

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2019 Legislative Session

Reference No.: CR-087-2019

Draft No.: 1

Committee: GOVERNMENT OPERATIONS AND FISCAL POLICY

Date: 10/24/2019

Action: FAV

REPORT: Favorable as amended 4-0: Council Members Dernoga, Anderson-Walker, Hawkins and Streeter

CR-087-2019 seeks to approve two multi-family and commercial developments (Studio 3807 and Artisan 4100) as revitalization projects qualifying for a revitalization or redevelopment tax credit. In mid-2018, the assessed property value of Studio 3807 prior to construction was an estimated \$1,455,800 and real property taxes were approximately \$19,435. At completion of construction the value of the property was an estimated \$20,020,600 and real property taxes were approximately \$267,876.

The assessed property value of Artisan 1400 prior to construction was an estimated \$1,648,900 and the real property taxes were approximately \$22,062. At the completion of construction, the assessed value will be \$12,371,471 and annual property taxes will be approximately \$165,530.

Adoption of CR-087-2019 will authorize the County real property tax credits over a 3-year eligibility period reducing the County real property revenue by an estimated \$822,403 for the proposed development. The estimated County real property tax credits are \$413,265 for the first year, \$272,757 for the second year and \$136,378 in the final year.

During the committee meeting Steve Paul, Associate Director, Redevelopment Authority, and Peter Seigel, Principal and CEO, Landex Development, provided an overview of the two projects and stressed how they will greatly improve the area and will have a myriad of economic benefits to the County which will by far exceed the tax credits envisioned in CR-087-2019.

The Office of Law finds CR-087-2019 to be in proper legislative form with no legal impediments to its adoption.

The Office of Audits and Investigations reports that the adoption of CR-087-2019 is anticipated to promote growth and economic development within the County and increase the number of existing jobs, all of which will have a positive impact upon the sources of County revenue.

After discussion the Government Operations and Fiscal Policy Committee voted CR-087-2019 out favorably, 4-0.