EXHIBIT NO. 1

27
9-20-05
~~16~~
~~9-13-05~~

City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 6, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: ORDINANCE TO COMPLETELY EXEMPT TAXPAYERS RECEIVING A REAL ESTATE TAX EXEMPTION FROM PAYING THE RESIDENTIAL REFUSE FEE

ISSUE: Consideration of an Ordinance to completely exempt taxpayers who receive a real estate exemption from paying the Residential Refuse Fee.

RECOMMENDATION: That City Council pass the Ordinance on first reading and schedule it for public hearing, second reading and final passage Tuesday, September 20.

DISCUSSION: The proposed Ordinance would waive refuse collection fees for real property owners who are 65 years of age or older, or permanently and totally disabled, and meet the criteria for partial exemption or deferral of their real estate taxes. The City's practice has been to give a full exemption from the Residential Refuse Fee to all taxpayers who received real estate tax relief regardless if it was full tax relief or partial tax relief. However, staff recently discovered that the City Code is written to only relieve refuse collection fees in amounts proportionate to real estate taxes exempted or deferred under the City's Real Estate Tax Relief Program for Elderly and/or Disabled Persons. Instead of changing the current City practice to follow the City Code, staff is recommending that Council change the City Code to match the current practice. The City is looking for ways to maintain home ownership in the City for low to moderate income taxpayers. It then seems contradictory to provide major real estate tax relief (i.e., 25% or 50% of the total tax due) based upon property owners' incomes, but still levy charges for refuse collection.

FISCAL IMPACT: The annual residential refuse fee for FY 2006 is $229. As of the end of August, 118 taxpayers qualified for a 50 percent real estate tax exemption under the City's Tax Relief for the Elderly or Disabled Program. Another 79 taxpayers qualified for the 25 percent tax exemption. Because staff has not been collecting the refuse fee from taxpayers granted a partial tax exemption, the fiscal impact of granting these taxpayers a full exemption from the Residential Refuse Fee would be approximately $27,000 in unbudgeted revenue which the City has foregone in the past that the City otherwise might collect.

ATTACHMENT: Proposed Ordinance

STAFF:
Mark Jinks, Assistant City Manager
D. A. Neckel, Director of Finance
David Clark, Chief, Treasury Division

Introduction and first reading:	9/13/05
Public hearing:	9/20/05
Second reading and enactment:	9/20/05

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE to amend and reordain Section 5-1-34, Article C (SOLID WASTE COLLECTION GENERALLY) of Chapter 1 (SOLID WASTE CONTROL) of Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of the Code of the City of Alexandria, Virginia, 1981, as amended

Summary

The proposed ordinance would provide a full exemption from the Residential Refuse Fee to elderly or disabled taxpayers who have obtained a deferral or exemption of real estate taxes.

Sponsor

Staff

Mark Jinks, Assistant City Manager
Daniel A. Neckel, Director of Finance
David Clark, Chief, Treasury Division
Roderick B. Williams, Assistant City Attorney

Authority

§ 2.03(c), Alexandria City Charter

Estimated Costs of Implementation

$27,000

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

None

ORDINANCE NO. _____

AN ORDINANCE to amend and reordain Section 5-1-34, Article C (SOLID WASTE COLLECTION GENERALLY) of Chapter 1 (SOLID WASTE CONTROL) of Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of the Code of the City of Alexandria, Virginia, 1981, as amended

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Article C (Solid Waste Collection Generally) of Chapter 1 (Solid Waste Control) of Title 5 (Transportation and Environmental Services) of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended by enacting an amended Section 5-1-34, to read as follows:

Section 5-1-34 City charge for collection and disposal service; billing.

(a) From time to time, the city council, by resolution, shall set an annual charge for the collection and disposal of solid waste, ashes, and yard debris from required user properties on a fiscal year basis, and all required users shall pay the charge so established by council. Any other person receiving collection and disposal service from the city shall pay an annual charge based on the average volume of refuse generated by the person compared with the average volume of refuse generated by a typical single family dwelling in the city.

(b) The city shall bill required users for the city's collection and disposal service by including the annual charge established by city council pursuant to subsection (a), as well as any penalties and interest assessed pursuant to subsection (e), in the real estate tax bill for required user properties, and the charge shall be paid no later than the time or times by which the real estate tax bill is to be paid. The city shall bill the owners of non-required user properties who receive collection and disposal service from the city for the annual charge established by the director pursuant to subsection (a), as well as any penalties and interest assessed pursuant to subsection (e), at times and pursuant to procedures established by the director, and any such charge shall be paid within 30 days of the date of the city's bill.

