EXHIBIT NO. 1

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4-26-05 ~~4-12-05~~

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 4, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: PROPOSAL TO INCREASE REAL ESTATE TAX RELIEF FOR SENIOR, DISABLED AND LIMITED INCOME RESIDENTS

ISSUE: Consideration of proposals to increase the benefits in the real estate tax relief and affordable home ownership preservation programs.

RECOMMENDATION: That City Council pass the proposed ordinance on first reading, schedule it for public hearing on April 26, and second reading and then final passage on May 2, 2005. The proposed increases in benefits and changes to these programs are:

I. Senior and Disabled Tax Relief

A. Persons who reach 65 years of age during the tax year be eligible for a prorated exemption and/or deferral of real estate taxes for the portion of the tax year such person is 65 years of age, and

B. Up to $10,000 of the income of any relative residing in the home who is not the spouse be excluded from the total combined household income used to determine the applicant's eligibility for an exemption and/or deferral from real estate taxes. The current limit is $8,500.

II. Affordable Home Ownership Preservation

A. Increase the maximum assessed value of the real estate owned by the applicant from $362,000 to $442,000; and

B. Increase the value of the grants-in-aid provided to eligible homeowners from $250 to:

(1) $675 when the total combined income of the eligible homeowners does not exceed $40,000,

(2) $475 when the total combined income of the applicant exceeds $40,000 but does not exceed $50,000, and

(3) $275 when the total combined income of the applicant exceeds $50,000 but does not exceed $62,000.

DISCUSSION: At the March 15 and 29 budget work sessions staff presented various tax relief options to Council in addition to the at least 8-cent real estate tax rate reduction planned by Council. The two targeted tax relief options Council directed staff to bring forward for acknowledgment includes benefit and eligibility expansion options within (1) the long standing program of Real Estate Tax Relief for the Elderly or Permanently and Totally Disabled, and (2) in the (new in 2004) Affordable Home Ownership Preservation program. Changes to those programs are described below.

Senior and Disabled Tax Relief: Under the City's current real estate tax relief program for the elderly or permanently and totally disabled, applicants must be at least 65 years of age or permanently and totally disabled on or before January 1 of the current tax year to qualify for real estate tax relief. In response to taxpayer and Councilman Macdonald's inquiries that relate to this program, the Finance Department has reviewed the applicable law that governs real estate tax relief and reports that state law provides that "any locality may by ordinance provide a prorated exemption or deferral for the portion of the taxable year during which the taxpayer qualified for such exemption or deferral."

Many citizens experience a decrease in income upon retirement and those who retire at age 65 during the current tax year must also often contend with an increased real estate tax bill due to rising property values. Providing prorated real estate tax relief for those who reach the age of 65 during the current tax year is not expected to have a noticeable impact on program costs and will provide a substantial benefit to this particular group of citizens. The proposed tax ordinance would be retroactive effective to January 1, 2005, so anyone who turned 65 on or after January 1 of this year will automatically qualify for prorated relief for this year's real estate taxes.

Currently, all citizens requesting real estate tax relief are required to file an affidavit, statement or certification by no later than April 15 of the tax year to qualify under the program. Citizens who file an affidavit, statement or certification after April 15 but before November 15 may be declared eligible to apply provided good cause is shown for the failure to file on or before April 15. It is recommended that this deadline and deadline exception policy also apply to those who turn 65 during the course of a calendar year.

State law also now provides that in determining total combined household income for real estate tax relief, local jurisdictions may exclude up to $10,000 of income for any relative who is not the spouse residing in the property. The current City ordinance limits this exclusion to $8,500. Historically, there have been no more than two applicants each year who did not qualify for real estate tax relief due to the income of other relatives residing in the home. Increasing the City's income exclusion for relatives residing in the home to the State maximum is not expected to impact program costs but will facilitate extending tax relief, or enabling a greater amount of relief, to those applicants who share their residence with other non-spouse family members.

