

**CITY COUNCIL OF ALEXANDRIA, VIRGINIA**

**Special Meeting  
Monday, April 24, 2006 - - 7:00 p.m.**

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Present: Mayor William D. Euille, Vice Mayor Redella S. Pepper, Members of Council Ludwig P. Gaines, K. Rob Krupicka, Andrew H. Macdonald, Paul C. Smedberg and Joyce Woodson.

Absent: None.

Also Present: Mr. Hartmann, City Manager; Mr. Pessoa, City Attorney; Ms. Evans, Deputy City Manager; Mr. Jinks, Deputy City Manager; Mr. Baier, Director, Transportation and Environmental Services (T&ES); Ms. Boyd, Director, Citizen Assistance; Ms. Davis, Director, Office of Housing; Sheriff Lawhorne; Mr. Johnson, Director, Office of Management and Budget; Ms. Moore, Budget Analyst, Office of Management and Budget; Mr. Routt, Budget Analyst, Office of Management and Budget; Mr. Doku, Budget Analyst, Office of Management and Budget; Mr. Eisinger, Budget Analyst, Office of Management and Budget; Ms. Murphy, Budget Analyst, Office of Management and Budget; Ms. Webster, Budget Analyst, Office of Management and Budget; Mr. Coleman, Budget Analyst, Office of Management and Budget; Mr. Neckel, Director, Finance; Mr. Mason, Acting Public Information Officer/Special Assistant to the City Manager; Mr. Kincannon, Director, Recreation, Parks and Cultural Activities; Mr. Mandley, Director, General Services; Ms. Smith-Page, Director, Real Estate Assessments; Mr. McKay, Acting Director, Office of Historic Alexandria; Police Lt. Uzzell; and Mr. Lloyd.

Recorded by: Jackie M. Henderson, City Clerk and Clerk of Council

**OPENING**

1. Calling the Roll.

The meeting was called to order by Mayor Euille, and the City Clerk called the roll; all the members of City Council were present.

**REPORTS AND RECOMMENDATIONS OF THE CITY MANAGER FOR DISCUSSION**

2. Consideration of the Proposed Annual Operating Budget for FY 2007 (including

Schools) and the Proposed Capital Improvements Program for FY 2007-2012 (including the Schools CIP.)

**WHEREUPON**, upon motion by Vice Mayor Pepper, seconded by Councilman Gaines and carried unanimously, City Council adopted the proposed General Fund operating budget overall expenditure levels of \$493,675,764 and revenue levels of \$493,675,764, which represents a 4.9 percent increase over the FY 2006 operating budget and reflects:

1. A City government General Fund operating budget of \$343,802,143, which incorporates \$9,317,567 in deletions from the FY 2007 proposed budget, and represents a 3.6 percent increase over the adjusted FY 2006 City government operating budget, as follows:

Technical Expenditure Re-estimates to Proposed Budget:

\$250,000 Increased costs for the medical services contract for jail inmates in the budget for the Office of Sheriff - Budget Memo #50;  
\$10,000 Increase for Northern Virginia Regional Park Authority FY 2007 budget request - budget memo #50;  
(\$65,627) Decrease in the Victim Witness Assistance Program of the Commonwealth Attorney due to higher than estimates grant funds to be received - budget memo #90;  
(\$340,000) Decrease in non-departmental budget set-aside for City Employee Healthcare costs due to savings from reduction in MAMSI/United Healthcare premiums - budget memo #119  
\$ (145,627) Sub-total Technical Expenditure Re-estimates of City Operating Expenditures

Changes to Proposed City General Fund Operating Budget Expenditures:

(\$63,170) Deletion of proposed supplemental increase for Telecommunication Specialist position - Information and Technology Services (FY 2007 proposed operating budget, p. 8-29);  
(\$12,000) Deletion of proposed supplemental increase for Board of Equalization Pay Increase - Department of Real Estate Assessments (FY 2007 Proposed Operating Budget, p. 8-65);  
(\$50,000) Deletion of proposed supplemental increase for Sister Cities Youth Conference - non-departmental budget (FY 2007 Proposed Operating Budget, p. 8-44);  
(\$44,177) Deletion of proposed supplemental increase for part-time fiscal analyst position - Court Service Unit FY 2007 Proposed Operating Budget, p. 7-26);  
(\$124,791) Deletion of proposed supplemental increase for grants to human service non-profit organizations – The Alexandria Fund for Human Services (FY 2007 Proposed Operating Budget, p. 9-69 to 9-76);  
(\$79,579) Deletion of proposed supplemental request for Recreation Center Public Computer Labs – Department of Recreation, Parks and Cultural Affairs (FY 2007

- .Proposed Operating Budget, p. 9-134);
- (\$8,050) Deletion of proposed supplemental request for Buddy Ford Nature Center Sign and Expenses – Department of Recreation, Parks and Cultural Affairs (FY 2007 Proposed Operating Budget, p. 9-134);
- (\$20,000) Deletion of proposed supplemental request for Library computer equipment replacement fund – Alexandria Library (FY 2007 Proposed Operating Budget, p. 9-124);
- (\$40,000) Reduction in Saturday Hours – Finance Department (FY 2007 Proposed Operating Budget, Budget Overview, p. 22);
- (\$83,500) Elimination of one Senior Contract Administrator position – Finance Department (FY 2007 Proposed Operating Budget, Budget Overview, p. 22);
- (\$56,000) Elimination of funding for contracted web programming and support – Information Technology Services (FY 2007 Proposed Operating Budget, Budget Overview, p. 22);
- (\$72,000) Elimination of funding for a Lotus Notes computer programmer (FY 2007 Proposed Operating Budget, Budget Overview, p. 22);
- (\$150,000) Reduction of funding for computer equipment replacement – Information Technology Services (FY 2007 Proposed Operating Budget, Budget Overview, p. 22);
- (\$635,000) Decrease in funding for City Healthcare benefits due to increase in Health Insurance Co-Pays for City staff – Non-Departmental Budget (Budget Memo #51);
- (\$500,000) Decrease in funding for City Healthcare benefits due to increase in premium health insurance cost-sharing by City staff to 3.3% for current employees and 10% for employees hired on or after July 1, 2006 – Non-Departmental Budget (Budget Memo #51);
- (\$148,673) Deletion of proposed supplemental request for two Youth Services Program Specialist Positions (e.g., Roving Leaders) – Department of Recreation, Parks and Cultural Affairs (FY 2007 Proposed Operating Budget, p. 9-134 and Budget Memo #63). This amount is proposed as a designation in the Contingent Reserves;
- (\$40,000) Deletion of proposed supplemental request for Strategic Plan review consultant costs – Non-Departmental Budget (FY 2007 Proposed Operating Budget, p. 8-47);
- \$40,000 Increase for Parent Leadership Training Institute – Department of Human Services (Budget Memo #48). Funded by decrease in Council Contingent Reserve;
- \$5,000 Increase for Translator Services as needed for City Council Regular Legislative and Public Hearing Meetings – City Clerk and Clerk of Council;
- \$40,000 Increase for Bagged Leaf Collection – Department of Transportation and Environmental Services (Budget Memo #103);
- \$100,000 Increase for National Historic Register Surveys of Old and Historic Alexandria and Parker Gray Districts – (Non-Departmental account) (Budget Memo #108);
- \$350,000 Increase for Affordable Home Ownership Preservation Program (in Non-Departmental budget) (Budget Memo #137).

Changes and Reservations of Proposed Council Contingent Reserves:

- (\$40,000) Decrease in contingent reserves to fund Parent Leadership Institute;

\$52,000 Reservation of \$52,000 in contingent reserves for possible increased Campagna Kids program costs to accommodate changes in School calendar (No addition);

\$90,000 Reservation of funds in contingent reserves for possible Economic Development Coordinator Staff position (No addition) (Budget Memo #78);

\$148,673 Reservation of funds in contingent reserves for two possible Youth Services Program Specialist Positions (e.g., Roving Leaders) (No addition).

\$1,631,940 Sub-total Change in City General Fund Operating Budget Expenditures

2. A FY2007 transfer to the Capital Projects fund of \$4,579,105, which reflects \$7,540,000 in deletions from the FY 2007 proposed CIP in FY 2007.

