CITY OF COLLEGE PARK, MARYLAND DISCUSSION / PRESENTATION COVER REPORT

Meeting Date: 01/23/24



Prepared By: Janeen S Miller, City Clerk

Kenneth Young, City Manager Councilmember Stuart Adams

Presented By: Councilmember Stuart Adams

Originating Department: Mayor and Council

Topic: Report from Needs Based Student Housing Subsidy Subcommittee on use of

the revenue generated by the 3-cent tax increase on commercial, industrial and

apartment properties in the City

Strategic Plan Objective:

OKR#1 Innovate and improve City services to enhance quality, value, and accessibility for all our residents.

OKR#6 Inspire and nurture a welcoming and inclusive community that encourages and embodies engagement, collaboration, and equity throughout our City.

Background:

At the April 11, 2023, Worksession, prior to introducing the FY '24 budget, the Council discussed changing the tax rate on commercial, industrial and apartment properties in the City. The FY '24 budget subsequently was introduced and adopted with the same tax rate of 30.18 cents for residential property, and an increase of the tax rate to 33.18 cents/\$100 assessed value for commercial, industrial and apartment property, a 3-cent increase.

At a subsequent meeting on July 11, Council discussed the potential use of the additional revenue, and decided to move forward with a subcommittee to be chaired by Councilmember Adams, with one Councilmember per district, the Student Liaison, and appropriate staff. The subcommittee was to return to a future Worksession with a proposal for using the funds.

The extra 3-cent tax on commercial, industrial and apartment property is projected to generate an additional \$515,000 for FY '24. Of that total, Council proposed for consideration \$340,000 for the Needs Based Student Housing Subsidy. Council has discussed additional uses of the extra revenue, including funding a portion of the \$225,000 in business retention/economic development grants approved by Council on January 9, 2024.

The report from the subcommittee is scheduled for the January 23, 2024, Council meeting. The PPT is attached.

Fiscal Impact:

The extra 3-cent tax on commercial, industrial and apartment property is projected to generate an additional \$515,000 for FY '24. The County collects the tax as properties pay their business tax and it is deposited as property tax revenue by the City.

Equity & Inclusion Impact:

To be determined.

Council Options:

1. Provide comments, suggested revisions, and recommendations regarding the Pilot Program and return for a future discussion.

- 2. Move forward with the Pilot Program as an Action Item (with public comment opportunities) in a future Council Meeting.
- 3. Do not move forward with the Pilot Program at this time and discuss other uses of the 3-cent increase.

Staff Recommendation:

N/A

Attachments:

- 1. April 11, 2023, minutes
- 2. July 11, 2023, minutes

2 246

MINUTES

College Park City Council Meeting Tuesday, April 11, 2023 7:30 p.m. – 9:46 p.m.

This was a hybrid meeting: Online via Zoom. In-person in the Council Chambers of City Hall.

PRESENT: Mayor Pro Tem Denise Mitchell; Councilmembers Kabir, Kennedy,

Esters, Whitney, Adams, Rigg, and Mackie.

ABSENT: None.

ALSO PRESENT: Kenneth Young, City Manager; Bill Gardiner, Assistant City Manager;

Janeen S. Miller, City Clerk; Suellen Ferguson, City Attorney; Miriam

Bader, Director of Planning; Michael Williams, Economic

Development Coordinator; Valerie Graham, Student Liaison and

Adrian Andriessens, Deputy Student Liaison.

Mayor Pro Tem Mitchell opened the meeting at 7:30 p.m.

Announcements:

Councilmember Kabir announced the NCPCA monthly meeting, a community clean up, and the shredding event.

Councilmember Esters asked for civility during the upcoming election, and said the Lakeland Civic Association meeting is Thursday.

Councilmember Whitney announced another community clean up.

Councilmember Adams announced the Mayoral Debate in City Hall tomorrow hosted by the College Park Estates and Yarrow Civic Associations; he thanked Code Enforcement for efforts over the weekend.

Councilmember Rigg is excited about the upcoming Route 1 Rampage.

Councilmember Mackie announced a drug take back event and Maryland Day.

City Council Meeting Minutes April 11, 2023 Page 2

Student Liaison Valerie Graham announced that recruiting is underway for the next Student Liaison.

Mayor Pro Tem Mitchell also thanked Code Enforcement.

City Manager's Report: Mr. Young provided information about the Special Election and gave an update on state legislation that the City was supporting. He spoke about the "vehicle burnout" incident at the intersection of Edgewood Road and Rhode Island Avenue on April 7 and described police response.

Amendments To/Approval Of The Agenda:

The agenda was approved without amendment, Rigg/Whitney, 8-0.