Affordable Home Ownership Preservation Program: As part of the FY 2005 budget, to mitigate rising real estate taxes due to significant increases in real property appreciation, Council approved the Affordable Home Ownership Preservation program (AHOP) to provide a $250 grant-in-aid as a credit on the real estate tax billing to certain homeowners. This was the first program of its kind in Virginia. In tax year 2004, 659 homeowners received some $200,000 worth of tax relief.

For FY 2006 it is recommend that a sliding scale of tax credits be established based on income, providing up to $675 in tax relief to those residents earning $40,000 or less per year, $475 for those residents earning above $40,000 but not in excess of $50,000, and $275 for those earning above $50,000 but not in excess of $62,000. Also, the limit on the value of the property is proposed to increase to $442,000 to reflect the increase in the average assessed value of homes in the City. Participation is expected to double as a result of the new parameters.

At the current advertised tax rate of $0.915, prior to the application of the AHOP grant the owner of an average residential property assessed at $442,000 would see an increase in their tax bill of $418. Through the Affordable Home Ownership Preservation Grant Program, eligible residents with income of less than $40,000 will realize no increase in their real estate tax bill compared to last year, as the credit is proposed to increase by $425 from $250 to $675. The recommended grant amounts are each $175 less than in the proposed budget to reflect the fact that City Council will be reducing the real estate tax rate by at least 8 cents.

The program will continue to be administered by the Finance Department, which also administers the Real Estate Tax Relief for the Elderly and Disabled Program. Information describing changes to the program will be provided to the public through various means similar to those used to advertise the Real Estate Tax Relief for the Elderly and Disabled Program. In addition, a flyer describing the AHOP program will be mailed to all homeowners of property valued at $442,000 or less. Applications for the grant will be available online and can also be mailed to homeowners who call the Finance Department to inquire about the program.

The Finance Department will accept AHOP applications for the grant until September 1, 2005. In order to allow sufficient time for filing an application processing, the grant will be credited on the real estate tax bills due November 15, 2005. As was the case last year, the tax bill due June 15 will need to be paid in full even if the taxpayer meets the qualification and has filed an application prior to June 15, 2005.

The following other program criteria would remain unchanged for FY 2006:

A. The total annual income of the resident or homeowners (and any income of an owner's relatives, including any spouse, who reside in the home, but are not owners) may not exceed $62,000 for the calendar year prior to the date of filing the applications.

B. The total assets of the resident homeowner or homeowners (and resident, non-owner relatives including any spouse), excluding the value of the house and property, vehicles and assets in qualified retirement plans may not exceed $50,000.

C. The applicant must own all or at least 50 percent of the property.

FISCAL IMPACT: It is not anticipated that these changes to the Senior and Disabled Tax Relief program will have a noticeable impact on program costs. Each year, fewer than two applicants do not qualify for tax relief either because they were not 65 years of age on January 1 or due to the income of other relatives residing in the property. It is likely that some citizens familiar with program requirements would not submit an application if they did not feel certain they would qualify. There have been minimal inquiries received from citizens who would not qualify for these reasons and are not familiar with the program. The total cost of the Senior and Disabled Tax Relief program is now estimated at $2.5 million for 2005, which is a decrease of $200,000 due to the additional real estate tax rate reduction of at least 4 cents.

Staff estimates that the cost of the AHOP program will be approximately $750,000. This assumes that the new sliding scale and increased available grant amounts will result in 1,300 participants, twice the number as last year. The AHOP cost is estimated at $750,000, or $250,000 less than the estimate contained in the original budget due to the decrease in the proposed grant amounts.

ATTACHMENT: Proposed Ordinance

STAFF:
Mark Jinks, Assistant City Manager for Fiscal & Financial Affairs
D. A. Neckel, Director of Finance
Bruce Johnson, Director, Office of Management and Budget

EXHIBIT NO. 2

Introduction and first reading:	4/12/05
Public hearing:	4/26/05
Second reading and enactment:	5/02/05

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE to amend and reordain Article L (REAL ESTATE TAX RELIEF), of Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended.