3. A transfer to the Schools of \$149,873,621 from the General Fund to the School Operating Fund, which reflects a 8.0 percent increase over the FY 2006 General Fund, as well as incorporates a net \$526,160 deletion from the FY 2007 City Manager's Proposed Budget

#### Change in Proposed Transfer to Alexandria City Public Schools Operating Budget

(\$600,000) Decrease in the General Fund transfer to the Alexandria Schools Operating Budget for a total transfer of \$149,873,621 (FY 2007 Proposed Operating Budget, p. 103 to 10-12 and Budget Memos #10, 27, 28, 62 and 89);

\$73,840 Increase for School Operating Budget Transfer due to reestimate of Health Insurance Premium Increase - Budget Memo #89  
(\$526,160)

4. A COLA of 3.0 percent for City employees, including the City Manager, City Attorney, City Clerk and for City Council Aides and the Mayor's aides; approval of merit step increases for all eligible employees; approval of an increase of health care benefits including the proposed employee cost sharing of premiums and increased co-pays; approval of increased employer's share paid to the Virginia Retirement System, Old Public Safety Pension Plan, and the City Supplemental Retirement System, and allocate to departments funds budgeted in the Non-Departmental Account for the FY 2007 impact of the Public Safety Pay Benchmark results approved by City Council on November 12, 2005.

5. A decrease in the FY 2007 revenue estimates of \$9,198,546 which incorporates both the \$1,500,000 in added revenues due to re-estimates, \$175,000 for an increase in the asset limit for the Senior and Disabled Real Estate Tax Program, as well as a \$10,523,546 decrease in projected revenues due to a 10-cent decrease in the real estate tax rate of 81.5 cents per \$100 per assessed value:

#### Technical Revenue Re-estimates to Proposed Budget (Budget Memo #52)

FY 2007:

\$1.6 million Increase in Personal Property Tax Revenue estimate on vehicles;

\$1.0 million Increase in Business License Tax Revenue estimate;  
\$0.3 million Increase in estimate of interest income on General Fund investments;  
\$0.2 million Increase in Transient Lodging Tax Revenue estimate;  
(\$1.5) million Decrease in estimate of Intergovernmental Revenues;  
(\$0.1) million Decrease in estimate of Tobacco Tax Revenue;  
(\$0.1) million Decrease in estimate of Admission Tax Revenue;  
\$0.1 million Increase in Developer Fees for site plan reviews,

\$1.5 million subtotal FY 2007 Technical Revenue Re-estimates

FY 2006:

\$1.1 million Increase in Personal Property Tax Revenue estimate on vehicles;  
\$1.0 million Increase in Business License Tax Revenue estimate;  
\$1.0 million Increase in the estimation of Recordation Tax Revenue;  
\$0.5 million Increase in estimate of interest income on General Fund investments;  
\$0.2 million Increase in Transient Lodging Tax Revenue estimate;  
(\$0.4) million Decrease in estimate of Utility Tax Revenue;  
(\$0.1) million Decrease in estimate of Tobacco Tax Revenue;  
(\$0.1) million Decrease in Restaurant Food revenues;  
(\$0.1) million Decrease in estimate of Admission Tax Revenue,  
\$3.1 million, sub-total FY 2006 Technical Revenue Re-estimates

\$4.6 million Total Technical Revenue Re-estimates

Changes in Proposed Real Estate Tax Revenues and Rate:

\$5,161,024 Decrease in Real Estate Tax Revenues due to 10 cent tax rate reduction effective for the last payment in FY 2006;  
\$10,523,546 Decrease in Real Estate Tax Revenues due to 10 cent tax rate reduction effective for both payments in FY 2007;  
\$175,000 Decrease in Real Estate Tax Revenues due to increase in the asset limit to \$540,000 for the Senior and Disabled Real Estate Tax Relief program (effective July 1, 2006) – Budget Memo #22,  
\$15,859,570 Total Decrease in Real Estate Tax Revenues

B. City Council moved adoption of the FY 2007 to FY 2012 Capital Improvement Program totaling \$326,459,686 which, when compared to the FY 2007 to FY 2012 Proposed Capital Improvement Program, reflects a reduction of \$5,003,773 over six years, and reflects deletions, postponements and rescheduling of certain capital projects and establishes planned funding levels for each of the six years of the capital plan.

