

**ORDINANCE**  
**OF THE MAYOR AND COUNCIL OF THE CITY OF COLLEGE PARK, AMENDING**  
**CHAPTER 175 “TAXATION”, ARTICLE IV, “REVITALIZATION TAX CREDIT”,**  
**SECTIONS §175-9 “ELIGIBILITY REQUIREMENTS”; §175-10 “ELIGIBILITY**  
**CRITERIA”; §175-11 “TAX CREDIT – AMOUNT AND TERM”; §175-12**  
**“APPLICATION PROCESS”; AND §175-13 “WAIVER”, TO CHANGE ELIGIBILITY**  
**REQUIREMENTS AND CRITERIA, TO CLARIFY THAT A TAX CREDIT WILL BE**  
**GRANTED ONLY IF FINANCIALLY FEASIBLE, TO CLARIFY THE APPLICATION**  
**PROCESS, AND TO DELETE A CERTAIN WAIVER OPTION.**

WHEREAS, the State of Maryland, pursuant to 9-318(g) of the Tax-Property Article, Annotated Code of Maryland, has authorized the establishment of revitalization districts by resolution for the purpose of encouraging redevelopment and the granting of a property tax credit against the City’s real property tax for a property located within the revitalization district that is constructed or substantially redeveloped in conformance with adopted eligibility criteria and reassessed as a result of the construction or redevelopment at a higher value than that assessed prior to the construction or redevelopment; and

WHEREAS, the Mayor and Council determined that it is in the public interest to provide for the establishment of revitalization tax districts and to set the criteria for designation of such districts, and adopted Article IV, Revitalization Tax Credit, of Chapter 175, “Taxation” for this purpose; and

WHEREAS, the Mayor and City Council have determined that it is in the public interest to amend certain provisions of the Revitalization Tax Credit Article.

**Section 1.** NOW THEREFORE, BE IT ORDAINED AND ENACTED, by the Mayor and Council of the City of College Park, Maryland that Chapter 175 “Taxation”, Article IV “Revitalization Tax Credit” §175-9, “Eligibility requirements” be and it is hereby repealed, re-enacted and amended to read as follows:

CAPS  
 [Brackets]  
 Asterisks \* \* \*

: Indicate matter added to existing law.  
 : Indicate matter deleted from law.  
 : Indicate matter remaining unchanged in existing law but not set forth in Ordinance

**§175-9 Eligibility requirements.**

To be eligible for the tax credit, a property must meet the following eligibility [criteria]

**REQUIREMENTS:**

- A. Improvements must include new construction, reconstruction, or rehabilitation of residential ~~[(excluding single family detached)]~~, commercial, hospitality, or mixed-use properties, EXCLUDING SINGLE FAMILY DETACHED HOUSING, MULTI-FAMILY HOUSING INTENDED TO HOUSE UNDERGRADUATE STUDENTS, AND DIRECT, EXTERIOR ROOM ACCESS HOTELS AND MOTELS.
- B. The applicant must be in good standing with the City ~~[of College Park's Public Services and Finance Departments]~~. In order to be in good standing, applicants may not have any outstanding code OR ZONING violations or be delinquent on any payments including, but not limited to, trash bills, permit fees, FINES and City tax payments.
- C. Projects are ineligible for this program if they are located within a tax increment financing district at the time of application, OR IN A REGIONAL INSTITUTION STRATEGIC ENTERPRISE ("RISE") ZONE DESIGNATED UNDER §5-1401 OF THE ECONOMIC DEVELOPMENT ARTICLE, ANNOTATED CODE OF MARYLAND AND ARE LOCATED ON A PROPERTY RECEIVING OR APPLYING FOR A TAX CREDIT UNDER §9-103.1 OF THE TAX-PROPERTY ARTICLE, ANNOTATED CODE OF MARYLAND. IN ADDITION, THE OWNERS AND ASSIGNS OF ANY PROPERTY RECEIVING A CITY TAX CREDIT UNDER THIS ARTICLE MUST AGREE TO FOREGO ANY FUTURE APPLICATION OR RECEIPT OF A RISE ZONE TAX CREDIT.
- D. \* \* \* \*