Summary

The proposed ordinance increases the City's residential real estate tax relief program for elderly or disabled residents, by providing a prorated exemption or deferral for residents who become 65 or disabled during a tax year, and increases the maximum household income limit for eligible households by increasing to $10,000 the amount of income of each relative in the household which is excluded in calculating household income. In addition, the proposed ordinance increases the City's Affordable Home Ownership Preservation (AHOP) program for owner/occupants with limited incomes, but who are not elderly or disabled, by increasing the maximum grant to be applied against the resident's real estate tax bill to $275, 475 or $675, depending on household income, and increasing the maximum assessed value of an eligible residence to $442,000. The terms and conditions of these programs are subject to amendment by the City Council during the process for adopting this ordinance.

Sponsor

Staff

Mark Jinks, Assistant City Manager
Daniel A. Neckel, Director of Finance
Bruce Johnson, Director of Management and Budget
Ignacio B. Pessoa, City Attorney

Authority

§§ 58.1-3210, *et seq.*, Code of Virginia
§§ 2.01, 2.04.2, Alexandria City Charter

Estimated Costs of Implementation

See memorandum from the City Manager.

Attachments in Addition to Proposed Ordinance and its Attachments (if any)

None

ORDINANCE NO. _____

AN ORDINANCE to amend and reordain Article L (REAL ESTATE TAX RELIEF), of Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Article L, Chapter 2, Title 3 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

ARTICLE L Real Estate Tax Relief

Sec. 3-2-160 Short title.

This article shall be known as the City of Alexandria Real Estate Tax Relief Ordinance.

DIVISION 1 Real Estate Tax Exemption or Deferral For Elderly or Permanently and Totally Disabled Persons

Sec. 3-2-161 Definitions.

The following words and phrases shall, for the purposes of this division, have the following respective meanings, except where the context clearly indicates a different meaning:

(1) Applicant. Any natural person who claims an exemption or deferral under section 3-2-165.

(2) Reserved.

(3) Deferral. A deferral of the obligation to pay real estate taxes granted pursuant to the provisions of this division.

(4) Dwelling. The building, or portion of a building, which is owned, at least in part, by an applicant, which is the sole residence of the applicant and which is a part of the real estate for which an exemption from or deferral of taxes is sought pursuant to this division.

(5) Exemption. An exemption from the obligation to pay real estate taxes granted pursuant to the provisions of this division.

(6) Net combined financial worth of applicant. The value of all assets of an applicant, of an applicant's spouse and of any other person who is an owner of and resides in the applicant's dwelling, calculated as of December 31 of the calendar year immediately preceding the taxable year; provided, that the value of the applicant's dwelling, of

household furnishings in the dwelling and of up to one acre of the land on which the dwelling is situated shall be excluded.

(7) Permanently and totally disabled persons. An applicant certified as provided by section 3-2-165(d) and found by the city manager to be unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment or deformity which can be expected to result in death or can be expected to last for the duration of such applicant's life.

(8) Relative. Any person related by blood or marriage to an applicant who uses the applicant's dwelling as his or her principal residence, other than a spouse.

(9) Taxes owed for the year. The amount of real estate taxes levied on the dwelling of the applicant for the taxable year.

(10) Taxable year. The current calendar year for which an exemption or deferral is claimed.

(11) Spouse. The husband or wife of any applicant who resides in the applicant's dwelling.

(12) Total combined income of applicant. The annual gross income from all sources, calculated as of December 31 of the calendar year immediately preceding the taxable year, of the applicant, of the applicant's spouse, of any relative of the applicant who resides in the dwelling, and of any other person who is an owner of and resides in the applicant's dwelling; provided, that up to ~~$8,500~~ $10,000 of the income of any such relative shall be excluded and, provided further, that up to ~~$7,500~~ $10,000 of the income of any applicant, and any other owner residing in the dwelling, who is permanently disabled shall be excluded.

