

ORDINANCE NO. \_\_\_\_\_, SERIES 2020

**AN ORDINANCE AMENDING THE LOUISVILLE METRO CODE OF ORDINANCES (“LMCO”) SECTIONS 154.02, 154.03, AND 154.04(B), AND 154.05 RELATING TO PROPERTY ASSESSMENT AND REASSESSMENT MORATORIUM PROGRAMS (AS AMENDED).**

**SPONSORED BY: COUNCIL PRESIDENT JAMES AND COUNCIL MEMBERS DORSEY, PURVIS, GREEN, MULVIHILL, AND SEXTON SMITH**

**WHEREAS**, Louisville/Jefferson County Metro Government Code of Ordinances (hereinafter “LMCO”) Chapter 154, Property Assessment and Reassessment Moratorium Programs, was adopted on June 28, 1983 pursuant to Ord. No. 10-1983 and amended by Ord. No. 114-2007, effective July 2, 2007;

**WHEREAS**, pursuant to KRS 99.595 through KRS 99.605 and KRS 132.452, the Metro Council (hereinafter “Council”) established a property assessment and reassessment moratorium program (hereinafter the “Program”) to encourage property owners to make improvements to qualifying structures located in Louisville Metro by providing a five (5) year moratorium on a portion of the local tax assessment that would result from the improvements;

**WHEREAS**, the Council finds that LMCO Chapter 154 should be amended to permit partnership agreements with other local taxing authorities, subject to state law, regarding a five (5) year moratorium on a portion of the tax assessment that would result from the improvement of qualifying structures subject to their taxing authority;

**WHEREAS**, the Council finds that the geographic scope set forth in LMCO § 154.02(B) should be amended to include “Qualified Census Tracts” (QCT) designated by the United States Department of Housing and Urban Development;

**WHEREAS**, the Council finds that LMCO § 154.02(C), relating to the costs of the improvements that may be made to a structure for the purpose of repair, rehabilitation, restoration, or stabilization under the Program, should be amended to (1) permit a minimum value equal to at least 5% of the value of the improvements to the property based on the latest assessment made by the Jefferson County Property Valuation Administrator; (2) for improvements made to owner-occupied qualifying properties; (3) located within the following traditional urban neighborhoods: Algonquin, California, Chickasaw, Park Duvalle, Park Hill, Parkland, Portland, Russell, Shawnee, Shelby Park, and Smoketown Jackson.

**WHEREAS**, the Council also finds that the list of administering agencies set forth in set forth in LMCO § 154.03 should be amended to clarify the responsibilities of the Property Valuation Administrator and the Codes and Regulations Department in administering the Program;

**WHEREAS**, the Council finds that the \$40 Program application fee set forth in LMCO § 154.04 may be waived at the discretion of the Director of Code Enforcement and the Property Valuation Administrator for low-income homeowners, with income verification services provided by the Office of Housing; and

**WHEREAS**, the Council finds that the amendments set forth above will lower the threshold for owner-occupied properties located in historically disinvested neighborhoods to qualify for relief under the Program, and will also further encourage the repair, rehabilitation, restoration, or stabilization of qualifying structures in these traditional urban neighborhoods.

**NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:**

**SECTION I: LMCO § 154.01 is hereby amended as follows:**

**§ 154.01 PROGRAM ESTABLISHED.**

The Metro Council hereby establishes a property assessment and reassessment moratorium program for qualifying properties pursuant to KRS 99.595 through 99.605 and KRS 132.452. Nothing included in this Chapter shall prohibit partnership agreements with other local taxing authorities, subject to state law, regarding a five (5) year moratorium on a portion of the tax assessment that would result from the improvement of qualifying structures subject to their taxing authority.