(c) The charges set by council and the director pursuant to this section shall be set so as to recover up to 100 percent of the estimated city cost of providing the collection and disposal service, including the cost of billing and collecting charges and inspecting properties, but no more.

(d) The owner of any required user property which loses its status as a required user property shall immediately notify the director of this change in property status. The owner of any non-required user property which qualifies as required user property shall immediately notify the director of this change in property status.

(e) Whenever the payment of a charge imposed pursuant to this section is not made when due, a penalty shall be added to the overdue charge equal to 10 percent of such charge. In

addition, interest on the overdue charge and the penalty, calculated at an annual rate of 10 percent, shall commence on the first day following the date the charge was due and shall continue until the overdue charge and the penalty are paid.

(f) Any payment by a required user on a real estate tax bill for required user property shall, before being applied to real estate taxes, be applied in the following manner and order: (i) to any outstanding overdue charges assessed against the property pursuant to this section; (ii) to any outstanding penalties assessed against the property pursuant to this section; (iii) to any interest that has accrued on overdue charges and penalties assessed against the property pursuant to this section; and (iv) to the current charge assessed against the property pursuant to this section.

(g) Any required user who has obtained ~~an~~ a full or partial exemption from or a deferral of real estate property taxes pursuant to section 3-2-162 of this code shall be granted ~~an~~ a full exemption from ~~or a deferral of~~ any charge imposed pursuant to this section~~, proportional to the exemption or deferral granted pursuant to section 3-2-162~~.

Section 2. That this ordinance shall become effective immediately.

WILLIAM D. EUILLE
Mayor

Introduction:	9/13/05
First Reading:	9/13/05
Publication:	
Public Hearing:	
Second Reading:	
Final Passage:	

ORDINANCE NO. 4421

AN ORDINANCE to amend and reordain Section 5-1-34, Article C (SOLID WASTE COLLECTION GENERALLY) of Chapter 1 (SOLID WASTE CONTROL) of Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of the Code of the City of Alexandria, Virginia, 1981, as amended

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Article C (Solid Waste Collection Generally) of Chapter 1 (Solid Waste Control) of Title 5 (Transportation and Environmental Services) of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended by enacting an amended Section 5-1-34, to read as follows:

Section 5-1-34 City charge for collection and disposal service; billing.

(a) From time to time, the city council, by resolution, shall set an annual charge for the collection and disposal of solid waste, ashes, and yard debris from required user properties on a fiscal year basis, and all required users shall pay the charge so established by council. Any other person receiving collection and disposal service from the city shall pay an annual charge based on the average volume of refuse generated by the person compared with the average volume of refuse generated by a typical single family dwelling in the city.

(b) The city shall bill required users for the city's collection and disposal service by including the annual charge established by city council pursuant to subsection (a), as well as any penalties and interest assessed pursuant to subsection (e), in the real estate tax bill for required user properties, and the charge shall be paid no later than the time or times by which the real estate tax bill is to be paid. The city shall bill the owners of non-required user properties who receive collection and disposal service from the city for the annual charge established by the director pursuant to subsection (a), as well as any penalties and interest assessed pursuant to subsection (e), at times and pursuant to procedures established by the director, and any such charge shall be paid within 30 days of the date of the city's bill.

(c) The charges set by council and the director pursuant to this section shall be set so as to recover up to 100 percent of the estimated city cost of providing the collection and disposal service, including the cost of billing and collecting charges and inspecting properties, but no more.

(d) The owner of any required user property which loses its status as a required user property shall immediately notify the director of this change in property status. The owner of any non-required user property which qualifies as required user property shall immediately notify the director of this change in property status.

(e) Whenever the payment of a charge imposed pursuant to this section is not made when due, a penalty shall be added to the overdue charge equal to 10 percent of such charge. In

addition, interest on the overdue charge and the penalty, calculated at an annual rate of 10 percent, shall commence on the first day following the date the charge was due and shall continue until the overdue charge and the penalty are paid.

(f) Any payment by a required user on a real estate tax bill for required user property shall, before being applied to real estate taxes, be applied in the following manner and order: (i) to any outstanding overdue charges assessed against the property pursuant to this section; (ii) to any outstanding penalties assessed against the property pursuant to this section; (iii) to any interest that has accrued on overdue charges and penalties assessed against the property pursuant to this section; and (iv) to the current charge assessed against the property pursuant to this section.

(g) Any required user who has obtained a full or partial exemption from or a deferral of real estate property taxes pursuant to section 3-2-162 of this code shall be granted a full exemption from any charge imposed pursuant to this section.

Section 2. That this ordinance shall become effective immediately.

WILLIAM D. EUILLE
Mayor

Final Passage: September 20, 2005

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