(13) Notwithstanding the provisions of subsection (12), above, if an applicant proves to the director of finance, by clear and convincing evidence, that the applicant's physical or mental health has deteriorated to the point that the only alternative to permanently residing in a hospital, nursing home, convalescent home or other facility for physical or mental care, is to have a relative move in and provide care to the applicant, and if a relative does actually move in and provide such care, then none of the income of the relative and of the relative's spouse shall be counted towards the total income of the applicant; provided, however, that the applicant has not transferred to the relative assets in excess of $10,000, without adequate consideration, within a three-year period prior to or after the relative moves into the dwelling.

Sec. 3-2-162 Exemption or deferral--provided.

There is hereby provided to any natural person who is or becomes 65 years of age or older during the taxable year or who is or becomes permanently and totally disabled during the taxable year, or is or becomes both, at such person's election, an exemption from or deferral of taxation on the real estate in the city which is owned, in whole or in part, and is occupied by such person as his or her sole dwelling. There is also hereby provided to any person who is less than 65 years of age and is not disabled, at the election of such person and his or her spouse, an exemption from or deferral of taxation on the real estate in the city which such person owns jointly with his or her spouse and which they occupy as their sole dwelling, provided the spouse is or becomes 65 years of age or older during the taxable year or is or becomes permanently and totally disabled during the taxable year. The real estate tax exemption or deferral provided for in this section shall be subject to the restrictions, limitations and conditions prescribed by this division and sections 58.1-3210 through 58.1-3218 of the Code of Virginia (1950), as amended.

Sec. 3-2-163 Same--eligibility, restrictions generally.

Exemptions from or deferral of real estate taxation in any taxable year shall be granted subject to the following restrictions and conditions:

(1) The total combined income for the calendar year immediately preceding the taxable year of an applicant may not exceed the limits established by section 3-2-166.

(2) The net combined financial worth of an applicant may not exceed $240,000.

(3) As of January 1 of the taxable year, the applicant must occupy the real estate for which the exemption or deferral is sought as his or her sole residence and must be expected to so occupy the real estate throughout the year; provided, that an applicant who is residing in a hospital, nursing home, convalescent home or other facility for physical or mental care shall be deemed to meet this condition so long as the real estate is not being used by or leased to another for consideration.

(4) An applicant shall file the affidavit or written statement, or annual certification, required by section 3-2-165 no later than April 15 of the taxable year.

(5) Interest on any taxes deferred under this article division shall accrue at the rate of five percent per annum from the date by which such taxes were required to be paid to the date on which such taxes are paid in full. Any and all deferred taxes shall constitute a single lien upon the applicant's real estate as if no deferral had been granted and the taxes had been assessed but not paid. To the extent it exceeds, in the aggregate, 10 percent of the price for which such real estate is sold or, if not sold, 10 percent of its assessed value, any such lien shall be inferior to all other liens.

Sec. 3-2-164 Same--administration by city manager.

The exemption from or deferral of payment of real estate taxes for elderly or permanently and totally disabled persons shall be administered by the city manager according to the provisions of this division. The city manager is hereby authorized and empowered to prescribe, adopt, promulgate and enforce such rules and regulations in conformance with the provisions of this division, including the requirement of answers under oath, as may be reasonably necessary to determine eligibility for exemption or deferral. The city manager may require the production of certified tax returns and appraisal reports to establish total combined income or net combined financial worth.

Sec. 3-2-165 Same--procedure for claim.