Public Comment:

David Turcious, resident: Former co-chair of College Park Boys and Girls Club. Reported an incident at Duvall Field last night. They were there for a pick-up game on the small baseball field. There was also a lacrosse game that was permitted on the large field. The lacrosse team seemed unhappy that the pick-up game was going on, and became verbally abusive toward the children in the pick-up game. Asked the City of College Park to step in.

CONSENT AGENDA: A motion was made by Councilmember Esters and seconded by Councilmember Whitney to adopt the Consent Agenda, which consisted of these items:

- 23-R-04 Resolution Of The Mayor And Council Of The City Of College Park
 Adopting The Recommendation Of The Advisory Planning Commission For
 Application Number CEO-2023-01, 9400 49th Avenue, College Park,
 Maryland, Recommending Approval Of Variances From City Code §8723.C, To Permit The Installation Of A 5-Foot-High Board-On-Board Fence
 Along The Side Yard Of A Street
- 23-G-58 To authorize the City to participate in the National (Opioid) Settlement Agreements with Walgreens, Walmart, Allergan and Teva, to authorize the City Manager to sign the Participation Form for the settlements, and to take any other action necessary to give effect to this authorization, and to

authorize the City to enter into the State-Subdivision Agreement with the State of Maryland in substantially the form attached, subject to review and approval by the City Attorney, and to authorize the City Manager to sign the State-Subdivision Agreement Approval Form. If any of the National Settlement Agreements fails to go forward, the State-Subdivision Agreement will be void and create no rights or duties between the State and the City with respect to that National Settlement Agreement. I further move to align with the State of Maryland with respect to the CVS proposed settlement and to wait until a State approved settlement is reached.

- 23-G-59 To authorize the Mayor Pro Tem to sign the attached letter of support for the University of Maryland's grant application to the Federal Transit Administration for the purchase of 35 electric buses and charging infrastructure.
- 23-G-60 Approval of Minutes from the March 2, 2023, March 7, 2023 and March 11, 2023 meetings.
- 23-G-61 Approval to bypass the formal bid process and award a Consultant Agreement to Hagerty Consulting Inc., in substantially the form attached, for Services to support the City's ongoing CLFRF administrative needs for a cost not to exceed \$75,000 from April 2023 through January 31, 2024, and authorize the City Manager to sign. (extra-majority vote required)

The motion passed 8-0.

1. PUBLIC HEARING AND POSSIBLE ADOPTION OF:

A. 23-CR-01, A Charter Resolution Of The Mayor And Council Of The City Of College Park, To Amend Article III, "Mayor And Council", §C3-5, "Election" And §C3-6, "Vacancies"; And Article IV, §C4-2, "Registration Of Voters", §C4-3, "Supervisors Of Elections", §C4-4, "Other Election Officials", And §C4-5 "Petitions For Candidacy; Employees"; To Change The Date That A Petition For Candidacy For A Mayor Or Council Vacancy Must Be Withdrawn To Two Days After Said Petitions Are Due, Provide That Voter Registration For City Elections Shall Close 15 Days Prior To An Election, Provide That Supervisors Of Elections Will Be Appointed Or Re-Appointed On Or Before June 30 Of A Non-Election Year With Two Year Terms To Begin On July 1 Of That Year, Remove The Requirement That

City Elections Be Conducted As Nearly As Practicable To Prince George's County Elections, And Change The Last Day Of Candidacy Withdrawal In A General Election To 49 Days Before The Election, And To Make Non-Substantive Corrections, Remove Unnecessary Provisions, And Clarify Other Provisions.

Ms. Miller reviewed the staff report to explain the Charter Amendment and the amendment to the "Whereas" clause regarding the date that voter registration closes for City elections. The Voter Eligibility date will be 15 days, and the Administrative Close date will be 28 days. Mayor Pro Tem Mitchell opened the Public Hearing. There was no one to testify on this matter. The Public Hearing was closed.

A motion was made by Councilmember Rigg and seconded by Councilmember Mackie to adopt the Charter Amendment. The motion passed 8-0.

B. 23-O-04, Ordinance Of The Mayor And Council Of The City Of College Park, Amending Chapter 34, "Elections", Article I, "General Provisions" §34-3, "Definitions"; Article II, §34-6, "Absentee Balloting"; And Article III, "Fair Election Practices", §34-11, "Appointment Of Treasurer By Candidates And Political Committees"; To Redefine Ballot And Electronic Signature And To Define Mail-In Ballot, Reflect Maryland Law With Respect To Mail-In Ballots And Absentee Ballots, Accept Certain Signatures Electronically, Set A Time By Which Applications For Mail-In Ballots Must Be Made, Make Provision That Qualified Voters Who Have Opted To Receive A Mail-In Ballot For Federal Or State Of Maryland Elections Will Automatically Receive A Mail-In Ballot For City Elections Without The Necessity Of Filing An Application And Clarify Who Can Be Appointed As A Treasurer For An Political Candidate.

