



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Office of Audits and Investigations

October 7, 2019

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: David H. Van Dyke *DHV*
County Auditor

FROM: Inez N. Claggett *INC*
Senior Legislative Auditor

RE: Fiscal Impact Statement
CR-080-2019 Adequate Public Safety Facility Surcharge

Legislative Summary

CB-080-2019 proposed by Chair Turner at the request of the County Executive seeks to provide a partial waiver of the assessment of the Prince George's County Public Safety Facilities Surcharge for the construction of certain multifamily housing dwelling units within Phase 1 of the mixed-use Addison Row Project.

Background/Current Law

Prince George's County Code Section 10-192.11 provides authority to the governing body of Prince George's County by Resolution to impose a public safety facilities surcharge on new residential construction for which a building permit is issued within the County.

CR-054-2019 established the School Facility Surcharge for FY 2020, at \$2,630 for permits issued for buildings within the Developed Tier, and \$7,885 for permits issued for all other buildings. Revenues collected from the assessment of the Public Safety Facilities Surcharge shall be distributed to police, fire and emergency services within the County, and may be used to fund the construction or rehabilitation of public safety facilities, or the purchase of equipment or communications devices used in connection with law enforcement, firefighting, or emergency services activities, including protective body armor, surveillance devices, weapons, ladder trucks, ambulances, police cruisers, and rescue vehicles.

Resource Personnel

Adewale C. Dada, Accountant, Redevelopment Authority

Assumptions and Methodology

The proposed legislation would allow waiver of up to 60% of the public safety facilities surcharge to be waived on the 321 residential units being constructed within Phase 1 of the Addison Row Project. The Project is located within the Developed Tier within the vicinity of the Cheverly Metro Station. Information provided by the Office of the County Executive indicates that the area is adequately served by current police and fire facilities.

Phase 1 of the Addison Row Project will have 321 multi-family residential units, and each unit would be subject to the assessment of \$2,630 in public safety facility surcharge, equating to a total of \$844,230 (321 units at \$2,630 per unit) for the Project.

A waiver of up to sixty percent (60%) of the public safety facility surcharge as proposed would result in a revenue decrease of \$506,538 in public safety surcharge fees.

Fiscal Impact

- Direct Impact

Adoption of CR-080-2019 may result in negative fiscal impact of up to \$506,538 should sixty percent (60%) of the public safety facilities surcharge be waived.

- Indirect Impact

Enactment of CR-080-2019 should not have an adverse indirect fiscal impact on the County.

Appropriated in the Current Fiscal Year Budget

No.

Effective Date

The proposed Resolution shall be effective on the date of adoption

If you require additional information, or have questions about this fiscal impact statement, please call me.