(a) For taxable year 2003, and every third taxable year thereafter, and not later than April 15 of the taxable year, any applicant claiming an exemption or deferral of real estate taxes under this division shall file with the city manager, in such manner as the manager shall prescribe and on forms to be supplied by the city, an affidavit or written statement providing the following:

(1) the name and age of the applicant;

(2) a statement whether the applicant is permanently and totally disabled;

(3) the address of the real estate for which the exemption or deferral is claimed;

(4) the names of the applicant's spouse and of the relatives of the applicant and any other owners of the real estate who reside in the applicant's dwelling;

(5) the total combined income of the applicant as defined in section 3-2-161(12);

(6) the net combined financial worth of the applicant as defined in section 3-2-161(6);

(7) the applicant's election of an exemption or deferral;

(8) the name and addresses of all owners of the real estate other than the owners who reside therein; and

(9) such additional information as the city manager reasonably determines to be necessary to determine eligibility for exemption or deferral of real estate taxes pursuant to this division.

(b) If, after audit and investigation, the city manager determines that the applicant is eligible for an exemption or deferral, the manager shall so certify to the director, who shall deduct the amount of the exemption from the applicant's real estate tax liability or defer such tax liability as herein provided.

(c) Any provision of this division to the contrary notwithstanding, the director may declare eligible to apply for an exemption or deferral any person filing the affidavit or written statement required by subsection (a), or the written certification required by subsection (f), after April 15 but before November 15 of the taxable year, provided good cause is shown for the failure to file the affidavit, statement or certification on or before April 15 of the taxable year.

(d) Any applicant under 65 years of age claiming an exemption or deferral on the basis of a permanent and total disability shall attach to the affidavit or written statement required by subsection (a), or the written certification required by subsection (f), a certification by the Social Security Administration or, if the person is not eligible for social security, an affidavit by two medical doctors licensed to practice medicine in the commonwealth to the effect that the person is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment or deformity which can be expected to result in death or can be expected to last for the duration of the person's life.

(e) Any applicant initially claiming an exemption or deferral of real estate taxes under this division, in a taxable year other than 2003, shall file for such taxable year the affidavit or written statement required by subsection (a). Thereafter, such applicant shall file an affidavit or written statement, or a written certification, as required by subsection (a) or (f).

(f) For each taxable year as to which an affidavit or written statement is not required by subsection (a), the applicant shall file with the city manager, not later than April 15, a written certification, on forms to be supplied by the city, in which the applicant states that the information contained in the applicant's last filed affidavit or written statement has not changed in a manner which affects either the applicant's eligibility for an exemption or deferral under this division or the amount of the exemption or deferral. In the event that the information in the last filed affidavit or statement has changed in such a manner, the applicant shall file a new affidavit or written statement pursuant to subsection (a).

Sec. 3-2-166 Same--calculation of amount; limitation.

(a) The exemption from or deferral of real estate taxes granted under this division for any taxable year shall be limited and calculated as follows:

(1) when the total combined income of the applicant does not exceed $40,000, the applicant shall be exempt from the taxes owed for the year;

(2) when the total combined income of the applicant exceeds $40,000 but does not exceed $50,000, the applicant shall be exempt from 50 percent of the taxes owed for the year, and may defer all or part of the amount of such taxes in excess of the amount exempted; and

(3) when the total combined income of the applicant exceeds $50,000 but does not exceed $62,000, the applicant shall be exempt from 25 percent of the taxes owed for the year, and may defer all or part of the amount of such taxes in excess of the amount exempted

(b) Notwithstanding the provisions of subsection (a) above, if the real estate identified in the affidavit or written statement filed under section 3-2-165 is not owned solely by the applicant and his or her spouse, the amount of the tax exemption or deferral shall be the amount of the taxes on the real estate for the taxable year times the percentage ownership interest in the real estate held by the applicant, or by the applicant and his or her spouse.

(c) Notwithstanding the provisions of subsection (a) above, if an applicant becomes eligible for exemption or deferral of real estate taxes owed during the course of the taxable year, the amount of the exemption or deferral computed under subsection (a) shall be reduced by one-twelfth of such amount for each full calendar month of the taxable year during which month such applicant is not eligible for exemption or deferral.