Ms. Miller provided an overview of this Ordinance. She said that beginning in the General Election, any voter on the state's Permanent Vote By Mail list will automatically receive a ballot for City elections. Mayor Pro Tem Mitchell opened the Public Hearing. There was no one to testify on this matter. The Public Hearing was closed.

A motion was made by Councilmember Mackie and seconded by Councilmember Esters to adopt the Ordinance. The motion passed 8-0.

C. 23-O-02, Amended Ordinance of the Mayor and Council of the City of College Park amending Chapter 190 "Zoning", Article I "Revitalization Overlay District" by renaming the article and repealing and reenacting §190-3 "Powers and Duties of the City Advisory Planning Commission to conduct hearings", §190-4, Criteria for Granting Variances, §190-9 "Departures From Design Standards", and §190-17 "Appeal" to conform the Variance And Departure Provisions to County Law.

Ms. Ferguson said this Ordinance conforms the City Code to the new County Zoning Ordinance for Variances and Departures. Since it was introduced, an amendment to §190-5 has been added in. Mayor Pro Tem Mitchell opened the Public Hearing. There was no one to testify on this matter. The Public Hearing was closed.

A motion was made by Councilmember Esters and seconded by Councilmember Whitney to adopt the Ordinance. The motion passed 8-0.

Presentations And Worksession Discussions:

A. Budget Worksession Follow-up: Additions to FY2024 Proposed Budget and special tax rate for commercial/apartment properties – Gary Fields, Director of Finance and Kenny Young, City Manager

Mr. Young said our property tax rate has not kept pace with the cost of providing services to our residents. It has nothing to do with the Revitalization Tax Credit; it is because of the decreases to the property tax rate that have been adopted. We have lowered our tax rate two years in a row, and this is not sustainable. Mr. Fields said the proposed budget was a balanced budget. Mr. Fields reprojected revenues to fine tune them, costed out some Council requests, added a 20% increase in inspection fees, and determined additional budget cuts from programs, totaling \$75K. This still leaves a budget deficit of \$342,000. We either need to reduce Council requests or find funding sources for them.

Councilmember Adams asked if alternative funding sources could be used to offset the contributions to Fire Departments, Meals on Wheels, the literacy Lab and tutoring program. He asked about increasing the tax rate on apartments, condos, industrial and commercial by 3 cents. He discussed possible allocations of any additional tax revenue that would result from such as increase.

Mr. Fields and Mr. Young responded. Two tax rates would require two Constant Yield certifications: one on residential, one on commercial and apartments. Consider the response of those impacted by the 3-cent increase. Mr. Fields asked Council to verify that they are not considering lowering the current 30.18% tax rate on residential because that would be a problem. Mr. Fields and Mr. Young explained that we need to be at 32 cents to fund all the additional programs we have added over the years. Mr. Young said we don't know what the assessments are until June.

General discussion about a Senior Tax Credit program, the County's parameters, and when Council will discuss the City's parameters.

Mr. Fields said we may need to scale back our CIP. We have been lucky to have funds to cover CIP requests from the General Fund surplus and lost revenue recovery, but that is not sustainable. Mr. Young added that we will do a compensation survey in the coming year and may need to be prepared to increase our salaries to retain the best and the brightest. Mr. Fields explained the timing of advertising the Constant Yield Public Hearing. He needs to know tonight if they are interested in one tax rate or two tax rates so he knows what kind of advertisement to place. The consensus was to pursue two rates.

Mr. Fields reviewed the expenditures of ARPA Funds and remaining funds. Discussion about Attick Towers funding, Stormwater mitigation, Business Assistance programs, Family Assistance programs, and Food Service organizations.

B. Legislation – Bill Gardiner, Assistant City Manager

Mr. Gardiner reviewed the final bill summary from the lobbyists and informed Council about the bills the City supported. The lobbyists will brief the Council on the session in late May.

Future Agenda Items:

Esters/Whitney: Request to add to a future agenda - Parking and speeding issues near the VFW on Branchville Road, passed 8-0.

Adjourn:

A motion was made by Councilmember Whitney and seconded by Councilmember Esters to adjourn the meeting and reconvene into a Closed Session. Mayor Pro Tem Mitchell read the Closing Statement:

Pursuant to the statutory authority of the Maryland Annotated Code, General Provisions Article, § 3-305(b), the Mayor Pro Tem and City Council of the City of College Park are providing notice that they will meet in a Closed Session after the Council meeting on April 11, 2023 for the following purposes:

1. To Consult with Counsel to obtain legal advice; 2. To discuss pending or potential litigation. They will not return to open session after the closed session ends.

The motion passed 8-0 and the regular meeting adjourned at 9:46 p.m.

