

CITY COUNCIL AGENDA April 24, 2025 City Hall Council Chamber

Juandiego R. Wade, Mayor Brian R. Pinkston, Vice Mayor Natalie Oschrin Michael K. Payne J. Lloyd Snook, III Kyna Thomas, Clerk

6:00 PM SPECIAL MEETING

This is an in-person meeting with an option for the public to participate electronically by registering in advance for the Zoom webinar at www.charlottesville.gov/zoom. The meeting may also be viewed on the City's streaming platforms and local government Channel 10. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 987-1267 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide 48 hours' notice so that proper arrangements may be made.

Call to Order/Roll Call

Agenda Approval

Action Items

1. Ordinance: Ordinance Establishing the Annual Tax Levy for Tax Year 2025 (2nd

reading)

General Business

Adjournment

CITY OF CHARLOTTESVILLE, VIRGINIA CITY COUNCIL AGENDA



Agenda Date: April 24, 2025

Action Required: Approve the attached Ordinance

Presenter: Krisy Hammill, Director of Budget

Staff Contacts: Samuel Sanders, Jr., City Manager

Krisy Hammill, Director of Budget

Title: Ordinance Establishing the Annual Tax Levy for Tax Year 2025 (2nd

reading)

Background

As part of the annual Budget process, City Council sets forth the tax rates to be levied to general revenue to support the Budget for City government operations.

Discussion

The Real Estate Tax rate was published at **\$.98/\$100** assessed value and the City's FY 2026 Budget is balanced with the revenue that the rate would generate. This rate is the same as the tax rate for the current year. No rate increase is being requested.

Alignment with City Council's Vision and Strategic Plan

The Budget aligns with Council's Strategic Plan and Outcome Areas which are detailed in the Budget document.

Community Engagement

There have been multiple opportunities throughout the FY 2026 Budget development process for the community to provide input on the budget and the planned tax rates. The associated Public Hearing provides an opportunity for input on the proposed tax rates.

Budgetary Impact

Approval of the attached Ordinance sets forth the tax rates used to balance the Fiscal Year 2026 Budget.

Recommendation

Approve the attached Ordinance.

Alternatives

N/A

<u>Attachments</u>

1. Tax ORDINANCE

ORDINANCE To Establish the Annual Tax Levy for Tax Year 2025

BE IT ORDAINED by the Council of the City of Charlottesville **THAT** in order to pay the general operating expenses of the City, including local support for the City's schools; to provide funding for other public purposes; and to pay interest on and to provide funding for retirement of City debt, taxes are hereby levied at the rates set forth within this Ordinance, for the current Tax Year (beginning at midnight on January 1, 2025 and ending December 31, 2025), and for each succeeding Tax Year during which this Ordinance continues in effect:

1. Section 1—Real Property and Mobile Homes

On real estate, including land and improvements thereon and mobile homes, the tax rate shall be \$0.98 on every \$100 of the assessed value thereof.

2. Section 2—Personal Property

On all automobiles, trucks, motorcycles and other motor vehicles; boats and aircraft; and on all tangible personal property used or held in connection with a business, trade, occupation or profession (excluding furnishings, furniture and appliances in rental units of 30 days or longer) the tax rate shall be \$4.40 on every \$100 of the assessed value thereof.

3. Section 3—Public Service Corporation Property

- (a) On that portion of the real estate and tangible personal property of public service corporations which has been equalized as provided in Sec. 58.1-2604 of the Virginia Code, the tax rate shall be \$0.98 on every \$100 of the assessed value thereof determined by the Virginia State Corporation Commission or Virginia Department of Taxation (for railroads and interstate pipeline transmission companies), and
- (b) Notwithstanding the foregoing, on automobiles and trucks belonging to public service corporations, the tax rate shall be \$4.40 on every \$100 of the assessed value thereof.

4. Section 4—Machinery and Tools

On machinery and tools used in a manufacturing or mining business (excluding intangible personal property), the tax rate shall be \$4.40 on every \$100 of the assessed value thereof.

5. Section 5—Energy Efficient Buildings

On energy efficient buildings the tax rate shall be \$0.49 on every \$100 of the assessed value thereof, subject to the limitations set forth within Chapter 30, Article V, Division 4 of the Code of the City of Charlottesville (1990), as amended, and applies only to buildings and not to the land on which such buildings are located.

BE IT FURTHER ORDAINED THAT the Ordinance adopted April 15, 2024 establishing local tax rates for the Tax Year beginning January 1, 2024 and ending on December 31, 2024 is hereby repealed, effective at midnight on January 1, 2025.