Sec. 3-2-167 Change in status.

(a) Changes in income, financial worth, ownership of property or other factors occurring during the taxable year for which an affidavit or written statement, or a written certification, is filed and causing any of the restrictions, limitations or conditions provided in this division to be exceeded or violated shall nullify any exemption or deferral for the remainder of the then current taxable year and the taxable year immediately following, with the applicant receiving a prorated exemption or deferral for the portion of the taxable year during which the applicant qualified for such exemption or deferral.

(b) The transfer of ownership of the property from a qualifying spouse to a spouse who is less than 65 years of age and not permanently and totally disabled, when such transfer results solely from the death of the qualifying spouse, shall result in a prorated exemption or deferral for the then current taxable year. Such prorated exemption or deferral shall be determined by multiplying the amount of the exemption or deferral granted the qualifying spouse by a fraction in which the

number of complete months of the year such property was properly eligible for such exemption or deferral is the numerator and the number 12 is the denominator.

Sec. 3-2-168 Penalty for violation of division.

Any person wilfully making a false statement in claiming an exemption or deferral of real estate taxes under this division shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than $25 nor more than $500 for each offense.

§§ 3-2-169, 3-2-170 reserved.

DIVISION 2 Affordable Homeownership Preservation Program

Sec. 3-2-171 Definitions.

The following words and phrases shall, for the purposes of this division, have the following respective meanings, except where the context clearly indicates a different meaning:

(1) Applicant. Any natural person who applies for a grant under section 3-2-173.

(2) Dwelling. The building, or portion of a building, which is owned, at least in part, by an applicant, which is the sole residence of the applicant and which is a part of the real estate for which a grant is sought pursuant to this division.

(3) Grant. A grant in aid of payment of taxes owed for the year as provided under section 3-2-175.

(4) Net combined financial worth of applicant. The value of all assets of the applicant, of the applicant's spouse, of any relative of the applicant who resides in the dwelling, and of any other person who is an owner of and resides in the applicant's dwelling, calculated as of December 31 of the calendar year immediately preceding the taxable year; provided, that the value of the applicant's dwelling, of household furnishings in the dwelling, of up to one acre of the land on which the dwelling is situated, of qualified retirement plans of any person whose assets are included hereunder, and of motor vehicles for the personal use of any such person, shall be excluded.

(5) Spouse. The husband or wife of any applicant who resides in the applicant's dwelling.

(6) Taxes owed for the year. The amount of real estate taxes levied on the dwelling of the applicant for the taxable year.

(7) Taxable year. The current calendar tax year for which a grant is applied.

(8) Household income of applicant. The adjusted gross income, as shown on the federal income tax return as of December 31 of the calendar year immediately preceding the taxable year, of the applicant, of the applicant's spouse, of any relative of the applicant who resides in the dwelling, and of any other person who is an owner of and resides in the applicant's dwelling. The city manager shall promulgate regulations for the determination of the income of such persons for whom no federal income tax return is required to be filed.

Sec. 3-2-172 Grant--provided.

There is hereby provided to any natural person, at such person's election, a grant for affordable homeownership preservation in aid of payment of the taxes owed for the taxable year on real property in the city which is owned, in whole or in part, and is occupied by such person as his or her sole dwelling. The grant provided for in this section shall be subject to the restrictions, limitations and conditions prescribed by this division.

Sec. 3-2-173 Same--eligibility, restrictions generally.

A grant under this division in any taxable year shall be subject to the following restrictions and conditions:

(1) The household income of the applicant shall not exceed ~~$61,000~~ $62,000.

(2) The assessed value of the real estate owned by the applicant shall not exceed ~~$362,000~~ $442,000.

(3) The net combined financial worth of an applicant shall not exceed $50,000.

