

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2022 Legislative Session

Reference No.:	CB-074-2022
Draft No.:	2
Committee:	Government Operations and Fiscal Policy Committee
Date:	09/14/2022
Action:	FAV (A)

REPORT: Favorable as amended 4-0: Council Members Burroughs, Franklin, Ivey, and Turner. Absent: Streeter.

The Prince George's County Council's Government Operations and Fiscal Policy Committee convened on September 14, 2022, to consider CB-074-2022. As proposed, CB-074-2022 would create a business improvement district called the Northern Gateway Business Improvement District (BID) as is statutorily authorized under Sections 12-601 to 12-612 of the Economic Development Article of the Annotated Code of Maryland. Section 10-336 in the proposed Bill describes the area the boundaries cover:

- Northwest corner of Prince George's County.
- Municipal boundaries of the City of Hyattsville and City of Mount Rainier.
- County line with the District of Columbia and the City of Takoma Park in Montgomery County to the west; and
- Adelphi Road to the east, including the New Buck Lodge area in District 2.

With the submission of a three-year business plan that includes the districts operations and formula for determining each member's tax, the BID composition would include:

- **Members:** Owners of nonexempt property within the boundaries of the District: Owners of at least 51% interested in the assessed value of the nonexempt property.
- **Board of Directors:** Comprising nine elected directors. The election of the directors must be held within 120 days after this law takes effect. Three representatives of residential property in the District; 2 representatives of a business located in the District; 2 representatives from the industry with expertise in green energy, finance, or law, and 2 representatives with expertise in housing activities.

The goals of the BID are to provide public services and facilities that benefit those doing business and residing within the District. These services should promote the District and provide earnings for the District by charging fees for its services; and receiving money from the County, the State, and

other government or non-profits. In addition, the County would be responsible for collecting a property tax of those residing and doing business in the BID, of which the cost of collection is reimbursable to the County.

Draft 2 of CB-074-2022 was presented to the Committee, which changes the composition of the BID Board, as it extends the BID for 15 years, and other technical amendments.

The Office of Law reports CB-074-2022 to be in proper legislative form with no legal impediments to its enactment.

The Policy Group reports that the enactment of CB-074-2022 will likely have a neutral direct fiscal impact on the County. Section 10-340 of the Bill describes the funding for the District will come from the district tax roll as imposed by the County Council at a rate specified by the BIDs Board of Directors. While the County's responsibility is to collect the tax, the fiscal impact will be neutral. Reimbursement for the collection of the expenses is reimbursable from the BID to the County. What is unknown is how much collection expenses will be.

After discussion, the Prince George's County Council's Government Operations and Fiscal Policy Committee reported CB-074-2022 out favorably 4-0, with amendments.