Closed Session April 11, 2023

At 9:46 p.m. on April 11, 2023, at the conclusion of the Council meeting, a motion was made by Councilmember Esters and seconded by Councilmember Whitney to adjourn into a Closed Session. Mayor Pro Tem Mitchell read the Closing Statement:

Pursuant to the statutory authority of the Maryland Annotated Code, General Provisions Article, § 3-305(b), the Mayor Pro Tem and City Council of the City of College Park are providing notice that they will meet in a Closed Session after the Council meeting on April 11, 2023 for the following purposes:

1. To Consult with Counsel to obtain legal advice; 2. To discuss pending or potential litigation. They will not return to open session after the closed session ends.

The motion passed 8-0 and after a recess, the Closed Session began at 9:58 p.m.

Mayor Pro Tem Mitchell and Councilmembers Kabir, Kennedy, Esters, Whitney, Adams, Rigg, and Mackie were present. In addition, the meeting was attended by City Manager Kenneth A. Young, Assistant City Manager Bill Gardiner, City Clerk Janeen S Miller, and

City Council Meeting Minutes April 11, 2023 Page 8

City Attorney Suellen Ferguson. Everyone was in person in the Council Chambers. Mayor Pro Tem Mitchell was the Open Meetings Trainee.

The City Attorney briefed the Mayor and Council about a lawsuit filed against the City and advised about the merits of the complaint, various legal strategies and the implications of those strategies. The City Attorney will respond to the attorney for the plaintiff on behalf of the City. No action was taken.

At 10:15 p.m., on a motion by Councilmember Mackie that was seconded by Councilmember Whitney, the Closed Session was adjourned.

MINUTES College Park City Council Meeting Tuesday, July 11, 2023

7:30 p.m. – 10:53 p.m.

This was a hybrid meeting: Online via Zoom; In-person in the Council Chambers of City Hall.

PRESENT: Mayor Kabir; Councilmembers Hew, Kennedy, Whitney, Adams,

Rigg, and Mayor Pro Tem Mitchell

ABSENT: Councilmembers Esters and Mackie

ALSO PRESENT: Kenneth Young, City Manager; Bill Gardiner, Assistant City Manager;

Janeen S Miller, City Clerk; Suellen Ferguson, City Attorney; Bob Ryan, Director of Public Services; Robert Marsili, Director of Public Works; Steve Halpern and Jacob Vassalotti, Michael Williams, Economic Development Manager; Dhruvak Mirani, Student Liaison.

Mayor Kabir opened the meeting at 7:30 p.m.

ANNOUNCEMENTS:

Councilmember Hew announced the North College Park Community Association ice cream social.

Councilmember Whitney announced the Lakeland Civic Association meeting on Thursday at College Park Community Center.

Councilmember Adams congratulated Mayor Pro Tem Mitchell on successfully hosting the MML Summer Conference

Mr. Mirani recognized the success of receiving a \$40M grant for electric busses at the UMD and thanked the UMD for publicly affirming their commitment to ensuring a diverse student body.

CITY MANAGER'S REPORT:

Mr. Young reminded the group that ARPA grants are still available and that information is on the website. He also announced the Friday Night Live event this Friday.

PROCLAMATIONS AND AWARDS:

Mayor Fazlul Kabir and City Manager Kenneth Young presented an award to Mayor Pro Tem Mitchell thanking her for her service as the President of the Maryland Municipal League this past year.

Miss College Park, Kennedy Patrice Williams, reported on her year of service. She is a dance major at Towson University and was named Miss College Park last October.

AMENDMENTS TO AND APPROVAL OF THE AGENDA:

Motion by Adams/Rigg to approve agenda as written, passed 6-0.

CONSENT AGENDA

A motion was made by Councilmember Whitney and seconded by Councilmember Mitchell to adopt the Consent Agenda, which consisted of the following items:

- 23-G-99 Approval of a request for a Commemorative Bench to be installed on the Trolley Trail near the corner of Amherst Avenue to honor Dr. Richard Wagner, founder and chair of the College Park City University Partnership, who dedicated his career to preserving historic buildings and stabilizing neighborhoods.
- 23-G-100 Approval of a request from the Lakeland community for a Commemorative Bench in Lakeland to honor Mr. J. M. Chesley Mack who was a civic leader, entrepreneur, business owner, and served on the City Council from 1945 (when College Park was incorporated) until 1957.
- 23-G-102 Award of two contracts: 1) Purchase of one (1) new 2023 all-electric Aebi Schmidt ESWINGO Street Sweeper in the amount of \$353,957.97 to Intercon Truck of Baltimore, Inc., utilizing pricing from competitively bid Sourcewell Contract #093021; 2) Purchase of one (1) 2023 Crane Carrier Chassis and 25 cubic yard Loadmaster, 25 cubic yard Split body packer in the amount of \$379,045.00 to Grand Turk Equipment Co. Inc., under Sourcewell contract #060920; both are subject to the approval of the City Attorney.
- 23-G-101 Approve the appointments of Nora Eidelman to the Ethics Commission, Jeff Lemieux to the Bicycle Pedestrian Committee, Jennifer Konish to the Tree & Landscape Board, and Maria Ulloa-Bustos, reappointment to the

Bee City USA Committee, Frank Cifaldi and Jennifer Lindstrom to the Bee City USA committee.