(4) The applicant and/or the applicant's spouse shall own at least 50 percent interest in the real estate.

(5) As of January 1 of the taxable year, the applicant must occupy the real estate for which the grant is sought as his or her sole residence and must be expected to so occupy the real estate throughout the year; provided, that an applicant who is residing in a hospital, nursing home, convalescent home or other facility for physical or mental care shall be deemed to meet this condition so long as the real estate is not being used by or leased to another for consideration.

(6) An applicant shall file the affidavit or written statement required by section 3-2-175 no later than September 1 of the taxable year.

(7) An applicant for a grant provided under this division shall not participate in the real estate tax exemption or deferral program for the elderly or permanently and totally

disabled provided under division 1 of this article, and no grant shall be applied to real estate taxes on property subject to such exemption or deferral program.

(8) An applicant for a grant provided under this division shall not be delinquent on any portion of the real estate taxes to which the grant is to be applied.

Sec. 3-2-174 Same--administration by city manager.

The grant program provided under this division shall be administered by the city manager according to the provisions of this division. The city manager is hereby authorized and empowered to prescribe, adopt, promulgate and enforce such rules and regulations in conformance with the provisions of this division, including the requirement of answers under oath, as may be reasonably necessary to determine eligibility for a grant. The city manager may require the production of tax returns to establish household income and the status of any person claimed as a dependent.

Sec. 3-2-175 Same--procedure for application.

(a) Commencing with taxable year 2004, and not later than September 1 of the taxable year, any applicant for a grant under this division shall file with the city manager, in such manner as the manager shall prescribe and on forms to be supplied by the city, an affidavit or written statement providing the following:

(1) the name of the applicant;

(2) the address of the real estate for which the grant is to be applied against the tax liability;

(3) the names of all persons who reside in the applicant's dwelling;

(4) the household income of the applicant as defined in section 3-2-171(9);

(5) the net combined financial worth of the applicant as defined in section 3-2-171(5);

(6) such additional information as the city manager reasonably determines to be necessary to determine eligibility for a grant pursuant to this division.

(b) If, after audit and investigation, the city manager determines that the applicant is eligible for a grant, the manager shall so certify to the director, who shall implement the grant as a prepayment on the applicant's real estate tax bill due on November 15 of the taxable year.

(c) Any provision of this division to the contrary notwithstanding, the director may declare eligible to apply for a grant any person filing the affidavit or written

statement required by subsection (a), after September 1 but before November 15 of the taxable year, provided good cause is shown for the failure to file the affidavit or statement on or before September 1 of the taxable year.

Sec. 3-2-176 Same--amount; limitation.

(a) The amount of each grant under this division shall be ~~$250~~ $675, for an applicant with household income which does not exceed $40,000.

(b) The amount of each grant under this division shall be $475, for an applicant with household income of more than $40,000, but which does not exceed $50,000.

(c) The amount of each grant under this division shall be $275, for an applicant with household income of more than $50,000, but which does not exceed $62,000.

(d) Only one grant under this division shall be made per household.

Sec. 3-2-177 Change in status.

Changes in household income, ownership of property, or other factors occurring after the application deadline but before the end of the taxable year for which an affidavit has been filed shall not affect a grant which has been certified pursuant to section 3-2-175(b).

Sec. 3-2-178 Penalty for violation of division.

Any person willfully making a false statement in applying for a grant under this division shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than $25 nor more than $500 for each offense.

Sec. 3-2-179 Sunset date.

No grant pursuant to section 3-2-172 shall be permitted in any taxable year which commences after December 31, ~~2004~~ 2005.

§ 3-2-180 reserved.

Section 2. That this ordinance shall become effective January 1, 2005, *nunc pro tunc*.

WILLIAM D. EUILLE
Mayor

Introduction: 4/12/05
First Reading: 4/12/05
Publication:
Public Hearing:
Second Reading:
Final Passage:

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