



CHARLOTTESVILLE CITY COUNCIL MEETING MINUTES

March 19, 2026 at 6:00 PM

CitySpace: 100 5th St NE, Charlottesville, VA 22902

The Charlottesville City Council held a special meeting on Thursday, March 19, 2026, for a Community Budget Forum and public hearing on the proposed real estate tax rate for Fiscal Year 2027 (FY27). Mayor Juandiego Wade called the meeting to order at 6:02 p.m., and Deputy Clerk of Council Maxicelia Robinson called the roll, noting the following councilors present: Mayor Juandiego Wade, Vice Mayor Natalie Oschrin, and Councilor Jen Fleisher. Councilor Michael Payne gave prior notice that he would arrive late, and Councilor Lloyd Snook gave notice that he would be traveling that day and would be unable to attend the meeting.

Mayor Wade began the meeting by opening the public hearing for individuals to speak about the proposed 2-cent real estate tax rate increase. One member of the public spoke—Jim Moore, who advocated for no change to the current tax rate. He stated that an increase in taxes would require him to raise the rent on his rental housing, which he currently rents below market rate, to compensate for the tax hike, making the units less affordable for his tenants.

With no additional requests to speak, Mayor Wade closed the public hearing.

Mayor Wade then turned the meeting over to City Manager Sam Sanders.

City Manager Sam Sanders and Krisy Hammill, Director of Budget & Grants Management Department, led a discussion on revenue adjustments and options for eliminating the proposed FY27 tax rate increase. Ms. Hammill provided an overview of the \$2,467,724 budget gap, the related expenses contributing to the gap, and the initial proposal to offset these expenditures with a 2-cent real estate tax increase.

Ms. Hammill reported updated revenue projections for FY27 totaling \$1,005,123 in additional revenue. As a result, she presented a reduced budget gap of \$1,462,601 and outlined the following alternatives to balance the FY27 budget without a real estate tax increase for City Council's consideration:

- \$369,435 reduction in Charlottesville Area Transit (CAT) investment in the FY27 budget
 - Pursue CAT Revised Expansion Plan:
 - Split hiring of new drivers and bus technicians between January and July
 - Hire Operations Supervisor and Operations Manager in FY28
 - Hire Inventory Specialist in January
- \$415,000 from the Citywide Reserve Fund
- \$569,071 reduction in the amount above \$2 million allocated to Charlottesville City Schools
- \$109,095 from the Council Strategic Initiatives Fund

City Manager Sanders and Deputy City Manager James Freas noted the risks of creating a structural imbalance and the challenges of deferring or covering expenditures with one-time

funds.

City Council discussed the possibility of combining revenue from adjustments, the Council Strategic Initiatives Fund, and/or the Citywide Reserve Fund, along with a 1-cent real estate tax increase to address the budget deficit. Council also discussed moving forward with the 2-cent tax increase rather than relying on one-time funds. The City Council collectively expressed no interest in reducing the proposed budget for the CAT Investment Plan or the City Schools allocation.

Mayor Wade then opened the floor for additional public comment. Council heard from the following individuals:

1. Chris Meyer presented ideas for City revenue-generating strategies:
 - Progressive revenue options combined with a tax abatement program for individuals in lower income brackets
 - Increased opportunities for UVA student housing within the City to boost local spending and tax revenue
 - Accelerated housing development

2. George Rivera, owner of Wartime Fitness, asked City Council to reconsider its FY27 budget allocation for the Wartime Fitness Program, noting a decrease in funding. He shared testimonials about two students who had faced significant challenges but participated in his program and have since made major improvements in their lives.

Ms. Hammill previewed upcoming budget meetings, including the official Budget Public Hearing on April 6 during the regular City Council meeting. The April 6 public hearing on the real property tax rate increase will be publicly advertised beginning March 26, and budget adoption is scheduled for April 9.

On motion by Payne, seconded by Oschrin, Council voted unanimously to adjourn the meeting at 6:52 p.m.

BY Order of City Council

BY Maxicelia Robinson, Deputy Clerk of Council