



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

October 17, 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-079-2019 (**REVISED**) Revitalization Tax Credit – College Park Metro Apartments

---

***Legislative Summary***

CR-079-2019, sponsored by Councilmembers Glaros, Turner, Franklin, Davis, Taveras, Hawkins, and Harrison, was presented on September 24, 2019. The Resolution would approve College Park Metro Apartments as a revitalization project qualifying for a revitalization or redevelopment tax credit.

---

***Background***

Section 10-235.03 of the Prince George's County Code established a Revitalization Tax Credit District, comprised of all census tracts wherein the median household income does not exceed one hundred percent of the median household income for the County, based on the 2010 census. The project known as College Park Metro Apartments is located at 4931 Calvert Road, College Park, Maryland, consists of approximately 5.58 acres in the M-U-I/D-D-O Zone, and will construct 451 multifamily dwelling units and 4,998 square feet of retail commercial space. Section 10-235.02 of the Code allows a developer of new multifamily residential dwelling units and nonresidential improvements to apply for a tax credit, upon finding by the County Council that the development lies within one of the referenced census tracts. The project lies within the Revitalization Tax Credit District set forth in Section 10-235.03 of the Code.

For residential improvements, the revitalization/redevelopment property tax credit is limited to three (3) consecutive years. The tax credit for the first year shall be 100% of the amount of the County property tax imposed on the increased assessment attributable to the improvements. The tax credit shall be

**14741 Governor Oden Bowie Drive, Upper Marlboro, Maryland 20772**  
**VOICE (301) 952-3431; FAX (301) 780-2097; TDD (301) 925-5167**

reduced to 66% in the second tax year and 33% in the third tax year. The maximum amount of eligible improvements available for the tax credit is limited to \$200,000 per dwelling unit.

---

***Assumptions and Methodology***

Information provided by the Developer of the College Park Metro Apartments (the “Project”) estimates the assessment value upon completion of the Project to be \$90,200,000. The current real property tax assessment value is \$4,162,700; however, the County has not received any real property tax revenue from the property for the past twenty (20) fiscal years.

After completion of the development County real property taxes would be an estimated \$873,136. We assume the increase in the assessed value of the property after development (\$86,037,300) is solely related to property improvements.

---

***Fiscal Impact***

- Direct Impact

Adoption of CR-079-2019 will authorize County real property tax credits over a three (3) year eligibility period reducing County real property tax revenue by an estimated \$1,737,541 for the proposed development. The estimated County real property tax credits are \$873,136 for the first year, \$576,270 for the second year, and \$288,135 in the final year.

- Indirect Impact

Adoption of CR-079-2019 is anticipated to promote growth and economic development within the County, and increase the number of existing jobs, all of which may thereby have a positive fiscal impact upon sources of County revenue.

---

***Appropriated in the Current Fiscal Year Budget***

Not applicable.

---

***Effective Date***

The proposed Resolution shall take effect on the date of adoption.

---

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