



Legislation Text

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Item:

Potential Tax Relief Options for Residents at or below 30% of the Average Median Income (30min)

Date of BOCC Meeting: August 3, 2020

Request for Board Action:

The Board of County Commissioners is requested to receive an update from staff on potential tax relief options for residents at or below 30% of the average median income in Durham County. During the June 8, 2020 BOCC meeting, staff were asked to explore potential tax relief options beyond the current tax exemption programs for residents at or below 30% of the area median income. Current tax exemption programs authorized by the NC General Assembly include the Elderly/Disabled Homestead Exemption, Circuit Breaker -- Elderly/Disabled Deferment Program and the Disabled Veteran Exclusion. In May, the Tax Department in collaboration with the IS&T Department launched an on-line portal that allows residents to check their potential eligibility for existing tax-exempt programs. In addition to the on-line portal, there will be increased efforts in upcoming months to increase public awareness on existing tax relief programs.

In addition to the aforementioned state authorized tax exemptions, staff evaluated three additional approaches to provide tax relief for residents at or below 30% of the area median income. A proposed Tax Assistance Grant Program initiated by the Coalition for Affordable Housing and Transit. Another consideration was given to a Long-term Payment Deferral Program for residents at or below 30% of the area median income. This proposal is recommended under existing legislative authority. Finally, staff evaluated the potential to bolster participation in the Durham Community Land Trust program. This State-approved program is authorized by NC General Statute 105-277.17.

Further, staff also recommends that the BOCC explore a collaboration with the City of Durham to allocate funds for a housing repair program for long-term homeowners with a household income at or below 30% AMI. While this option does not provide direct tax relief, it would help some longtime residents address home repairs that go undone due to a lack of resources, thus freeing up dollars to support outstanding property taxes. Staff will explore this option further and bring additional information to the Board in September. Staff believes a toolbox of these options will provide great benefit to the community and moves Durham County forward with its goal of maintaining affordable housing.

Alignment with Strategic Plan: Goal 5: Accountable, Efficient and Visionary Government

Resource Persons: Dwane Brinson, Tax Administrator, Claudia Hager, General Manager and Bryan Wardell, Assistant County Attorney

County Manager's Recommendation: County Manager recommends the Board receive the report and authorize tax relief options that can exist under current general statutes authorization.