



Angela D. Alsobrooks
County Executive

Hyattsville Armory Apartments

CR-88-2019

October 24th, 2019

Agenda



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- Project Overview
- Proposed Legislation
- Proposed Incentives
- Fiscal Impact
- Summary

Project Overview

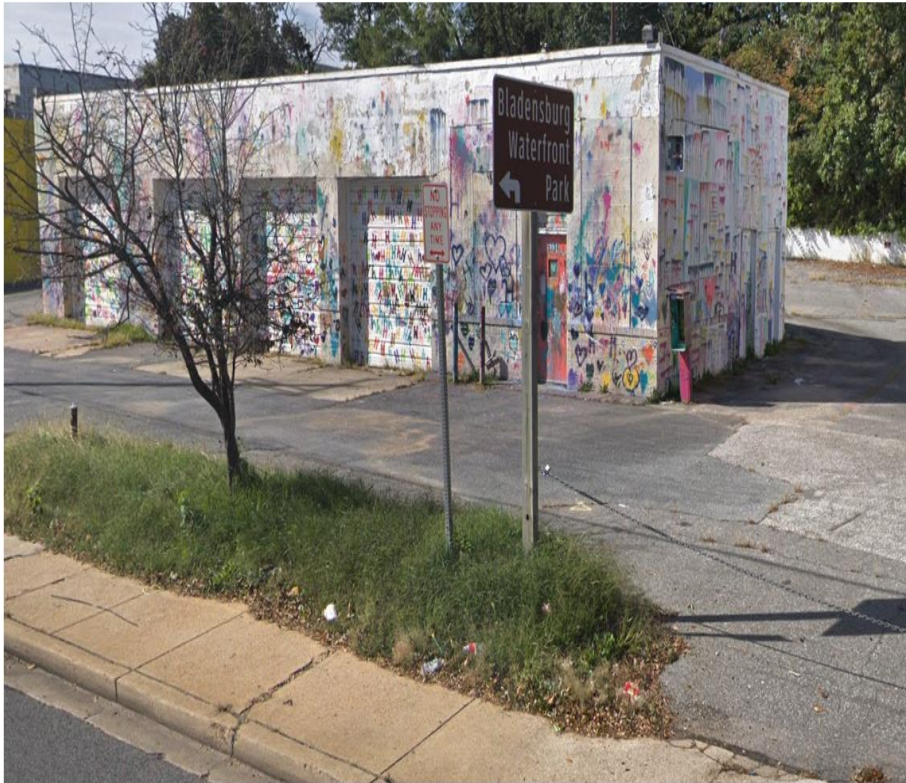


- Consolidated 4.39 acre parcel
- \$99.1 million mixed-use project (including land)
- Located in the Gateway Arts District
- 2 miles down Route 1 from UMD College Park
- 2 outdoor public plazas and streetscape improvements
- 285 apartments & 31,660 SF of ground-floor retail
- 680-car garage (160 spaces designated for public use)
- 150 temporary construction jobs
- 80 permanent jobs at full build-out
- Developer: Urban Investment Partners

Project Site



Existing Site Conditions



Retail Rendering



Plaza Rendering



Revitalization Tax Credit



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- Sec. 10-235.02 of the County Code provides for the creation of revitalization tax credit districts to encourage community redevelopment and business revitalization in specific census tracts.
- Median household income in designated census tracts must not exceed 100% of the median household income for the County, based on the 2010 census. The Armory Apartments project is located in census tract #806300 and falls within a designated revitalization tax credit district.
- Subsection (g)(2) of the cited code provides a maximum three-year real property tax credit for residential improvements, based on the incremental real property taxes above the base year, with a maximum improvement per dwelling unit of \$200,000.
- The tax credit is phased-out at 100% in year 1, 66% in year 2 and 33% in year 3, on the increased assessment as determined by the State Department of Assessments & Taxation (SDAT).

Fiscal Impact*



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- The Revitalization Tax Credit (residential) incentive is projected to be worth **\$929,163** between FY 2022 and FY 2024, provided that the developer meets its proposed construction schedule and the new property is fully assessed and billed by SDAT as at July 1st, 2021.
- Between FY 2022 and FY 2031, the County is projected to receive an additional **\$7,301,646** in incremental TRIM real property taxes, net of the requested tax credit.

*Notes:

1. Applicable tax rate for real property in the City of Hyattsville is \$0.811 (excludes school tax of 4 cents) per \$100 of assessable value in FY20.
2. Assessments eligible for the tax credit are capped at \$57 million for the first three fiscal years (\$200,000 per dwelling unit X 285 dwelling units).
3. Projected assessments between FY25 and FY31 assume a 3% annual growth rate to reflect project stability.

Fiscal Impact



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Projected Assessed Values

Fiscal Year	Tax Assessment Eligible for Tax Credit	Tax Assessment <u>Not</u> Eligible for Tax Credit	Total Assessed Value
FY 2022	\$ 57,000,000	\$ 22,837,025	\$ 79,837,025
FY 2023	57,000,000	30,571,235	87,571,235
FY 2024	57,000,000	38,305,446	95,305,446
FY 2025	-	98,164,609	98,164,609
FY 2026	-	101,109,548	101,109,548
FY 2027	-	104,142,834	104,142,834
FY 2028	-	107,267,119	107,267,119
FY 2029	-	110,485,133	110,485,133
FY 2030	-	113,799,687	113,799,687
FY 2031	-	117,213,677	117,213,677

Projected Tax Revenues

Fiscal Year	Tax Bill	Tax Credits	Net Revenue
FY 2022	\$ 647,478	\$ (462,270)	\$ 185,208
FY 2023	710,203	(157,172)	\$ 553,031
FY 2024	772,927	(309,721)	\$ 463,206
FY 2025	796,115		\$ 796,115
FY 2026	819,998		\$ 819,998
FY 2027	844,598		\$ 844,598
FY 2028	869,936		\$ 869,936
FY 2029	896,034		\$ 896,034
FY 2030	922,915		\$ 922,915
FY 2031	950,603		\$ 950,603
Total	\$ 8,230,809	\$ (929,163)	\$ 7,301,646

Summary



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- Adds density to Gateway Arts District
- Expands the County's commercial tax base
- Brings 80 permanent jobs to the community
- Additional \$5.6 million in public benefits:
 - *\$0.9 million for streetscape improvements, including bike racks for public use;*
 - *\$1.0 million for traffic signalization and crosswalks intersection;*
 - *\$1.2 million for two public plazas on private property; and,*
 - *\$2.5 million to replace overhead utilities underground.*
- Provides approximately \$7.3 million in additional TRIM real property taxes after deducting the revitalization tax credit (residential) over 10 years