

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2021 Legislative Session

Reference No.: CB-004-2021

Draft No.: 2

Committee: COMMITTEE OF THE WHOLE

Date: 02/25/2021

Action: FAV(A)

REPORT:

Committee Vote: Favorable as amended, 11-0 (In favor: Council Members Hawkins, Anderson-Walker, Davis, Dernoga, Franklin, Glaros, Harrison, Ivey, Streeter, Taveras and Turner)

The Planning, Housing and Economic Development Committee Director provided an overview of the legislation and informed the Committee of written referral comments that were received. This legislation implements a recommendation in the January 2020 Housing Opportunities for All Workgroup Annual Report to increase the County's Housing Investment Trust Fund with the intended outcome of increased and diversified financing for housing. The report indicates that the County's recordation tax generates \$46 million to \$53 million annually with this revenue supporting the general fund. CB-4-2021 (DR-1) amends Subtitle 10 of the County Code, Finance and Taxation, to provide that the County's Housing Investment Trust Fund may be financed from 20% of the recordation tax collected or no less than \$10 million. This amount may be decreased by the County Council upon declaration of a national recession by the federal government.

The Workgroup Co-Chairs, Council Member Glaros and Department of Housing and Community Development Acting Director Aspasia Xypolia, provided additional background on the Workgroup's recommendation for a dedicated source of funding for the Housing Investment Trust Fund and the purpose of the fund to deliver quality housing, and healthy and inclusive communities in the County. Council Member Glaros noted County Executive budget concerns for supporting the fund at this time and informed the Committee of an amendment to delay the effective date of the legislation. Ms. Xypolia highlighted two projects in the County located in Glenarden and Upper Marlboro that will include affordable housing that without the local commitment of funding source, neither project would have been awarded State resources, or have been able to secure the private debt and equity to move forward. Deputy Chief Administrative Officer for Economic Development Angie Rodgers spoke in support commenting that the Housing Investment Trust Fund is the centerpiece for the housing toolkit to meet the County's goals as it relates to housing in the County. Director of Office of Management and Budget Stanley Earley, addressed the Committee indicating his awareness of the budget uncertainty due to the pandemic and is therefore supportive of the delay in the effective date as well as the overall intent of the fund to support housing programs in the County.

The following individuals testified in support of CB-4-2021: Melissa Bondi, Sarah Basehart, Lisa

Butler McDougal, City of College Park Mayor Patrick Wojahn, Cheryl Cort, Ashanti Martinez, and Maryann Dillon.

The Office of Audits and Investigations submitted a February 24, 2021 fiscal and policy statement indicating a direct negative fiscal impact on the County due to significant additional expenditures which would be required to offset the at least ten million dollars (\$10 million) in funds allocated from County recordation tax revenues each year. The indirect fiscal impact is potentially positive by allowing the County to address its affordable housing challenges. The Office of Law reviewed CB-4-2021 as it was presented on January 28, 2021 and found it to be in proper legislative form with no legal impediments to its adoption. However, the Office of Law offers the following technical amendments:

1. Page 2, Line 27

Add “Subtitle 10” before “Division 19” and add “of the Prince George’s County Code” after “Section 10-295”

2. Page 3, Line 19

a. Bold and Capitalize “**NOW**”

3. Page 4, Line 10

a. Strike “her”

4. Page 4, Line 20

Delete

Following testimony, the Committee reviewed the following amendments offered by Council Member Glaros and the suggested technical amendments provided by the Office of Law.

1. On page 1, in line 5, after “fund;” insert “requiring certain financing for the fund;”.
On page 3, in line 31, strike “may” and substitute “shall”.

2. On page 5, strike beginning with “forty-five (45)” in line 1 down through “law” in line 2, and substitute “on June 30, 2022”.

After discussion, the Committee voted separately on the amendments offered by Council Member Glaros and those suggested by the Office of Law. Both motions in favor, made by Council Member Glaros and seconded by Council Member Davis, passed 11-0. The Committee voted favorable on CB-4-2021, 11-0 as amended.