

Prince George's County Council

Agenda Item Summary

Meeting Date: 11/18/2008
Reference No.: CB-061-2008
Draft No.: 2
Proposer(s): County Executive
Sponsor(s): Dean, Dernoga
Item Title: An Act enabling the County to participate in the State of Maryland's Brownfields Revitalization Incentive Program; providing a property tax credit for the redevelopment of certain brownfields properties; and generally providing for a brownfields property tax credit as authorized by State law

Drafter: Joseph R. Hamlin, Office of Law
Resource Personnel: Lavinia A. Baxter, Economic Development Corporation

LEGISLATIVE HISTORY:

Date Presented:	9/9/2008	Executive Action:	11/24/2008 S
Committee Referral:	9/9/2008 - PSFM	Effective Date:	1/12/2009

Committee Action: 9/23/2008 - HELD
10/14/2008 - HELD

Date Introduced: 10/21/2008
Public Hearing: 11/18/2008 - 10:00 AM

Council Action (1) 11/18/2008 - ENACTED
Council Votes: MB:A, WC:A, SHD:A, TD:A, CE:A, AH:A, TK:A, EO:-, IT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

10-235.08, 10-235.09, 10-235.10, 10-235.11, 10-235.12

COMMITTEE REPORTS:

PUBLIC SAFETY AND FISCAL MANAGEMENT

Date 10/20/2008

Committee Vote: Favorable as amended, 5-0, (In favor: Councilmembers Knotts, Campos, Dean, Exum and Turner.)

This legislation will enable the County to participate in the State of Maryland's Brownfields Revitalization Incentive Program by providing a brownfields property tax credit in accordance with Section 9-229 of the Tax-Property Article of the Annotated Code of Maryland. At the present time, there are decaying commercial areas within Prince George's County (especially in established communities) that contain properties that are contaminated – or perceived to be contaminated – by hazardous materials or oil. Currently, developers are not eligible for the State of Maryland's Brownfields Revitalization Incentive Program because the County has not elected to participate by establishing a program that will work with the State's program to alleviate the problem in established communities.

The establishment of the Revitalization Incentive Program for qualified sites will provide a tax incentive for property owners and developers to improve deteriorating properties. This program will bring new business in these areas

which will bring more jobs and an increased tax base in the County.

The legislation was amended as follows:

1. On page 2, line 1, delete “Department”, and insert “Office”
2. On page 2, delete lines 3–4 and renumber accordingly.
3. On page 2, lines 15-16 delete “Article 83A Section 5-140(e) of the” and insert “Section 5-301, Economic Development Article,”
4. On page 2, lines 25-26, delete “5-1408 of Article 83A” and insert “Subtitle 3, Economic Development Article”
5. On page 2, line 30, delete “Subsection 5-1401(o), Article 83A” and insert “Section 5-301 Economic Development Article.”
6. On page 3, line 6, after “of “ delete “:” and insert “5 taxable years” and delete lines 7-13.
7. On page 3, lines 14-15, after “Director” delete “each year” and on line 17, after “shall” delete “consult with” and add “notify.”
8. On page 3, line 23, after “Fund” delete “established.”
9. On page 3, line 24, delete “5-1404, Article 83A” and insert “5-313-(8), Economic Development Article.”

The Office of Law has reviewed this bill and finds it to be in proper legislation form with no legal impediments to its enactment.

The legislation was held in Committee on 10-14-08 to allow time for Kwasi Holman, President of the Economic Development Corporation, to respond to questions raised during the discussion.

According to the fiscal impact statement submitted by the Office of Audits and Investigations, due to the unknown variables that exist they cannot determine the number of current owners of Brownfields eligible sites that exist in the County that will seek to clean up or redevelop their property. Based on their assessment of the proposed initiative, when applicable to specific Brownfields sites in the County, it will result in an overall positive fiscal impact on the County because of realizing additional property tax revenues for the participating sites.

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

This legislation will enable the County to participate in the State of Maryland’s Brownfields Revitalization Incentive Program by providing a brownfields property tax credit pursuant to Section 9-229 of the Tax-Property Article of the Annotated Code of Maryland. There are decaying commercial areas within the County (especially within established communities) that contain certain properties that are contaminated – or perceived to be contaminated – by hazardous materials or oil. Currently, developers are not eligible to utilize Maryland’s Brownfields Revitalization Incentive Program because the County has not elected to participate and establish a program that would work in tandem with the State program to alleviate distress in established communities. Participation in the program will create an incentive to redevelop brownfield properties.

CODE INDEX TOPICS:

INCLUSION FILES:
