

ORDINANCE NO. 4350

AN ORDINANCE to amend and reordain Article L (REAL ESTATE TAX RELIEF), of Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended, by adding thereto a new Division 2 (AFFORDABLE HOMEOWNERSHIP PRESERVATION PROGRAM).

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Article L, Chapter 2, Title 3 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained by adding thereto a new Division 2 to read as follows:

Division 2

Affordable Homeownership Preservation Program

Sec. 3-2-171 Definitions.

The following words and phrases shall, for the purposes of this division, have the following respective meanings, except where the context clearly indicates a different meaning:

- (1) Applicant. Any natural person who applies for a grant under section 3-2-173.
- (2) Dwelling. The building, or portion of a building, which is owned, at least in part, by an applicant, which is the sole residence of the applicant and which is a part of the real estate for which a grant is sought pursuant to this division.
- (3) Grant. A grant in aid of payment of taxes owed for the year as provided under section 3-2-175.
- (4) Net combined financial worth of applicant. The value of all assets of the

applicant, of the applicant's spouse, of any relative of the applicant who resides in the dwelling, and of any other person who is an owner of and resides in the applicant's dwelling, calculated as of December 31 of the calendar year immediately preceding the taxable year; provided, that the value of the applicant's dwelling, of household furnishings in the dwelling, of up to one acre of the land on which the dwelling is situated, of qualified retirement plans of any person whose assets are included hereunder, and of motor vehicles for the personal use of any such person, shall be excluded.

- (5) Spouse. The husband or wife of any applicant who resides in the applicant's dwelling.
- (6) Taxes owed for the year. The amount of real estate taxes levied on the dwelling of the applicant for the taxable year.
- (7) Taxable year. The current calendar tax year for which a grant is applied.
- (8) Household income of applicant. The adjusted gross income, as shown on the federal income tax return as of December 31 of the calendar year immediately preceding the taxable year, of the applicant, of the applicant's spouse, of any relative of the applicant who resides in the dwelling, and of any other person who is an owner of and resides in the applicant's dwelling. The city manager shall promulgate regulations for the determination of the income of such persons for whom no federal income tax return is required to be filed.

Sec. 3-2-172 GrantB provided.

There is hereby provided to any natural person, at such person's election, a grant for affordable homeownership preservation in aid of payment of the taxes owed for the taxable year on real property in the city which is owned, in whole or in part, and is occupied by such person as his or her sole dwelling. The grant provided for in this

section shall be subject to the restrictions, limitations and conditions prescribed by this division.

Sec. 3-2-173 SameB eligibility, restrictions generally.

A grant under this division in any taxable year shall be subject to the following restrictions and conditions:

- (1) The household income of the applicant shall not exceed \$61,000.
- (2) The assessed value of the real estate owned by the applicant shall not exceed \$362,000.
- (3) The net combined financial worth of an applicant shall not exceed \$50,000.
- (4) The applicant and/or the applicant=s spouse shall own at least 50 percent interest in the real estate.
- (5) As of January 1 of the taxable year, the applicant must occupy the real estate for which the grant 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.
- (6) An applicant shall file the affidavit or written statement required by section 3-2-175 no later than September 1 of the taxable year.
- (7) An applicant for a grant provided under this division shall not participate in the

real estate tax exemption or deferral program for the elderly or permanently and totally disabled provided under division 1 of this article, and no grant shall be applied to real estate taxes on property subject to such exemption or deferral program.

- (8) An applicant for a grant provided under this division shall not be delinquent on any portion of the real estate taxes to which the grant is to be applied.

Sec. 3-2-174 Same--administration by city manager.

The grant program provided under this division shall be administered by the city manager according to the provisions of this division. The city manager is hereby authorized and empowered to prescribe, adopt, promulgate and enforce such rules and regulations in conformance with the provisions of this division, including the requirement of answers under oath, as may be reasonably necessary to determine eligibility for a grant. The city manager may require the production of tax returns to establish household income and the status of any person claimed as a dependent.

Sec. 3-2-175 Same--procedure for application.

- (a) Commencing with taxable year 2004, and not later than September 1 of the taxable year, any applicant for a grant under this division shall file with the city manager, in such manner as the manager shall prescribe and on forms to be supplied by the city, an affidavit or written statement providing the following:
 - (1) the name of the applicant;
 - (2) the address of the real estate for which the grant is to be applied against the tax liability;

- (3) the names of all persons who reside in the applicant's dwelling;
- (4) the household income of the applicant as defined in section 3-2-171(9);
- (5) the net combined financial worth of the applicant as defined in section 3-2-171(5);
- (6) such additional information as the city manager reasonably determines to be necessary to determine eligibility for a grant pursuant to this division.

- (b) If, after audit and investigation, the city manager determines that the applicant is eligible for a grant, the manager shall so certify to the director, who shall implement the grant as a prepayment on the applicant=s real estate tax bill due on November 15 of the taxable year.

- (c) Any provision of this division to the contrary notwithstanding, the director may declare eligible to apply for a grant any person filing the affidavit or written statement required by subsection (a), after September 1 but before November 15 of the taxable year, provided good cause is shown for the failure to file the affidavit or statement on or before September 1 of the taxable year.

Sec. 3-2-176 Same--amount; limitation.

The amount of each grant under this division shall be \$250.00.

Sec. 3-2-177 Change in status.

Changes in household income, ownership of property, or other factors occurring after the application deadline but before the end of the taxable year for which an affidavit has been filed shall not affect a grant which has been certified pursuant to section 3-2-175(b).

Sec. 3-2-178 Penalty for violation of division.

Any person willfully making a false statement in applying for a grant under this division shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than \$25 nor more than \$500 for each offense.

Sec. 3-2-179 Sunset date.

No grant pursuant to section 3-2-172 shall be permitted in any taxable year which commences after December 31, 2004.

Section 2. That this ordinance shall become effective January 1, 2004, *nunc pro tunc*.

WILLIAM D. EUILLE
Mayor

Final Passage: May 15, 2004