Changes in Proposed Capital Improvement Program (CIP)

(\$500,000) Postpone funding until FY 2008 for Chinquapin Recreation Center preliminary project planning – (Proposed FY 2007 CIP p. 96-97)  
(\$500,000) Postpone funding until FY 2008 for the Space Management Program

(Proposed FY 2007 CIP p. 133)

(\$100,000) Postpone partial funding (\$100,000 of \$600,000) until FY 2008 for Capital Facilities Maintenance Plan (Proposed FY 2007 CIP p. 132)

(\$75,000) Postpone funding until FY 2008 for the Emergency Operations Center (Proposed FY 2007 CIP p. 136)

(\$125,000) Postpone funding until FY 2008 for the renovation and update of City's outdoor ball courts (Proposed FY 2007 CIP p. 107)

(\$100,000) Postpone partial funding (\$100,000 of \$300,000) until FY 2008 for Alley Rehabilitation (Proposed FY 2007 CIP p. 181)

(\$75,000) Eliminate funding for Miscellaneous Undergrounding (Proposed FY 2007 CIP p. 184)

(\$ 262,500) Postpone funding until FY 2008 for Emergency Generators (Proposed FY 2007 CIP p. 136)

(\$77,500) Postpone partial funding (\$77,500 of \$155,000) until FY 2008 for MH/MR/SA Residential Facilities (Group Homes) (Proposed FY 2007 CIP p. 135)

(\$120,000) Postpone funding until FY 2008 for Fire Truck Lift replacement (Proposed FY 2007 CIP p. 133)

(\$250,000) Postpone funding until FY 2008 for Park Drainage Improvements (Proposed FY 2007 CIP p. 107) (Budget Memo # 132)

(\$75,000) Postpone funding until FY 2008 for Timberbranch Park Bridge (Proposed FY 2007 CIP p. 108)

(\$300,000) Postpone funding until FY 2008 for Recreation, Parks and Cultural Affairs Capital Needs Assessment (Proposed FY 2007 CIP p. 114)

(\$100,000) Eliminate funding for Sidewalk, Curb and Gutter program (Proposed FY 2007 CIP p. 176) (Budget Memo #46)

(\$50,000) Postpone partial funding (\$50,000 of \$90,000) until FY 2008 for Bus Shelters (Proposed FY 2007 CIP p. 152)

(\$250,000) Postpone partial funding (\$250,000 of \$350,000) until FY 2008 for Mt. Vernon Ave. Public Alley (Proposed FY 2007 CIP p. 180) (Budget Memo #44 and 131)

(\$2,800,000) Postpone partial funding (\$2,800,000 of \$4,840,000) in FY 2007, and reschedule funding in the subsequent years as follows: \$2,800,000 in FY 2008; \$17,600,000 in FY 2009; \$22,000,000 in FY 2010; and \$4,400,000 in FY 2011 for the New Police Facility (Proposed FY 2007 CIP p. 128 to 130) (Budget Memo #39)

(\$500,000) Postpone partial funding (\$500,000 of \$1,000,000) for Undergrounding Utilities in Old Town (Proposed FY 2007 CIP p. 184)

(\$ 630,000) Change designation of real estate tax for open space land acquisition from 1 cent per \$100 assessed value to 1 percent of the real estate taxes collected for a total of \$2,658,215 in FY 2007; \$2,764,543 in FY 2008; \$2,875,125 in FY 2009; \$2,990,130 in FY 2010; \$3,109,735 in FY 2011; and \$3,234,124 in FY 2012 (Proposed FY 2007 CIP p. 100-101) (Budget Memo #86).

(\$650,000) Eliminate partial funding (\$650,000 of \$3,000,000) for a New Fire Station preliminary design and land acquisition (Proposed FY 2007 CIP p. 133-134) on the assumption that the City would seek developer contributions through the Eisenhower West planning process (Budget Memo #120)

(\$7,540,000) Total Change in Cash Capital Contribution for Capital Improvement Program

	<u>ADOPTED</u>	<u>PROPOSED</u>
FY 2007	\$ 60,023,662	\$ 67,563,662
FY 2008	\$ 62,161,630	\$ 99,941,830
FY 2009	\$ 65,975,343	\$ 49,846,751
FY 2010	\$ 70,031,275	\$ 48,739,940
FY 2011	\$ 38,364,840	\$ 34,701,851
FY 2012	<u>\$ 29,902,936</u>	<u>\$ 30,669,425</u>
 TOTAL	 \$326,459,686	 \$331,463,459

C. City Council moved changes in the Proposed General Fund Unreserved Fund Balance Designations, resulting in a reduction of \$384,157:

- (\$1,800,000) Elimination of Fund Balance Designation for Schools Health Insurance Premiums - Budget Memo #89
- \$2,061,024 Application of Fund Balance to FY 2006 Operating Budget to Offset part of 10 cent Real Estate Tax Cut effective in 2nd half of FY 2006
- (\$ 645,181) Reduction in Fund Balance Designation for Use for FY 2007 General Fund Operating Budget
- (\$ 384,157) Decrease in Fund Balance Designations

The voting was as follows:

Pepper	"aye"	Krupicka	"aye"
Gaines	"aye"	Macdonald	"aye"
Euille	"aye"	Smedberg	"aye"
	Woodson	"aye"	

## **ORDINANCES AND RESOLUTIONS**

3. Second Reading and Final Passage of an Ordinance to Establish the Real Estate and Personal Property Tax Rates for Calendar Year 2006, and to conform the City Code to the amendments to the Personal Property Tax Relief Act of 1998 which were made by the General Assembly in 2005. (#16.1, 2/28/06)  
**[ROLL-CALL VOTE]**

(A copy of the City Manager's memorandum dated February 23, 2006, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 3; 4/24/06, and is incorporated as part of this record by reference.

A copy of the informal memorandum explaining the ordinance is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 2 of Item No. 3, 4/24/06, and is incorporated as part of this record by reference.

A copy of the ordinance referred to in the above item, of which each Member of

Council received a copy not less than 24 hours before said introduction, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 3 of Item No. 3, 4/24/06, and is incorporated as part of this record by reference.)

**WHEREUPON**, upon motion by Councilman Krupicka, seconded by Councilman Macdonald and carried unanimously by roll call vote, City Council set the City's 2006 real property tax rate at \$0.815 (81 1/2 cents) on each \$100 of assessed value, a reduction of \$.10 (10 cents) from the 2005 rate:

With the following amendments:

Page 6, line 28: Strike \$.847 and insert \$.815; page 7, line 25, strike \$.847 and insert \$.815; page 9, line 15, insert: Section 6. That notwithstanding any contrary provision of Section 3-1-2 of the Code of the City of Alexandria, Virginia, 1981, as amended, there shall be assigned and appropriated to the Open Space Trust Fund Account, from January 1, 2007 until June 30, 2007, and for the fiscal year commencing July 1, 2007, and in each succeeding fiscal year, from the tax on real estate levied pursuant to section 3-2-181 of the said Code, the sum of one percent of the total amount of tax so levied. Page 9, line 16: strike at the beginning of the line: Section 6 and insert at the beginning of the line: Section 7.

The voting was as follows:

Krupicka	"aye"	Pepper	"aye"
Macdonald	"aye"	Gaines	"aye"
Euille	"aye"	Smedberg	"aye"
	Woodson	"aye"	

The ordinance reads as follows:

#### ORDINANCE NO. 4445

AN ORDINANCE to amend and reordain Section 3-2-181 (LEVIED; AMOUNT) of Division 1 (REAL ESTATE), and Section 3-2-221 (LEVIED ON TANGIBLE PERSONAL PROPERTY OTHER THAN MOBILE HOMES, AUTOMOBILES, TRUCKS, ANTIQUE MOTOR VEHICLES, TAXICABS, MOTOR VEHICLES WITH SPECIALLY DESIGNED EQUIPMENT FOR USE BY THE HANDICAPPED, MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT), Section 3-2-222 (LEVIED ON MACHINERY AND TOOLS USED IN MINING OR MANUFACTURING BUSINESS; AMOUNT), Section 3-2-223 (LEVIED ON MOBILE HOMES; AMOUNT) and Section 3-2-224 (LEVIED ON AUTOMOBILES, TRUCKS, TRAILERS, SEMI-TRAILERS, ANTIQUE MOTOR VEHICLES, TAXICABS, MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT) of Division 3 (TANGIBLE PERSONAL PROPERTY AND MACHINERY AND TOOLS), all of Article M (LEVY AND COLLECTION OF PROPERTY TAXES), 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 Section 3-2-181 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:

Sec. 3-2-181        Levied; amount.

There shall be levied and collected for the calendar year 2006 on all real estate located within the territorial boundaries of the city and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$.815 on each \$100 of the assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 2. That Section 3-2-221 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:

Sec. 3-2-221        Levied on tangible personal property other than mobile homes, automobiles, trucks, antique motor vehicles, taxicabs, motor vehicles with specially designed equipment for use by the handicapped, motorcycles, campers and other recreational vehicles, boats and boat trailers; amount.