- 23-G-105 Approval of the Strategic Plan priorities for FY '24
- 23-G-106 Approval of a letter of support for a grant application to the Metropolitan Washington Council of Governments Housing Affordability Planning Program for the Community Preservation Trust

The motion passed 6-0.

PUBLIC HEARINGS

23-G-103: Public Hearing and action on the petition request for traffic calming in the 4700 Block of Navahoe Street:

Jacob Vassalotti, GIS Specialist, reviewed results of the traffic study on this block. The volume warrant was met; speeding warrant was not met. Mayor Kabir invited public comment.

There was no public comment.

A motion was made by Councilmember Whitney and seconded by Councilmember Adams to approve the installation of traffic calming and direct the City Engineer to install it at his discretion.

The motion passed 5 - 0 (Councilmember Kennedy was out of the Chambers).

23-G-104: Public Hearing and action on the petition request for traffic calming in the 6800 Block of Dartmouth Avenue:

Steve Halpern, City Engineer, presented the results of the traffic study on this block. The volume warrant was not met, and the speeding warrant was not met. However, the traffic data showed that 10% of the traffic was travelling in the wrong direction on this one-way street. There was one accident in the last 5 years. Mayor Kabir invited public comment.

Lee Havis, resident: Strongly supports the results of the traffic study which does not support traffic calming; it's an unnecessary expense.

College Park City Council July 11, 2023 Page 4

Francie Wasser, resident: Opposes the speed hump proposal: safety concerns about having a speed hump, difficulty with snow/ice removal, and the addition of noise from the cars going over the speed hump, especially trucks. Concern that speed humps reduce property values. You can add a speed limit or slow down sign instead.

Aaron Yoches, resident: Opposes the speed hump, agrees with what was said before. The traffic data does not support the need.

Councilmember Adams said there is an option for a choker that will help with the wrong-way traffic.

A motion was made by Councilmember Adams and seconded by Councilmember Kennedy to approve the installation of choker(s) to be located at the discretion of the City Engineer.

Councilmember Hew asked if chokers will hinder emergency vehicles? The City Engineer will determine.

The motion passed 6-0.

DISCUSSION ITEMS:

A. Discussion with College Park Board of Election Supervisors: debrief of Special Election and plans for General Election – Board of Election Supervisors; Janeen Miller, City Clerk; R. C. Carter, ElectionGuard, and Pam Geppart, Hart InterCivic.

BOES Chief John Payne reviewed the reports provided and opened discussion on the plan for the November election. Ms. Miller introduced R. C. Carter (ElectionGuard) and Pam Geppart (Hart InterCivic) and outlined their role in the November election. Mr. Carter and Ms. Geppart provided background on their companies and specifically the trial of the ElectionGuard software that is in development.

There was specific discussion about the BOES's updated recommendation on Early Voting: the BOES previously hoped to provide four days of Early Voting at Davis Hall and four days at City Hall, however after the experience at the Special Election they realize this is not feasible. Their new request is to have one day of Early Voting at Davis Hall and one day at City Hall. The BOES answered questions on the new recommendation.

Council direction to place the BOES recommendation for Early Voting dates on the Consent Agenda next week.

B. Discussion of an advisory question for the November ballot for potentially changing M&C terms from 2-years to 4-years – Kenneth A. Young, City Manager and Suellen Ferguson, City Attorney

Mr. Young wanted Council to have the opportunity to discuss this and give direction if they want this to be on the ballot this fall. Councilmember Mitchell explained why she asked for this question to be placed on the agenda: as a courtesy to the newer members of the body and to have a robust discussion on this question. She described the previous Charter Review Commission report and the question that was placed on the 2019 ballot. The City Attorney said a ballot question is advisory only; after the results Council may decide whether to continue to discuss the matter. A change in terms would be made by Charter amendment and will require public notice and a public hearing.

Council discussed the pros and cons of two- and four-year terms, and of staggered or concurrent terms: The cost of running an election (this year budgeted at \$70K, plus staff time). The impact on Councilmembers to run every two years. Support for putting advisory questions on the ballot to get feedback. Consider which is best for student engagement. Staggered terms will aid the stability of the Council; with concurrent terms, the entire Council could turn over in one election. Increased possibility of Special Elections with a four-year term. Need for public education about the question. Problems that result from a compound question. Discussion of the wording of the question. Specific outreach to students.