E. AN APPLICATION FOR A CITY TAX CREDIT SHALL BE SUBMITTED NO LATER THAN THE DATE OF ACCEPTANCE FOR THE INITIAL DETAILED SITE PLAN FOR THE PROJECT BY THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION (M-NCPPC), IF APPLICABLE, OR THE SUBMISSION OF A BUILDING PERMIT APPLICATION TO PRINCE GEORGE'S COUNTY. Projects that are under construction, completed, or have an approved detailed site plan or building permit prior to the adoption of this program are not eligible for the tax credit.

**Section 2. BE IT FURTHER ORDAINED AND ENACTED** by the Mayor and Council of the City of College Park Maryland that Chapter 175 “Taxation”, Article IV “Revitalization Tax Credit” §175-10, “Eligibility criteria” be and it is hereby repealed, re-enacted and amended to read as follows:

**§175-10 Eligibility criteria**

When evaluating whether a project will receive a tax credit under this article, the City Council will use the following criteria. For projects located within the boundaries of Tax Credit District 1, at least 4 of the criteria must be met; and for projects located within the boundaries of Tax Credit District 2, at least 2 of the criteria must be met.

A. The MAJORITY OF THE LAND AREA OF THE PROPERTY UPON WHICH project is located IS within a 1/2-mile radius of an existing or under construction rail station for THE Washington Metropolitan Area Transit Authority, Maryland Area Regional Commuter, Maryland Transit Administration, or similar agency.

B. \* \* \* \*

- C. The project involves the SIGNIFICANT INVESTMENT OF FUNDS IN THE buyout of leases, SUCH AS LONG TERM LEASES, to facilitate redevelopment.
- D. The project will complete, or commit funds for, substantial infrastructure improvements such as a new or relocated traffic signal, a public street, a public park, a public parking garage, undergrounding of utilities, or SUPPORT FOR a bikeshare SYSTEM [station].
- E. The project [meets] EXCEEDS the REQUIRED PRINCE GEORGE'S COUNTY minimum green building guidelines as established by the US Green Building Council's LEED [Silver] Certification for the project's appropriate rating system AND IN ANY EVENT MEETS THE MINIMUM STANDARDS FOR A LEED SILVER CERTIFICATION. A LEED scorecard must be submitted with the detailed site plan application and evidence of certification MUST BE SUBMITTED at the time of final application for the tax credit.
- F. The MAJORITY OF THE LAND AREA OF THE PROPERTY ON WHICH THE project is located IS within one of the walkable development nodes designated in the approved Central US 1 Corridor Sector Plan.
- G. The project involves the demolition of an existing non-historic structure, which has been vacant at least one year, OR THE DEMOLITION OF A HOTEL OR MOTEL WITH DIRECT EXTERIOR ROOM ACCESS.
- H. \* \* \* \*.
- I. The project has secured at least one locally-owned, non-franchise business TOTALLING AT LEAST 1,000 SQUARE FEET OF SPACE as evidenced by executed lease agreements OF AT LEAST FIVE YEARS DURATION at the time of final application for the tax credit.

- J. The project provides AT LEAST 1,000 SQUARE FEET OF space for a business incubator, community center, art gallery, or similar public-benefit use.