There shall be levied and collected for the calendar year 2006 on all tangible personal property, other than mobile homes, automobiles, trucks, antique motor vehicles, taxicabs, motor vehicles with specially designed equipment for use by the handicapped, motorcycles, campers and other recreational vehicles, boats and trailers, owned or held by residents or citizens of the city or located within the territorial boundaries of the city or otherwise having a situs within the city and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$4.75 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 3. That Section 3-2-222 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:

Sec. 3-2-222        Levied on machinery and tools used in mining or manufacturing business; amount.

There shall be levied and collected for the calendar year 2006 on all machinery and tools used in a mining or manufacturing business taxable on capital and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$4.50 on each \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 4. That Section 3-2-223 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:

Sec. 3-2-223 Levied on mobile homes; amount.

There shall be levied and collected for the calendar year 2006 on all vehicles without motor power, used or designed to be used as mobile homes as defined in section 46.2-100 of the Code of Virginia, owned or held by residents or citizens of the city or located within the territorial boundaries of the city or otherwise having a situs within the city and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$.815 on each \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 5. That Section 3-2-224 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:

Sec. 3-2-224 Levied on automobiles, trucks, trailers, semi-trailers, antique motor vehicles, taxicabs, motorcycles, campers and other recreational vehicles, boats and trailers; amount.

(a) Except as provided in subsections (b), (c) and (d), there shall be levied and collected for the calendar year 2006 on all automobiles, trucks, trailers, semi-trailers, antique motor vehicles (as defined in section 46.2-100 of the Code of Virginia, 1950, as amended, which may be used for general transportation purposes as provided in subsection C of section 46.2-730 of the Code of Virginia, 1950, as amended), taxicabs, motorcycles, campers and other recreational vehicles, boats and boat trailers owned or held by residents or citizens of the city or located within the territorial boundaries of the city or otherwise having a situs for taxation in the city, a tax of \$4.75 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(b) There shall be levied on and collected for the calendar year 2006 on all automobiles, trucks, trailers and semi-trailers with a gross vehicle weight of 10,000 pounds or more which are used to transport property for hire by a motor carrier engaged in interstate commerce, and are owned or held by residents or citizens of the

city, are located within the territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$4.50 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(c) There shall be levied on and collected for the calendar year 2006 on all automobiles and trucks which are equipped with specially designed equipment for use by the handicapped and are owned or held by residents or citizens of the city, are located within the territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$3.55 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(d) There shall be levied on and collected for the calendar year 2006 on all privately owned pleasure boats and watercraft, which are used for recreational purposes only, and are owned or held by residents or citizens of the city, or are located within the territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$.01 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 6. That notwithstanding any contrary provision of Section 3-1-2 of the Code of the City of Alexandria, Virginia, 1981, as amended, there shall be assigned and appropriated to the Open Space Trust Fund Account, from January 1, 2007 until June 30, 2007, and for the fiscal year commencing July 1, 2007, and in each succeeding fiscal year, from the tax on real estate levied pursuant to section 3-2-181 of the said Code, the sum of one percent of the total amount of tax so levied.

Section 7. That this ordinance shall become effective January 1, 2006, *nunc pro tunc* .

4. Second Reading and Final Passage of an Ordinance to Increase the Real Estate Tax Exemption Available to Elderly or Disabled Residents. (#12, 4/22/06, #17, 4/11/06) **[ROLL-CALL VOTE]**

(A copy of the City Manager's memorandum dated April 4, 2006, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 4; 4/24/06, and is incorporated as part of this record by reference.

A copy of the informal memorandum explaining the ordinance is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 2 of Item No. 4, 4/24/06, and is incorporated as part of this record by reference.

A copy of the ordinance referred to in the above item, of which each Member of Council received a copy not less than 24 hours before said introduction, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 3 of Item No. 4,

4/24/06, and is incorporated as part of this record by reference.)

**WHEREUPON**, upon motion by Councilman Smedberg, seconded by Vice Mayor Pepper and carried unanimously by roll-call vote, City Council finally passed the ordinance to increase the real estate tax exemption available to elderly or disabled residents, with the following amendment:

Page 6, line 26: Insert after the number \$340,000: "for taxable year 2006, and \$540,000 for taxable year 2007 and thereafter."

