



City of Petersburg Virginia

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City Council Closed Session

May 7, 2024
Petersburg Library
201 W. Washington Street
Petersburg, VA 23803
3:00 PM

City Council

Samuel Parham, Mayor – Ward 3
Darrin Hill, Vice Mayor – Ward 2
Marlow Jones, Councilor – Ward 1
Charles Cuthbert, Jr., Councilor – Ward 4
W. Howard Myers, Councilor – Ward 5
Annette Smith-Lee, Councilor – Ward 6
Arnold Westbrook, Jr., Councilor – Ward 7

City Administration

John "March" Altman, Jr. - City Manager
Anthony Williams - City Attorney
Tangi R. Hill - City Clerk

1. Roll Call

2. Closed Session

The purpose of this meeting is to convene in the closed session pursuant to:

- a. §2.2-3711(A)(7) and (8) of the Code of Virginia for the Purpose of Receiving Legal Advice and Status Update from the City Attorney and Legal Consultation Regarding the Subject of Actual or Probable Litigation and Specific Legal Matters Requiring the Provision of Legal Advice by the City Attorney, Specifically Including but not Limited to Discussion of a Disputed Claim Concerning Stormwater Utility Payments; the Legal Requirements of 58.1-4109 and 2.2-4300 ET. SEQ. of the Code of Virginia; Virginia Attorney General Opinion 2010 VA. AG Lexis 35 as it Relates to Fees and Penalties; Title 58.1 Chapter 39 of the Code of Virginia as it Relates to Collection of Delinquent Real Property Taxes; §58.1-4109 of the Code of Virginia Regarding the Process for Selection of a Preferred Gaming Operator; and §2.2-4600 ET. SEQ. as it Pertains to the Requirements of the Virginia Public Procurement Act and Other Matters Requiring the Legal Advice of the City Attorney; and
- b. Pursuant to 2.2-3711(A)(3) of the Code of Virginia for the Purpose of Discussion or Consideration of the Acquisition of Real Property for a Public Purpose and the Disposition of Publicly Held Real Property Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy of the Public Body, Specifically Including but not Limited to the Acquisition and Disposition of Real Property; and
- c. Pursuant to 2.2-3711(A)(29) of the Code of Virginia for the Purpose of Discussion of the Award of a Public Contract Involving the Expenditure of Public Funds Including Interviews of Bidders or Offerors, and Discussion of the Terms or Scope of Such Contract, Where Discussion in an Open Session Would Adversely Affect the Bargaining Position or Negotiating Strategy of the City.

3. Old Business

- a. Consideration to Adopt the FY2025 Tax Rate Ordinance - Pages 2-5

4. New Business

- a. City of Petersburg Special Audit

5. Adjournment



City of Petersburg

Ordinance, Resolution, and Agenda Request

DATE: May 2, 2024
TO: The Honorable Mayor and Members of City Council
THROUGH: March Altman, Jr., City Manager
FROM: Leon Glaster
RE: Consideration of an Ordinance to Adopt the Real Property Tax Rate

PURPOSE: Consideration to Adopt the FY25 Tax Rate Ordinance

REASON: Adoption of the tax rates to support the Fiscal Year 2024-2025 Operating and Capital Improvement Budgets

RECOMMENDATION: Consideration to Adopt the FY25 Tax Rate Ordinance.

BACKGROUND: The adoption of the ordinance establishing the annual tax levy on various classes of real estate and personal property is required of the City Council each year. The ordinance establishes the real property tax rate at \$1.27/\$100 of assessed value. The attached tax rate ordinance proposed no changes to the current tax rate structure established with the adoption of the FY 2023-2024 Operating Budget.

Maintaining the real estate tax rate at \$1.27/\$100 of assessed value represents a proposed increase in real property tax resulting from the increase in the total assessed value of the real property exceeding last year’s total assessed value of real property by 14.57 percent, resulting in a lowered tax rate of \$1.12/\$100 to offset the increase in assessed value. Based on the proposed real property tax rate and changes in other revenues, the total budget will exceed last year’s by 4.86 percent.

The Public Hearing and second reading was held on April 16, 2024.

COST TO CITY: N/A

BUDGETED ITEM:

REVENUE TO CITY:

CITY COUNCIL HEARING DATE: 5/7/2024

CONSIDERATION BY OTHER GOVERNMENT ENTITIES: N/A

AFFECTED AGENCIES:

RELATIONSHIP TO EXISTING ORDINANCE OR RESOLUTION:

REQUIRED CHANGES TO WORK PROGRAMS:

ATTACHMENTS:

1. FY25 Budget - Real Estate Tax Ordinance
2. FY25 Budget - Notice of Real Property Tax Increase

CITY OF PETERSBURG

NOTICE OF PROPOSED REAL PROPERTY TAX INCREASE

The City Council of the City of Petersburg will hold a public hearing on Tuesday, April 16, 2024, at 5:00 PM at the Petersburg Public Library, 201 W. Washington Street, Petersburg, Virginia to receive public comments regarding the proposed FY 2024-2025 Real Property Tax Rate.

The City of Petersburg proposes to increase real property tax levies.

1. **Assessment Increase:** Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by 14.57 percent.
2. **Lowered Rate Necessary to Offset Increased Assessment:** The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$1.12 per \$100 of assessed value. This rate will be known as the "lowered tax rate."
3. **Effective Rate Increase:** The City of Petersburg proposes to adopt a tax rate of \$1.27 per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$0.15 per \$100, or 13.39 percent. This difference will be known as the "effective tax rate increase."

Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

4. **Proposed Total Budget Increase:** Based on the proposed real property tax rate and changes in other revenues, the total budget of the City of Petersburg will exceed last year's by 4.86 percent.

A public hearing on the increase will be held on April 16, 2024 in the Multi-Purpose Room, Petersburg Public Library, 201 W. Washington Street, Petersburg, Virginia

AN ORDINANCE TO IMPLEMENT THE ANNUAL AMENDMENT TO THE TAX RATE

WHEREAS, the City of Petersburg Code has a codified section that depicts a real property tax for all tracts of land, lots and improvements thereon; and

WHEREAS, this aforementioned tax is referenced in Section 106.1 of the Petersburg City Code; and

WHEREAS, the City of Petersburg City Council revisits this section of the Petersburg City Code in correlation with reviewing budget options for the impending fiscal year and amends the aforementioned tax rate to accomplish Council's priorities in the City of Petersburg next fiscal year's budget.

NOW THEREFORE BE IT ORDAINED that adoption of this ordinance shall implement the proposed amendments to change the real estate tax rate to \$1.27 per \$100 of assessed value.