

# South Norfolk Revitalization District Partial Tax Exemption

Rehabilitated, renovated, or replacement commercial or industrial buildings and structures

The council of the city recognizes the need to continue ongoing efforts to promote commercial and industrial revitalization in the South Norfolk Borough. Section 58.1-3221 of the Code of Virginia, 1950, as amended, authorizes the city to offer a partial exemption from taxation of real estate for buildings and structures no less than 20 years of age that have undergone substantial rehabilitation, renovation or replacement for commercial or industrial use. This partial real estate tax exemption will stimulate the improvement of commercial and industrial properties of South Norfolk. Such improvements will not only enhance the character of the business community but also increase the tax base of the South Norfolk Revitalization District. These new revenues will be returned to the district in the form of public improvements and investments. For these reasons, the following partial tax exemption is hereby made applicable to the South Norfolk Revitalization District, subject to the terms and conditions provided herein:

- (a) Any commercial or industrial building or structure located in the South Norfolk Revitalization District and being no less than 20 years of age, which has undergone substantial rehabilitation or renovation, or which has been completely replaced, shall be entitled to a partial tax exemption under the conditions and criteria set forth in this section. A building or structure is deemed substantially rehabilitated or renovated if the improvements increase the fair market value of the real estate by more than 50 percent of the assessed value of the real property for the tax year in which the rehabilitation or renovation is substantially completed. The rehabilitated, renovated or replaced building or structure shall be used for lawful commercial or industrial purposes. The complete replacement of a commercial or industrial building shall not exceed the total square footage of the replaced building by more than 110 percent; provided, however, that this limitation shall not apply in the case of replacement of a linear structure, such as streets, bridges and utilities.
- (b) As used in this section, the South Norfolk Revitalization District shall mean the district established under [section 30-556](#) of this Code, the boundaries of which are shown on an exhibit on file in the office of the city clerk. For purposes of this section, any building or structure located partially in the South Norfolk Revitalization District shall be authorized to receive a partial tax exemption, provided all qualifications and criteria contained herein are fully satisfied.



- (c) Upon verification by the landowner that the rehabilitation, renovation or replacement of a building or structure has been substantially completed and meets the qualifications and criteria of this section, a real estate tax exemption is authorized for such building or structure in an amount equal to the greater of 1) the increase in real estate tax attributable to the increase in the assessed fair market value resulting from the rehabilitation, renovation or replacement of the commercial or industrial building or structure, as determined by the real estate assessor ("assessor"), or 2) 50 percent of the cost of the rehabilitation, renovation or replacement, as determined by the assessor on the basis of invoices and other documentation provided by the landowner. The exemption shall commence upon substantial completion of the rehabilitation, renovation or replacement and shall be applied to subsequent tax assessments for a period of 15 calendar years. The exemption shall be transferable with the building or structure.
- (d) The owner of the commercial or industrial real estate qualifying for a partial tax exemption under this section shall be required to file an application with the assessor requesting a partial exemption not later than six months after completion of the rehabilitation, renovation or replacement of the building or structure. No partial exemption shall be given unless all required permits and approvals for the work have been issued, nor until substantial completion of the work has been certified by a final city inspection report or evidenced by the issuance of a certificate of occupancy for the improved building or structure. All applications shall be accompanied by appropriate documentation and a \$100.00 administrative processing fee.
- (e) The partial tax exemption granted under this section shall not apply to the demolition and replacement of a building or structure if such building or structure is i) of historic significance in a local historic preservation district adopted by the council of the city, ii) a registered Virginia landmark, or iii) determined by the department of historic resources to contribute to the significance of a registered historic district.

(Ord. No. 10-O-047, 5-25-10)