**SECTION II: LMCO § 154.02 is hereby amended as follows:**

**§ 154.02 QUALIFYING CONDITIONS OF STRUCTURES.**

All existing residential and commercial structures at least 25 years old may qualify for a reassessment moratorium if:

(A) The costs of the enhancements made to the structure to repair, rehabilitate, restore or stabilize it is equal to at least 25% of the value of the improvements ~~to~~ on the property based on the latest assessment made by the Jefferson County Property Valuation Administrator; or

~~(B) The qualifying property is within a "target area", a census tract where at least 70% of the residents living in that tract have income below 80% of the median income for Jefferson County or 20% of the residents living in that tract have incomes below the poverty level, the cost of the improvements must be equal to at least 10% of the value of the improvements to the property based on the latest assessment. The cost of the enhancements made to the structure to repair, rehabilitate, restore or stabilize it is equal~~

to at least 10% of the value of the Improvement on the property based on the latest assessment made by the Jefferson County Property Valuation Administrator and the property is located within a “Qualified Census Tract” (QCT), designated by the United States Department of Housing and Urban Development, where at least 50% of households have an income less than 60% of the Area Median Gross Income in Jefferson County; or

(C) The cost of the enhancements made to the structure to repair, rehabilitate, restore or stabilize it is equal to at least 5% of the value of the Improvement on the property based on the latest assessment made by the Jefferson County Property Valuation Administrator and the property is located within one of the following traditional urban neighborhoods, as defined by the Louisville/Jefferson County Information Consortium on January 1, 2020 and illustrated in the maps attached as Exhibit A: Algonquin, California, Chickasaw, Park Duvalle, Park Hill, Parkland, Portland, Russell, Shawnee, Shelby Park, and Smoketown Jackson ; and the property is owner-occupied; or

~~(C)~~(D) The qualifying property will, at the conclusion of the plan of improvement, be an LEED Certified property based on the Leadership in Energy and Environmental Design standards in effect at the time of application.

**SECTION III:** LMCO § 154.03 is hereby amended as follows:

**§ 154.03 ADMINISTERING AGENCIES.**

The administering agencies for the moratorium program in Jefferson County shall be the Codes and Regulations Department, and the Office of the Property Valuation Administrator. Applications shall be received and reviewed by the Codes and Regulations

Department and forwarded to the Office of the Property Valuation Administrator to complete the inspection phase of the assessment process.

**SECTION IV:** LMCO § 154.04(B) is hereby amended as follows:

**§ 154.04 APPLICATION FOR MORATORIUM CERTIFICATE; FEE.**

(B) That in order to cover the administrative costs for the program, a fee of \$40 shall be charged an applicant applying for a moratorium certificate. The \$40 administrative fee may be waived at the discretion of the Director of Code Enforcement and the Property Valuation Administrator for low-income homeowners. The Office of Housing shall verify the income of applicants that have received home repair funds through any Louisville Metro Government program. Twenty dollars will be transferred to the PVA to carry out his or her duties under this chapter and \$20 will be retained by the Codes and Regulations Department to cover administrative costs incurred under this chapter.

**SECTION V:** LMCO § 154.05 is hereby amended as follows:

**§ 154.05 ASSESSMENT OF PROPERTY VALUE.**

The Property Valuation Administrator and the Codes and Regulations Department shall maintain a record of all applications for a property assessment or reassessment moratorium. The PVA shall assess or reassess the property within 30 days of receipt of the application. This assessment shall be the value on which the Metro Government and Urban Service District taxes, and other taxing authorities that enter into a duly executed partnership agreement with Louisville Metro Government, are based and is not to be raised for five years after the certificate has been issued, however, this provision shall not preclude normal reassessment of the property.

**SECTION VI:** This Ordinance shall take effect upon its passage and approval.

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Sonya Harward  
Metro Council Clerk

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David James  
President of the Council

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Greg Fischer  
Mayor

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Approval Date

**APPROVED AS TO FORM AND LEGALITY:**

Michael J. O'Connell  
Jefferson County Attorney

By: \_\_\_\_\_

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