

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **April 28, 2020**

AGENDA ITEM #: **12**

CONSENT:
ACTION: **X**

REGULAR: **X**
INFORMATION:

WORK SESSION:

CLOSED SESSION:
(Confidential)

ITEM TITLE: Consideration of adopting an uncodified ordinance amending City Code to delay the assessment of the penalty that is normally assessed for the late payment of real estate taxes for the period of May 16, 2020, through June 30, 2020

KEY ELEMENTS:

___Economic Development **X**Excellent Government ___Natural and Built Environment ___Safe Community ___Vibrant Community

RECOMMENDATION: Discuss adopting an uncodified ordinance amending City Code to delay the assessment of the penalty that is normally assessed for the late payment of real estate taxes for the period of May 16, 2020, through June 30, 2020.

SUMMARY: At the April 14, 2020 work session, City Council expressed interest in discussing the deferral of assessing penalty for the real estate tax installment due May 15, 2020 until June 30, 2020 due to the economic impact of COVID-19 on property owners.

Due to the uncertainty regarding the impact of COVID-19 on the payment of taxes, staff does not recommend deferring the payment of penalty for this period of time. If approved by City Council, this action will impact cash flow for the end of the fiscal year leading into the beginning of FY 2021. For reference, a \$144,293 penalty was assessed for the May installment for FY 2019.

PRIOR ACTION(S): None

FISCAL IMPACT: Unknown

CONTACT(S): Donna Witt, Chief Financial Officer, 455-3968
Walter Erwin, City Attorney, 455-3973

ATTACHMENT(S):
Uncodified Ordinance

REVIEWED BY: bms

UNCODIFIED ORDINANCE

#O-20-009

AN ORDINANCE TO DELAY THE ASSESSMENT OF THE PENALTY THAT IS NORMALLY ASSESSED FOR THE LATE PAYMENT OF REAL ESTATE TAXES FOR THE PERIOD OF MAY 16, 2020, THROUGH JUNE 30, 2020

WHEREAS, as a result of the current economic conditions resulting from the COVID-19 pandemic, City Council wants to provide property owners some relief from the penalty that is normally imposed for the late payment of real estate taxes; and,

WHEREAS, the late penalty for the fourth and final installment of real estate taxes for the 2019-2020 fiscal year that is due on May 15, 2020, will be temporarily suspended and will not be assessed until July 1, 2020;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG that notwithstanding any other provision of the Lynchburg City Code, no late penalty for the fourth and final installment of real estate taxes for the 2019-2020 fiscal year that is due on May 15, 2020, will be assessed for the period of May 16, 2020, through June 30, 2020. Any real estate taxes that are not paid prior to July 1, 2020, will be subject to a late penalty as provided by Section 36-171 of the City Code.

That this ordinance shall become effective upon its adoption.

Adopted:

Certified: _____
Clerk of Council

050R