City Council Budget Study
June 1, 2020
Agenda

• Five Year Operating Plan
• Other Discussion Items
Five Year Operating Plan

<table>
<thead>
<tr>
<th>Assumption</th>
<th>Percentage and Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenditure Growth</td>
<td>Predominantly 2% in FY 22-25</td>
</tr>
<tr>
<td>Real Estate Tax Growth</td>
<td>2% in FY 22-25</td>
</tr>
<tr>
<td>Personal Property Tax Growth</td>
<td>1% in FY 22-25</td>
</tr>
<tr>
<td>Prepared Food and Beverage Tax Growth</td>
<td>1% in FY 22-25</td>
</tr>
<tr>
<td>Most Other Revenue Growth</td>
<td>2% in FY 22-25</td>
</tr>
<tr>
<td>Salary Increases</td>
<td>2% in FY 22-25</td>
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### Five Year Operating Plan

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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$300.2</td>
<td>$294.6</td>
<td>$298.0</td>
<td>$303.1</td>
<td>$308.2</td>
<td>$313.4</td>
<td>$318.7</td>
</tr>
<tr>
<td>Expense</td>
<td>295.5</td>
<td>292.3</td>
<td>298.0</td>
<td>304.6</td>
<td>311.5</td>
<td>318.2</td>
<td>325.4</td>
</tr>
<tr>
<td>Variance</td>
<td>4.7</td>
<td>2.3</td>
<td>0.0</td>
<td>(1.5)</td>
<td>(3.3)</td>
<td>(4.8)</td>
<td>(6.8)</td>
</tr>
</tbody>
</table>

- Legally required to adopt balanced budget each fiscal year through revenue growth (existing or new) or expenditure reductions
- Strategic recognition of priorities and conservative revenue growth
- Anticipation of unavoidable expenditure growth
- Future planning in advance is a best practice in order to respond to identified potential variances
Other discussion items

June 15, 2020 – 2:00 pm – Budget Adoption

July 20, 2020 - Adopted Budget document available to the public
City of Roanoke’s
REAL ESTATE REHABILITATION TAX ABATEMENT PROGRAM
Background/Overview

• Background Briefing on October 28th

• Initial Program Areas for Change Identified

• Follow Up Analysis was Undertaken

• Initial Recommendations Presented February 3rd
Program Areas for Change

• Age of Structure
• Term of Abatement
• Administrative Fees
• Code Enforcement Component
• Other Clarifications / Definitions
Revised Program Requirements

Current

AGE OF STRUCTURE
No less than 40 years (residential)
No less than 25 years (commercial)

TERM
3 year term for residential >$300,000
5 year term City wide
10 year term H1, H2, Rehab, Conservation Districts
+extra 4 year graduated term to reduce density for all categories

Fees
$50 per application for
Commercial and Residential

Recommended

AGE OF STRUCTURE
Constructed prior to January 1, 1970

TERM
5 year term City Wide residential $250,000 or less
7 year term H1 and H2,
7 year term Rehab, Conservation Districts

Fees
$175 per application – Residential Single Fam
$250 per application – Multi-fam*
$250 per application – Commercial and Mixed Use*

* fee is for each principal structure identified in an application
Other Recommendations

- Add Code Enforcement guidelines, inspections, and approvals to ensure property has been renovated or remodeled according to Virginia Property Maintenance Code.

- The Completion Date is the June 30th that occurs 2 years after the date of Application.

- Add Mixed Use to terms throughout ordinance.

- Mixed Use properties follow commercial guidelines.
Next Steps

• Council Action on Program Re-authorization (June 15th)

• Revised Program Changes Effective (July 1, 2020)