Move forward with drafting a question on four year, staggered terms, with election every two years. Return next week.

C. Discussion of plans for the additional revenue from the 3-cent increase in taxes on commercial, industrial and apartments:

Mr. Fields said the 3-cent additional tax on commercial, apartments and industrial property was approved with the budget. The 3 cents will result in about \$340K. It was discussed at the April 11 Council meeting. Suggestions for its use were made but no decisions. Tonight's discussion is to determine how to use those funds and give

College Park City Council July 11, 2023 Page 6

direction to staff. Mr. Young said we had to put the numbers in the budget in order to have this discussion.

Councilmember Adams feels there was Council consensus about providing additional funding for the Business Retention Grant and Senior Tax Credits, although the amounts can still be discussed. In addition, we have a significant number of students who can't afford the new apartments that are being built. He would like to see a pilot program for housing affordability for students who live in apartments.

Councilmember Rigg mentioned small business grants, new construction commercial build outs that are conducive to small businesses, ways to make housing more affordable for student residents. Councilmember Kennedy proposed a Council subcommittee that includes students to move this idea forward and come back with a presentation. Councilmember Whitney sees the need to sustain small businesses. She sees a bigger picture problem of affordability beyond the student population and wants affordable housing in general to be part of the conversation. Councilmember Hew doesn't want to leave this to staff to figure out. Mr. Mirani said this is one way to incentivize students to stay in College Park after they graduate. Councilmember Rigg said this is also an opportunity to ask the UMD to step up and match any funds the City contributes.

[10:30 p.m. Mitchell/Whitney motion to extend meeting, 6-0.]

Move forward with a subcommittee to be chaired by Councilmember Adams. 1 CM per district, plus Student Liaison, and Staff. Return future Worksession with a proposal for using the funds.

D. Discussion of the Mayor Pro Tem position - Kenneth A. Young, City Manager and Bill Gardiner, Assistant City Manager

Motion by Councilmember Rigg, second by Councilmember Kennedy, to table this to a future meeting due to the late hour, passed 6-0.

FUTURE AGENDA ITEMS – Add Ranked Choice Voting and Fair Elections to the Master List.

ADJOURN: Motion by Adams, second by Kennedy, passed 6-0 at 10:53 p.m.

Submitted By: Janeen S. Miller, City Clerk

Off-Campus Student Housing Needs-Based Rent Subsidy Grants: Pilot Program

1/23/2024 Council Meeting Sub-Committee Presentation

Subcommittee Participants

Subcommittee was created by the Mayor on July 11th, 2023.

- City of College Park
 - Mayor
 - One Councilmember from each District
 - City Staff including the City Manager
- University of Maryland Student Government Association (SGA)
 - Student Liaisons
- Housing Authority of the City of College Park

Consultations with University of Maryland Graduate Student Government (GSG) and Terrapin Development Company (TDC) also occurred.

City of College Park Strategic Plan for 2021-2025



OBJECTIVE 8

Foster and sustain an affordable and stable City for individuals and families to live, work, play and retire here.

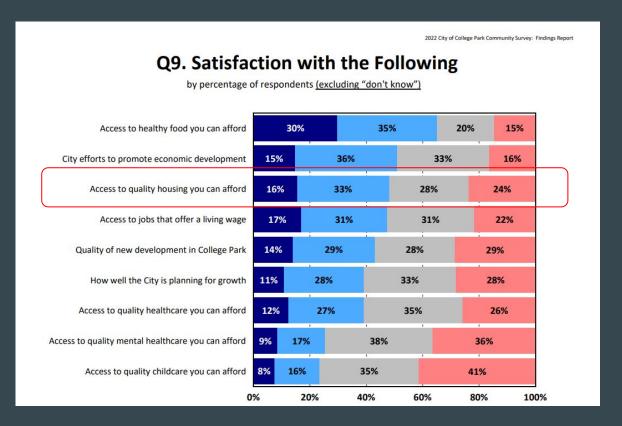
College Park is a growing City with the benefits and challenges that come with change. We understand how important it is for our City to remain affordable to develop a thriving, stable, year-round community. We want keep College Park attractive and affordable for individuals and families of all ages, incomes, and ethnicities. We do not have control over the cost of housing; however, we can advocate for a variety of housing options, increased opportunities to work and live in College Park, and strive to keep City services and taxes affordable for retirees. We focused success for this objective on the community's perception on quality, stability, and value. We also want to focus on the level of owner-occupied housing and increasing the number of people who live and work in the City.

