

AN ORDINANCE TO ESTABLISH A TEMPORARY MORATORIUM ON FORECLOSURES DUE TO PROPERTY TAX INCREASES AS LONG AS THE OWNER IS ON A PAYMENT PLAN

#0113

Sponsor:
Council
Member
Owens

WHEREAS, pursuant to City Charter § 6-109(a), the Department of Finance prepares property tax bills based on assessments certified to the Department of Finance by the Board of Assessment of the City of Wilmington (“BOA”);

WHEREAS, for Fiscal Year 2026 (“FY2026”), the BOA adopted and certified the recently completed reassessment conducted by New Castle County through Tyler Technologies’ mass appraisal of nearly 215,000 parcels on New Castle County’s property tax roll, including properties located in the City; and

WHEREAS, the Department of Finance issued property tax bills for FY2026 in July 2025, which incorporated the reassessment values of Tyler Technologies; and

WHEREAS, the FY2026 property tax bills caused widespread frustration and angst about the fairness, consistency, and transparency of the mass appraisal of Tyler Technologies; and

WHEREAS, the disparities in reassessment values caused abrupt and destabilizing tax increases for a large number of property owners, potentially accelerating displacement and exacerbating housing insecurity through the City’s statutory ability to initiate monition actions and collect delinquent taxes through sheriff’s sales; and

WHEREAS, City Council recognizes the financial hardship from the skyrocketing tax liabilities of many property owners due to the recent reassessment of real property which reflect in the FY2026 tax bills; and

WHEREAS, City Council finds it necessary to provide relief to adversely impacted customers by imposing a temporary moratorium on monition actions that derive from increased tax liability associated with the mass appraisal of Tyler Technologies; and

WHEREAS, City Council has determined that such a moratorium is in the best interest of the public welfare by providing the City and adversely impacted property owners the necessary time to resolve and/or find a path forward for the issues created by the mass appraisal of Tyler Technologies.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Temporary Moratorium Established. A temporary moratorium is hereby established on the initiation of monition actions where the subject property's tax bill for FY2026 has increased by at least twenty-five percent (25%) from the property tax bill for Fiscal Year 2025 ("FY2025"). The moratorium shall apply to both residential and commercial properties with a twenty-five percent (25%) or more increase in tax liability from FY2025. This moratorium shall not apply where the increase in tax liability in FY2026 is less than 25%, or where the monition has been initiated to collect other delinquent charges, including water utility charges and delinquent taxes from any fiscal year prior to FY2026.

SECTION 2. Effective Period of Temporary Moratorium. The temporary moratorium set forth in Section 1 shall become effective October 1, 2025, and shall remain in effect for twelve (12) months from that date, unless repealed or extended by ordinance of City Council.

SECTION 3. Effective Date. This Ordinance shall become effective immediately upon its date of passage by the City Council and approval by the Mayor.

First Reading.....October 2, 2025

Second Reading....October 2, 2025

Third Reading.....

Passed by the City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of ____, 2025

Mayor

SYNOPSIS: This Ordinance enacts a temporary 12-month moratorium on the monition of properties which were adversely impacted by the reassessment values of New Castle County, through Tyler Technologies. The moratorium only applies to property owners whose tax liability in Fiscal Year 2026 increased by 25% or more from Fiscal Year 2025. The moratorium applies to both residential and commercial customers.

FISCAL IMPACT: [TBD]

