

Policy Briefing Summary

City Council



Regarding:	Resolution to Amend and Reallocate Tax and Rent Relief Budgets
Staff Contact(s):	Krisy Hammill, Director of Budget, Todd Divers, Commissioner of the Revenue, Jason Vandever, City Treasurer
Presenter:	Krisy Hammill, Director of Budget
Date of Proposed Action:	June 16, 2025

Issue

Amounts budgeted in FY 2025 for tax and rent relief need to be reallocated or amended to reflect the actual amount of relief awarded.

Background / Rule

Annually, City Council allocates funding in the General Fund for the Charlottesville Homeowner Assistance Program ("CHAP") and tax and rent relief for the elderly and disabled.

CHAP provides a grant in aid to any qualified natural person who owns and occupies property in the City and who meets certain eligibility requirements. The Grant amount is a fixed amount and is based on the applicant's income.

The Rental Relief program provides payment of Grants to qualified tenants residing in the City who are sixty-five (65) years of age or who are permanently and totally disabled. The Real Estate Tax Relief Program provides real estate tax relief for qualified property owners who are sixty-five (65) years of age or who are permanently and totally disabled.

Analysis

The budgets for these Programs are projected and approved months in advance of the time that applications and requests for assistance are submitted and received by the City. As a result, City Staff must rely on past trends and other empirical information to make a recommendation for the Budget amounts for each Program. In FY 2025, the Budget included a total of \$2,718,000 for all the Grant and Relief Programs. To date, a total of \$3,035,611 has been awarded. The FY 2025 Budget Resolution passed by Council last April included specific Budget amounts for each specific Program. Some of the Programs came in under budget, while others are over budget. The attached Resolution requests City Council to revise the Budget for each Program, so that the financial record will accurately reflect City Council's approval of the relief which has been granted.

Financial Impact

The FY 2025 Budget will be amended by \$317,611 to reflect the actual amount of tax and rent relief granted to qualified applicants. This additional expenditure will be offset by additional real estate tax revenue, which has been received in excess of the original amount budgeted for FY 2025.

Recommendation

City Staff recommends City Council adopt the attached Resolution.

Recommended Motion (if Applicable)

"I make a Motion adopting the attached Resolution amending and reallocating the tax and rent relief Budgets as specified in the Resolution."

Attachments

1. Resolution for Tax and Rent Relief Budget Adjustments FY 2025