The voting was as follows:

Smedberg	"aye"	Gaines	"aye"
Pepper	"aye"	Krupicka	"aye"
Euille	"aye"	Macdonald	"aye"
	Woodson	"aye"	

The ordinance reads as follows:

**ORDINANCE NO. 4446**

AN ORDINANCE to amend and reordain Section 3-2-163 (EXEMPTION OR DEFERRAL – ELIGIBILITY, RESTRICTIONS GENERALLY) and Section 3-2-166 (SAME – CALCULATION OF AMOUNT, LIMITATIONS), of Division 1 (REAL ESTATE TAX EXEMPTION OR DEFERRAL FOR ELDERLY OR PERMANENTLY AND TOTALLY DISABLED PERSONS), Article L (REAL ESTATE TAX RELIEF), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of the Code of the City of Alexandria, Virginia, 1981, as amended.

**THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:**

Section 1. That Sections 3-2-163 and 3-2-166 of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby are, amended and reordained to read as follows:

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

\$340,000 for taxable year 2006, and \$540,000 for taxable year 2007 and thereafter.

(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. 3-2-166 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 \$55,000, 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 \$55,000 but does not exceed \$72,000, 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.

Section 2. That this ordinance shall become effective January 1, 2006, nunc pro tunc.

5. Second Reading and Final Passage of an Ordinance to Increase the Real Estate Tax Assistance Available to Limited Income Residents. (#13, 4/22/06, #18, 4/11/06) **[ROLL-CALL VOTE]**

This item was deferred until April 25, 2006.

6. Consideration of a Resolution to Increase the Annual Fee for the City's Collection and Disposal of Solid Waste, Yard Debris and Recyclable Materials. **[ROLL-CALL VOTE]**

(A copy of the City Manager's memorandum dated April 7, 2006, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 6; 4/24/06, and is incorporated as part of this record by reference.)

**WHEREUPON**, upon motion by Councilman Macdonald, seconded by Councilman Gaines and carried unanimously by roll-call vote, City Council adopted the resolution to increase by \$8.00, from \$229 per household to \$237 per household, to continue the City's policy of 100 percent cost recovery of the full cost of residential refuse collection and disposal.

The voting was as follows:

Macdonald	"aye"	Pepper	"aye"
Gaines	"aye"	Krupicka	"aye"
Euille	"aye"	Smedberg	"aye"
	Woodson	"aye"	

The resolution reads as follows:

#### RESOLUTION NO. 2182

WHEREAS, under Section 2.07 of the City Charter, City Council has the authority to establish fees to be charged for services provided by the City; and

WHEREAS, under City Code Section 5-1-34(a), City Council is required from time to time, to set by resolution the annual fee that is to be paid by the owners of "required user property," as defined in Section 5-1-2 (12b) of the City Code, for the City's collection and disposal of solid waste, ashes and yard debris from their properties

during the fiscal year; and

WHEREAS, in Resolution No. 2148, adopted May 2, 2005, City Council set the annual fee for such collection and disposal services at \$229.00; and

WHEREAS, City Council has now determined that it is necessary and desirable to increase the annual fee for such collection and disposal services to \$237.00;

NOW, THEREFORE, BE IT RESOLVED  
BY THE CITY COUNCIL OF ALEXANDRIA

1. That, beginning in fiscal year 2007, the annual charge for the collection and disposal of solid waste, ashes and yard debris from required user properties shall be \$237.00 per household, with each single-family, two-family and row dwelling in the City, and each separate dwelling unit in a building or structure in the City that contains four or fewer dwelling units, constituting a "household."

2. That the annual fee established in Section 1 above shall apply to collection and disposal services provided by the City during fiscal year 2007 and, unless and until revised by the City Council, to such services provided during subsequent fiscal years.

3. That Resolution No. 2148 is hereby repealed

4. That this resolution shall be effective on the date and at the time of adoption.

\* \* \* \* \*

**WHEREUPON**, upon motion by Vice Mayor Pepper, seconded by Councilwoman Woodson and carried unanimously, the special City Council meeting of April 24, 2006, was adjourned at 8:18 p.m. The voting was as follows:

Pepper	"aye"	Gaines	"aye"
Woodson	"aye"	Krupicka	"aye"
Euille	"aye"	Macdonald	"aye"
	Smedberg	"aye"	

APPROVED BY:

\_\_\_\_\_  
WILLIAM D. EUILLE    MAYOR

ATTEST:

\_\_\_\_\_  
Jacqueline M. Henderson, CMC City Clerk