

URBAN SERVICE TAX POLICY & CORRECTIONS

Environmental Quality and Public Works Committee

July 3, 2018



LEXINGTON



Presentation Outline

- Urban service tax districts
- Current policy for tax district changes
- Correction of tax district assignment errors



Item Referred to EQPW Committee

- Request for presentation by CM Plomin
- Internal working group assembled to review current policy for tax district changes:
 - EQPW
 - Law
 - Planning
 - Finance
 - CAO Office



Urban Service Tax Districts

Ad Valorem tax on real property for each \$100 of assessed value.

Tax District	Tax Rate (2017-2018)	Services Provided
1	1.2174	Full Service; refuse, street lights & street cleaning
2	1.0441	General Service; police & fire only
3	1.1867	Refuse only
4	1.0651	Street lights only
5	1.2077	Refuse & street lights
6	1.0748	Street lights & street cleaning
7	1.1964	Refuse & street cleaning



Current Policy for Tax District Changes

Three scenarios in which tax district changes are made:

1. New Development → Charter intends for properties within the urban services area be placed in an urban services tax district.
 - a. New development along public streets are placed in Tax District 1 (Full Service)
 - b. New development along private streets are placed in Tax District 3 (Partial Service District – Refuse only)
 - c. No change recommended to existing policy as it is consistent with the intent of the Charter.
2. Petition for Service → properties in partial service districts may petition to receive added LFUCG services. No change recommended to current policy.
3. Corrections to Tax District Assignment Error → As we discover errors in tax district assignment, we correct them.



Correction of Tax District Assignment Errors

- As a result of the tax district assignment errors in CD 12 on Real Quiet Lane, a comprehensive search of tax district assignments going back to 2007 was completed.
- 200+ parcels were discovered to be within the urban service boundary, developed and remain in Tax District 2 (General Service).
- Recommend correcting these errors and placing these parcels in full or partial urban service tax districts.
- Request EQPW Committee approval to correct errors dating back to 2007 as part of this year's urban service tax district changes.
 - Notice will be sent to affected property owners before any changes are made.

Questions?

