



## CHARLOTTESVILLE CITY COUNCIL MEETING MINUTES

January 29, 2026 at 6:00 PM

ZOOM Electronic Meeting

[www.charlottesville.gov/zoom](http://www.charlottesville.gov/zoom)

Pursuant to Virginia Code Section 2.2-3708.2. “Meetings held through electronic communication means during declared states of emergency”, City Council held an electronic meeting, with notice that the meeting location changed from a physical location to electronic.

Mayor Juandiego Wade called the January 29, 2026, City Council Budget Work Session to order and Clerk of Council Kyna Thomas called the roll, noting the following councilors present: Mayor Juandiego Wade, Vice Mayor Natalie Oschrin, and Councilors Jen Fleisher and Lloyd Snook.

Mayor Wade turned the meeting over to City Manager Samuel Sanders, Jr., who acknowledged staff presenters.

Councilor Michael Payne joined the meeting at 6:01 p.m.

Krisy Hammill, Director of Budget and Grants Management, provided an overview of the meeting agenda, which included the city’s adopted budget guidelines and financial policies, the impact of real property reassessments, revenue projections for Fiscal Year (FY) 2027 and discussion of tax rate advertising.

David Milton, City Assessor, shared information about real estate assessment changes from the previous year, assessment trends, and he answered questions from Council. Total taxable property increased from \$11,767,301,300 to \$12,205,639,500, representing a total assessed value increase of \$438,338,200 or 3.73%. The reassessment of existing property increased by \$402,181,830 or 3.42%. Existing residential property increased by a total of \$301,513,700 or 4.27%. Existing commercial property increased by \$100,668,130 or 2.14%. The average assessed value for taxable residential property is \$548,800, a 4% increase.

Ms. Hammill indicated that at first glance, revenue projections for FY27 are approximately \$7 Million more than revenues from the FY2026 Adopted Budget.

Todd Divers, Commissioner of the Revenue, stated that Personal Property Tax revenues should be confirmed within the next couple of weeks, and that until the last several months, there were concerns about various other tax revenues.

Chris Cullinan, Finance Director, explained the line item showing Payment in Lieu of Taxes (PILOT), a decision made years ago to show as a Utility rate expense. He described it as a formulaic calculation.

Mr. Sanders presented FY27 Budget Drivers:

- Employee Compensation and Benefits, specifically collective bargaining for Police, Fire, Transit, and the Teamsters contract; Unaffiliated employees pay adjustment; and City cost increase for employee benefits.
- Schools local contribution per 40% formula and additional request from Schools.
- Other Notable Drivers:

- Jail Renovation
- Debt Service
- Affordable Housing
- CAT Expansion, with a commitment to hiring 10 new drivers, along with additional support staff, zero-fare, and collective bargaining adjustments. Garland Williams, Director of Transit, answered questions regarding transit operations for the public and for Charlottesville City Schools, confirming that City Schools did not request additional bus drivers.

Ms. Hammill shared that the first tax rate public hearing will be on March 16, and she requested indication from Council whether they want to advertise a tax increase for consideration during budget deliberations.

At Council's request, Ms. Hammill presented a list of various tax rates for Virginia localities.

Mr. Milton stated that he was notified today that the mailing of assessment notices will be delayed to Monday, February 2<sup>nd</sup> due to inclement weather, and he is extending the appeal period.

Councilor Payne suggested adding an amount for Participatory Budgeting, addressing the Payment in Lieu of Taxes approach, and potential intervention needed with housing displacements. He indicated a desire to advertise a real estate tax increase for the purpose of discussion.

Councilor Snook questioned legislative bills currently moving through the General Assembly to tax land and improvements separately, and how that would work in practice locally. Mr. Milton stated that Roanoke City adopted the tax approach a decade ago and has not implemented a different tax for land and improvements, stating that the burden shifts to residential properties and gives commercial properties an advantage.

John Maddux, City Attorney, reminded Council of the Charlottesville Legislative Agenda request to "Recommend amending §58.1-3221.1 to add Charlottesville to the list of localities permitted to tax improvements to real property at a different rate than the tax imposed upon the land on which the improvement is located, provided that the tax rate is not zero and does not exceed the tax rate imposed on the land."

Vice Mayor Oschrin expressed interest in the incremental payment over time for PILOT fees.

Mr. Sanders answered additional questions from Councilor Fleisher and Mayor Wade, emphasizing the challenges presented by the FY27 budget. He thanked staff and the public for working to mitigate effects of the recent inclement weather event.

On motion by Snook, seconded by Oschrin, Council by acclamation adjourned the meeting at 7:29 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council