

Proposed Changes to Property Tax Moratorium Program Chapter 154 of the Louisville Metro Code of Ordinances

Background

- The Property Assessment and Reassessment Moratorium Program was established in 1983 to encourage property owners to make improvements to qualifying structures.
- Qualifying structures include those that are at least 25 years old in which the owner is making repairs to the property totaling a certain percentage of the value – 25% or 10%, depending on property location.
- Qualifying properties receive a tax benefit in the form of frozen Metro Government and Urban Service District taxes for a period of five (5) years.
- Approximately 40 owners are currently enrolled.

Proposed Amendments

- PVA, Codes and Regs, JCAO, and Develop Louisville worked together to recommend changes to the ordinance, both to make it easier to administer and to affect additional owners, specifically those located in neighborhoods experiencing rapid investment.
- Recommended changes to the ordinance are as follows:
 - Revise the definition for qualifying geographic areas to include “qualified census tracts” designated annually by the U.S. Department of Housing and Urban Development (HUD). This change will make the program easier to administer for Metro and the PVA by allowing the LMG reviewer to check the address against a HUD map.
 - To stabilize homeownership in areas of decline, add a qualifying method specifically for owner-occupants in target neighborhoods, including the nine west Louisville neighborhoods, Smoketown, and Shelby Park, in which repairs equal or are greater than 5% of the value.
 - Add a method by which low-income applicants can apply with the fee waived (fee is \$40.00).
- After passage of revised ordinance, LMG will work with community partners to ensure property owners are aware of program.