

COMMON COUNCIL



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I, Kari J. Van Diest, Deputy Clerk of the Common Council, hereby certify on this 3rd day of May 2016 that the following Ordinance is a true and exact copy of one and the same adopted by the Common Council of the City of Winchester, assembled in regular session on the 26th day of April 2016.

AN ORDINANCE TO AMEND SECTION 27-28 AND SECTION 27-30 OF DIVISION 4. SUBSTANTIALLY REHABILITATED PROPERTY OF THE WINCHESTER CITY CODE

WHEREAS, the City of Winchester has a desire to improve the capability of its tax exemption programs; and,

WHEREAS, the Winchester Common Council desires to promote and accelerate the revitalization of catalyst sites and other areas throughout the City; and

WHEREAS, the current version of Section 27-28 of the Winchester City Code excludes properties outside the Historic District yet are sites listed on the National Register of Historic Places; and

WHEREAS, the definition of substantially rehabilitated real estate should include sites on the National Register of Historic Places and outside the Historic Winchester zoning district in conjunction with a project qualified for state and/or federal tax credits; and,

WHEREAS, Section 27-28 and Section 27-30 of the Winchester City Code must be amended to implement the proposed changes to the Substantially Rehabilitated Property Tax Exemption Program.

NOW THEREFORE BE IT ORDAINED, that the adoption of this Ordinance shall implement the proposed amendments to Section 27-28 and Section 27-30 of the Winchester City Code.

BE IT FURTHER ORDAINED, that the property at 1720 Valley Avenue be retroactively eligible to apply for the tax exemption and utilize pre-construction assessment values as of July 1, 2015.

DIVISION 4. SUBSTANTIALLY REHABILITATED PROPERTY

SECTION 27-28. DEFINITIONS.

For the purpose of this division, the following words and phrases shall have the meanings, respectively ascribed to them:

- (a) SUBSTANTIALLY REHABILITATED RESIDENTIAL REAL ESTATE, shall mean any residential real estate within the Historic Winchester District (HW), as defined by Article 14 of the Zoning Ordinance of the City of Winchester, 1976, as amended, **or included on the National Register of Historic Places**, upon which there is an existing structure which is no less than twenty-five (25) years old, and which has been so improved as to increase the assessed value thereof by no less than forty percent (40%), without increasing the total square footage by more than fifteen percent (15%). **For sites included on the National Register of Historic Places and outside the Historic Winchester zoning district, the exemption shall only be considered in conjunction with a project qualified for state and/or federal tax credits.**
- (b) SUBSTANTIALLY REHABILITATED COMMERCIAL OR INDUSTRIAL REAL ESTATE, shall mean any commercial or industrial real estate within the Historic Winchester District (HW), as defined by Article 14 of the Zoning Ordinance of the City of Winchester, 1976, as amended, **or included on the National Register of Historic Places**, upon which there is an existing structure which is no less than twenty-five (25) years old, and which has been so improved as to increase the assessed value thereof by no less than sixty percent (60%), without increasing the total square footage by more than fifteen percent (15%). **For sites included on the National Register of Historic Places and outside the Historic Winchester zoning district, the exemption shall only be considered in conjunction with a project qualified for state and/or federal tax credits.**
- (c) AMOUNT OF EXEMPTION, shall mean an amount equal to the increase in assessed value resulting from the rehabilitation of the structure as determined by **an on-site assessment by** the assessing officer, and this amount only shall be applicable to assessment commencing on the first day of January of the year following the rehabilitation. An increase in assessment occurring after the first year of such rehabilitation exemption shall not result in an increase in such exemption.
- (d) TAXABLE YEAR, shall mean the calendar year from January first through December thirty-first for which such real property tax is imposed or exemption claimed. (Ord. No. 044-88, 11-15-88; Ord. No. 017-92, 11-10-92)

SECTION 27-29. EXEMPTIONS DECLARED.

The purpose of this division shall be to provide real estate tax exemptions for substantially rehabilitated residential, commercial, or industrial real estate for a period of ten (10) years, commencing on January first of the year following completion of such rehabilitation.

(Ord. No. 044-88, 11-15-88; Ord. No. 017-92, 11-10-92; Ord. No. 2011-28, 8-9-11)

State Law Reference-- Code of Virginia, §§58.1-3220, *et seq.*

SECTION 27-30. ELIGIBILITY REQUIREMENTS.

Exemptions pursuant to this division shall not become effective unless the persons owning such property have:

- (a) Prior to commencement of a plan to rehabilitate the property, obtained the required building permit and applied for the herein prescribed exemption on a form approved by the Commissioner of the Revenue. Application for exemption must be filed before the work designated by the building permit is begun.
- (b) Paid to the Treasurer an application processing fee in the amount of twenty dollars (\$20.00). No application for the exemption approved by this article shall be deemed to have been filed until the fee herein imposed has been paid.
- (c) Prior to commencement of a plan to rehabilitate the property, contacted the ~~R~~real ~~E~~state assessor~~Administrator~~ to make an appointment to have an assessment of the property assessed in its current condition. Site visits will be completed within ten (10) working days of receiving a completed application or the current assessment on file will be used.
- (d) After rehabilitation of the building, within ten (10) working days, contacted the ~~R~~real ~~E~~state assessor~~Administrator~~ to make an appointment to have assessed the fair market value of the renovation improvements, and ~~reflect~~ such value will be reflected in the real estate tax assessment records within ten (10) working days.
- (e) Submitted the application for exemption prior to January first of the taxable year for which such exemption is claimed.
(Ord. No. 044-88, 11-15-88; Ord. No. 017-92, 11-10-92; Ord. No. 2011-28, 8-9-11)
- (f) Eligible projects must be completed within two (2) years from the date of acceptance by the Commissioner. Proof of completion must be in the form of a Certificate of Occupancy or Certificate of Completion from the Building Official and Zoning Administrator. An extension of one year to the two (2) year timeline may only occur upon resolution by City Council.

Ordinance No. 2016-13

ADOPTED by the Common Council of the City of Winchester on the 26th of April 2016.

Witness my hand and the seal of the City of Winchester, Virginia.

*Kari J. Van Diest, CMC
Deputy Clerk of the Common Council*