Key Results/Outcomes include:

Design an Affordable City

- Seeking 50% positive ratings of cost of living in College Park
 - o Previously 41%

2022 City of College Park Community Survey



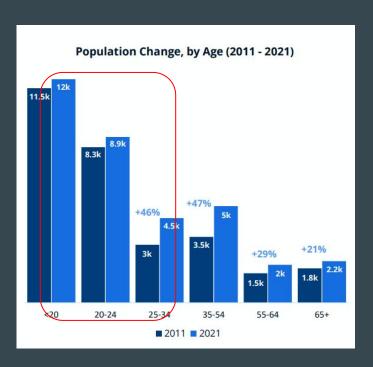
Approximately 1 out of 4 respondents to the Community Survey indicated they were **dissatisfied** with access to quality, affordable housing in College Park.

Over 50% of respondents to the survey indicated current housings costs of over \$1,500/mo.

City of College Park Affordable Housing Investments

- College Park Community Preservation Trust (\$3M from ARPA)
 - Mission: Provide a source of permanently affordable homeownership solutions to current and future generations of income-eligible individuals and families who wish to reside in College Park amid rising property values.
- Attick Towers Renovation and Repairs (\$1.47M from ARPA)
 - Owned and managed by The Housing Authority of the City of College Park (HACCP), and reserved for families in which the Head of Household is age 62 or above, or a person with a disability.
- Senior Property Tax Credit (\$150k allocated in FY2024 budget)
- Homestead Property Tax Credit, Homeowners Property Tax Credit, New Neighbors Homeownership Grant Program, City-University Partnership's (CPCUP) Homeownership Grant Program
- Revitalization Tax Credit Program

College Park Economic Development Strategy (Nov. 2023)



Implications for College Park

As College Park's demographics continue to evolve, housing options must adapt and become more diverse to suit the differing needs of residents from various ages and backgrounds. In particular, a growing elderly population will drive demand for aging-in-place programs. Additionally, the City should ensure future development provides inclusive opportunities for marginalized residents to gain quality jobs, as well as access to business support and affordable housing.

Approximately 60% of College Park residents are under the age of 25.

FY2024 Budget: General Property Tax Revenue Details

GENERAL PROPERTY TAXES:

310.10 Real Property Taxes

\$10,865,000

267

Taxes levied and becoming due during the fiscal year, determined by applying the Proposed tax rate to the assessed value of all taxable real estate within the City, including land, houses, buildings, structures and improvements. The budgeted amount is an estimate based on the assessed value provided by the State Department of Assessments and Taxation (SDAT). FY2024 estimated total assessable real property base of \$3.41 billion – Residential property value of \$1.5 billion @ \$0.3018 per \$100 tax rate and Commercial, Industrial, and Apartment property value of \$1.91 billion @ \$0.3318 per \$100 tax rate. Net assessable real property base assessment is a 2.7% increase over FY2023.

The FY2024 Adopted Budget was prepared with a focus on the City's five-year strategic plan, as detailed later in the Introduction section of this document. After two consecutive years of reducing property tax rates, this budget proposes maintaining the existing property tax rate for residential property and an additional 3 cents on commercial, industrial, and apartment real estate. This additional tax is projected to generate \$515,000 more tax revenue to be used to fund Council priorities, possibly including a new housing rental subsidy program with details to be determined.

FY2024 Commercial, Industrial and Apartment Property Tax rate of 33.18 cents is less than FY2014 to FY2019's rate of 33.50 cents.

FY2024 Budget: General Property Tax Revenue Details (continued)

- The Subcommittee discussed how prior reductions in City of College Park real property tax rates for apartments are not known to provide direct benefits to residents (renters at apartments). Property Owners (landlords/developers) are the direct recipients of property tax rate decreases for apartments.
 - Apartment rental rates are often driven by market factors including housing supply.
- FY24 Budget proposed using the \$515k in additional revenue from 3-cent tax differential for Commercial, Industrial and Apartment Property Tax for Business Retention and Attraction Assistance Grants and Student Housing Support.
 - Council approved \$225k in Business Retention and Attraction Assistance Grants on January 9, 2024.

Overview: Needs-Based Student Housing Subsidy Pilot Program

- Aligns with:
 - College Park Strategic Plan for 2021-2025 (Objective 8)
 - College Park Economic Strategy (Fall 2023)
- Helps address 2022 Community Survey concerns on Affordable Housing
- "Self-funded" in FY2024 Budget from 3-cent tax on Commercial, Industrial and Apartment properties.
- Focuses on large population demographic with demonstrated financial need.
- Can assist with neighborhood stabilization initiatives by creating more parity with rental costs for off-campus student apartments and single-family home rentals in neighborhoods.
- Pilot focuses on undergraduate, off-campus student population, but can be expanded to graduate students and non-students in future years.

Summary of Pilot Program

- \$1,500 rental assistance grants for undergraduate students living in eligible off-campus apartments.
- Eligibility for the initial pilot program is limited to undergraduate UMD students who demonstrate financial need.
- Applicants would fill out an online application hosted by the City of College Park by April 2024.
- Approximately 150 applicants would be selected via a lottery system.
- Eligibility would be verified prior to grant awards by June 2024.
- Participants would be required to participate in survey/data requests to learn about outcomes and experiences of the pilot program.

