

INTRODUCED: December 13, 2021

A RESOLUTION No. 2021-R085

To request that the Council Chief of Staff cause the preparation of a study of the City's delinquent tax sale program.

Patron – Vice President Robertson and Ms. Lambert

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 10 2022 AT 6 P.M.

WHEREAS, the City is authorized to conduct a delinquent tax sale program pursuant to section 58.1-3965 of the Code of Virginia (1950), as amended, which provides, in pertinent part, that “[w]hen any taxes on any real estate in a locality are delinquent on December 31 following the second anniversary of the date on which such taxes have become due, or, in the case of real property upon which is situated (i) any structure that has been condemned by the local building official pursuant to applicable law or ordinance; (ii) any nuisance as that term is defined in § 15.2-900; (iii) any derelict building as that term is defined in § 15.2-907.1; or (iv) any property that has been declared to be blighted as that term is defined in § 36-49.1:1, the first anniversary

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 10 2022 REJECTED: _____ STRICKEN: _____

of the date on which such taxes have become due, such real estate may be sold for the purpose of collecting all delinquent taxes on such property;” and

WHEREAS, the City Auditor conducted an audit of the City’s delinquent tax sale program and the findings of such audit were presented to the City Council in a document entitled “Audit Report #2021-10, Delinquent Real Estate Tax Sale Audit,” prepared by the City Auditor, and dated February 22, 2021, which made recommendations to improve the efficiency and effectiveness of the City’s administration of its delinquent tax sale program; and

WHEREAS, it is the opinion of the Council that further study should be conducted of the City’s delinquent tax sale program in light of the findings presented in the document entitled “Audit Report #2021-10, Delinquent Real Estate Tax Sale Audit,” prepared by the City Auditor, and dated February 22, 2021, for the purpose of identifying any aspects of the City’s delinquent tax sale program in need of equitable improvements; and

WHEREAS, the Council believes that it is in the best interests of the residents of the City of Richmond that the Council request that the Council Chief of Staff cause the preparation of a study of the City’s delinquent tax sale program authorized by section 58.1-3965 of the Code of Virginia (1950), as amended, and to seek, in accordance with applicable laws and regulations, the assistance of Virginia Union University and Virginia Commonwealth University in connection therewith;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council hereby requests that the Council Chief of Staff cause the preparation of a study of the City’s delinquent tax sale program authorized by section 58.1-3965 of the Code of Virginia (1950), as amended, and to seek, in accordance with applicable laws and regulations,

the assistance of Virginia Union University and Virginia Commonwealth University in connection therewith.

BE IT FURTHER RESOLVED:

That the study requested by this resolution shall include the following:

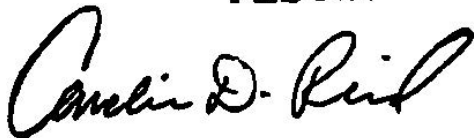
1. Analysis of the publicly available financial and economic data of the purchasers of properties sold at the City's delinquent tax sale auctions.
2. Identification of who has benefited from and who has been negatively affected by the City's delinquent tax sale program.
3. A review of the context and demographics of the owners whose properties have been sold through the City's delinquent tax sale program.
4. Evaluation of the data collected during performance of the study for which this resolution calls using a process for analyzing the impact of the design and implementation of policies on underserved and marginalized individuals and groups.

BE IT FURTHER RESOLVED:

That the Council Chief of Staff shall cause the findings of this study requested by this resolution to be submitted to the Council both in written form and by oral presentation by no later than February 28, 2022.

A TRUE COPY:

TESTE:



City Clerk



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Ordinance/Resolution Request

TO Haskell Brown, Interim Richmond City Attorney
Richmond Office of the City Attorney

THROUGH Joyce Davis
Interim Council Chief of Staff

FROM Samson Anderson, Council Budget Analyst

COPY Ellen Robertson, 6th District Representative
Tavares Floyd, 6th District Liaison
Tabrica Rentz, Interim Deputy Richmond City Attorney

DATE November 5, 2021

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TITLE Study of the City's Tax Sale Program

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

REQUESTING COUNCILMEMBER/PATRON

Vice President Ellen Robertson

SUGGESTED STANDING COMMITTEE

Government Operations

ORDINANCE/RESOLUTION SUMMARY

The Patron is requesting a study be completed by the City, with assistance from Virginia Union University (VUU) and Virginia Commonwealth University (VCU), on the City's Tax Sales Program. The Patron is requesting that the findings of this study be presented to City Council in written form and via an oral presentation to Council by the end of February 2022.

BACKGROUND

Summary:

It is the intent of the Patron that a study be conducted of the City's Tax Sale Program, specifically focusing on the following:

- Identifying any gaps in the program and finding solutions/ improvements with a particular focus on assessing the tax sales program process and its procedures altogether;
- Who (individuals and business) are buying houses at these auctions;
- Who has benefited from the tax sales program and who has been negatively impacted;
- Context and demographics of the homeowners losing their houses in this manner; and
- Use of an equity lens when analyzing the data from this program.

The City's Tax Sales Program is dictated by State Code, Section 58.1-3965 (<https://law.lis.virginia.gov/vacode/58.1-3965/>), not City Code. In order for a property to be

eligible for this program it must be delinquent in taxes for two back to back New Year's Eves. Unless the property is condemned, in which case it only has to be delinquent on property taxes for only one New Year's Eve. As such, on January 1, 2022, a new set of properties will become eligible.

An audit of the Tax Sales Program was conducted and presented to City Council in February 2021. This audit can be found here: <https://rvagov.prod.acquia-sites.com/sites/default/files/2021-03/2021-10%20Citywide%20-%20Delinquent%20Real%20Estate%20Tax%20Sale.pdf>
(This report is also attached, for your convenience.)

While the City will provide the information and data available on the program, and its implementation, by partnering with VUU and VCU, the patron intends to be able to uncover more contextual data, and utilize an equity lens within this study.

This is for introduction on November 8, 2021.

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No
Budget Amendment Required Yes No
Estimated Cost or Revenue Impact:

Attachment/s Yes No

Richmond City Council Ordinance/Resolution Request Form/updated 10.5.2012 /srs