rate of \$1.16 for the tax year beginning January 1, 2025.
- B. The City Assessor has advised Council that the growth in land book value for Tax Year 2025, over the Tax Year 2024 land book, was 6.68% which means that if the real estate taxpayer's tax bill will increase again if the current \$1.20 real estate tax rate is continued. Administration does not support this legislation

Fiscal Impact: None Yes. City Administration will provide an update at the Standing Committee meeting relating to the fiscal impact.

3. ORD. 2024-223

Patron(s): President Nye

To amend and reordain City Code § 26-355, concerning the levy of tax on real estate, to establish a tax rate of \$1.20 for the tax year beginning Jan. 1, 2025, pursuant to Va. Code § 58.1-3321 (b), and increasing such rate from the Rolled Back Tax Rate of \$1.136 as computed in accordance with Va. Code § 58.1-3321 (a).

Key Points:

- A. Ordinance to amend City Code Section 26.355 to maintain the tax rate at \$1.20 per \$100 of Assessed Value, which is an increase from the "Rolled Back Tax Rate" of \$1.136
- B. Adoption of a tax rate that differs from the "Roll Back" rate requires a public hearing and notice in accordance with Section 58.1-3221 of the Code of Virginia. Administration supports this legislation

Fiscal Impact: None. Yes. The Tax rate would remain unchanged.

4. ORD. 2024-254

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$130,100.00 from the Virginia Department of Transportation, and to amend the Fiscal Year 2024-2025 General Fund Budget by creating a new line item in the NonDepartmental agency called "Greater Richmond Fit4Kids – Safe Routes to School" line item and to appropriate the increase to the Fiscal Year 2024-2025 General Fund Budget by increasing estimated revenues and the



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amount appropriated to such new line item by \$130,100.00, all for the purpose of funding a safe routes to school program.

Key Points:

- A. The allocation will fund the salary, equipment, and promotional items for the Richmond Safe Routes to School (SRTS) program for two school years. The SRTS program has operated in Richmond since 2015 and currently serves 10 elementary schools (Barack Obama, Chimborazo, Fairfield Court, Ginter Park, Linwood Holton, Mary Munford, Oak Grove-Bellemeade, Overby-Sheppard, Westover Hills, and Woodville).
- B. The SRTS program engages parents, teachers, students, and partners working together to promote safe, active transport to and from schools.

Fiscal Impact: None. Yes.

5. ORD. 2024-255

Patron(s): Mayor Stoney

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, Max Holdings, L.L.C., and the Economic Development Authority of the City of Richmond for the purpose of facilitating the construction of an affordable residential development located at 711 Dawn Street. (3rd District)

Key Points:

- A. Will provide safe and affordable housing in the City, and result in substantial benefits to the welfare of the City and its inhabitants, as well as is in the public interest.
- B. Grant payment will coincide with receipt of full and timely payment of the Real Estate Tax Levy.

Fiscal Impact: None. Yes.



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Committee Follow-up

Fiscal Activities Calendar Items for October 2024:

- Monthly Reporting: HR Vacancies and Over Time Report
- Monthly Reporting: Financial Synopses
- Legislative Priorities

Follow-Up Request from Prior Standing Committee Meeting – September 2024