Needs-Based Subsidy Grant Value

- Staff provided the Subcommittee with data on 12 student apartment buildings in College Park. Of these, the median price for one bedroom in a four-bedroom, shared apartment is \$1,245 per month
- The Subcommittee recommends a rent subsidy grant of \$1,500. Selecting 150 applicants at this amount results in a maximum total grant value of \$225k.

Eligibility Criteria: Undergraduate Students

- Enrolled at UMD in College Park for Fall 2024 as a full-time student
- Qualified for a Federal Pell Grant in the 2023-24 academic year
- Has proof of a signed lease for a minimum of the Fall 2024 semester at an eligible, off-campus property in College Park, those that were subjected to the 3-cent property tax rate increase.
- Has a minimum 2.00 GPA at application time
- Willing to participate in surveys and/or other data collection processes for program evaluation purposes

Online Application

- City of College Park will develop and host an online application, including:
 - Attestation statement for eligibility requirements
 - Consent for UMD verification of some eligibility requirements (tentative)
 - Consent for participation in surveys and/or other data collection processes for program evaluation purposes

Lottery Selection Process

We look to implement an equitable lottery system based on past precedent:

- In 2021, Governor Hogan awarded scholarships to students who received COVID-19 vaccinations as part of an incentive initiative. A lottery randomly selected 20 students from all vaccinated students who applied.
- In 2023, Arlington used a lottery system for residents looking to apply for housing vouchers. An online form allowed residents to apply for the lottery, which randomly selected 5,000 residents.

Our system will work similarly, selecting 150 eligible applicants at random to receive subsidies.

Issuing Subsidies

- Students would attest to eligibility in the online application process as a preliminary check.
- Formal documentation demonstrating eligibility is required prior to grants being distributed.
- City of College Park staff is assumed to distribute grants directly to the applicants (students) upon lottery selection and verification of eligibility.

Advertising of Pilot Program

- City of College Park announcement and social media promotion
- UMD SGA announcement and social media promotion
- Diamondback article and advertisement
- CP Here and Now article and advertisement

Budget of \$2-5k for Advertisement Requested

Proposed Timeline for Pilot Program

January to February 2024 - Public Outreach and Feedback; Council Action

February to March 2024 - Online Application Finalized; Outreach and Advertisement

April 2024 - Open Application Period; Outreach and Advertisement

May to June 2024 - Eligibility Verifications and Grant Distributions

Total Budget Authorization Requested: \$227-230k + City staff time

Future Grant Program Opportunities

- Include Graduate Students
- Include Non-Student Residents (Families, Seniors, etc.)
- Partner with Terrapin Development Company and UMD to increase subsidy and benefits
- Partner with apartment complexes to increase subsidy and benefits
- Adjust subsidy value and number of grants
- Adjust timing and frequency of grants

Reference: Principal Property Taxpayers in the City (FY2022 statistics)

Principal Property Taxpayers Current Fiscal Year and Nine Fiscal Years Ago (in thousands of dollars)

(in thousands of dollars)	Fiscal Year 2022 Taxable Assessed Value						
Taxpayer The View/SSC Maryland Apts LLC	Real Property		Personal Property		Total		Percentage of Total City Taxable Assessed Value
	\$	230,184	S	1,879	S	232,063	7.01%
Gateway Terry LLC (Terrapin Row)		180,211		2,053		182,264	5.50%
HSRE College Park LLC(Landmark)		119,146				119,146	3.60%
UMCPF Property III, LLC (The Hotel)		106,000		1,517		107,517	3.25%
Student Housing College Park LLLP (The Varsity)		100,070		17.0		100,070	3.02%
NSHE College Park, LLC (Camden)		88,667		-		88,667	2.68%
UDR Domain College Park LLC		61,651		-		61,651	1.86%
IKEA Property, Inc. (RP) / IKEA Maryland, LLC (PP)		52,682		8,454		61,136	1.85%
Wynfield Park Owner, LLC (RP) / Wynfield Park Apartments, LP (PP)		56,869		-		56,869	1.72%
Mazza Grand Marc Apartments		53,758				53,758	1.62%
Richard S. Gatti, et al (Marketplace)		42,252				42,252	1.28%
8300 Baltimore Avenue, LLC				120		22	15.00
Enclave at 8700 LLC		28,410		-		28,410	0.86%

Top 3 highest property taxpayers in College Park are apartment complexes that focus on student housing.

For FY2022, these 3 properties accounted for 16.11% of the City's total real property tax revenues.

Landlords use rental income, collected from renters, to pay property taxes.