**Section 3. BE IT FURTHER ORDAINED AND ENACTED** by the Mayor and Council of the City of College Park Maryland that Chapter 175 “Taxation”, Article IV “Revitalization Tax Credit” §175-11, “Tax credit - amount and term” be and it is hereby repealed, re-enacted and amended to read as follows:

**§175-11 Tax Credit: amount and term**

An eligible property may receive a five-year tax credit on City real property taxes based on the increased assessment attributed to the taxable improvements upon project completion as determined by the Supervisor of Assessments. The tax credit shall be in an amount equal to 75% of the increased assessment of City tax imposed in the first year; 60% in the second year; 45% in the third year; 30% in the fourth year; and 15% in the fifth year, PROVIDED HOWEVER, THAT IF SUCH A TAX CREDIT IS NOT FINANCIALLY FEASIBLE BASED ON CITY BUDGET CONSTRAINTS, THE COUNCIL MAY REDUCE OR ELIMINATE THE AMOUNT AND/OR DURATION, AND/OR ALTER THE SEQUENCE, OF THE TAX CREDIT. The tax credit is transferable to subsequent property owners within the term of the original agreement.

**Section 4. BE IT FURTHER ORDAINED AND ENACTED** by the Mayor and Council of the City of College Park Maryland that Chapter 175 “Taxation”, Article IV “Revitalization Tax Credit” §175-12, “Application process” be and it is hereby repealed, re-enacted and amended to read as follows:

**§175-12 Application process.**

The application process is as follows:

A. \* \* \* \*

B. City staff review [~~and recommendation~~]. Upon receipt and acceptance of a completed application, the City's Planning, Community, and Economic Development department will refer a copy of the application to the finance department. City staff will provide aN [~~recommendation~~] ELIGIBILITY REPORT to the City Council WITH RESPECT TO THE APPLICATION for a tax credit [~~at the time of~~] SUBSEQUENT TO THE detailed site plan review [~~before~~] BY the City Council. For projects that do not require a detailed site plan, staff will review building permit plans and schedule the application for review by the City Council at a City Council work session.

C. City Council resolution. A City Council resolution must be approved to authorize the award of a tax credit. The approval will be contingent on all required terms of the revitalization tax credit program being met at the time of final application. If the Prince George's County Planning Board, the District Council, or any other government agency with authority changes the City-approved conditions for the detailed site plan after the resolution has been adopted, staff will review the changes and provide a supplemental [~~recommendation for~~] REPORT CONCERNING the tax credit authorization that the City Council will rely upon with respect to determining whether it should reconsider the authorization.

D. Final application approval. Prior to final [~~acceptance~~] APPROVAL of the application for a City tax credit, documentation must be submitted to the City's Director of Finance, including a legal description of the property, proof of a properly issued use and occupancy permit

applicable to eligible improvements, evidence of compliance with any City agreement or required certifications, COPIES OF ALL LEASES TO LOCALLY-OWNED, NON-FRANCHISE BUSINESSES USED AS A BASIS FOR ELIGIBILITY, CERTIFICATION OF LEED STATUS, and such other information or documentation as the Director may require. Upon final acceptance the City will issue a certificate to the property owner that confirms the parcel's tax credit status. A copy of the certificate will be sent to the Prince George's County Supervisor of Assessments who will determine the value of improvement.

**Section 5.** BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park Maryland that Chapter 175 “Taxation”, Article IV “Revitalization Tax Credit” §175-13, “Waiver” be and it is hereby repealed, re-enacted and amended to read as follows:

**§175-13 WAIVER**

A. If it finds that the purposes of this article will be equally well served by doing so, the Council may waive the requirement in § 175-12 that an application must be filed no later than the date of acceptance for a detailed site plan, if applicable, or a building permit application, and consider whether to grant a tax credit under the following circumstances for projects for which no appeal was filed by the City:

- (1) When the application is filed prior to the approval of the detailed site plan or issuance of the building permit; or
- (2) ~~[Notwithstanding § 175-9E, if the detailed site plan was approved after January 1, 2009, the project has been constructed, and the project satisfies at least the minimum required criteria identified in § 175-10 for the district; or~~

~~(3)~~ If a detailed site plan has been approved, but construction has not occurred, for the purpose of encouraging the construction; or

~~[(4)]~~(3) For an application that is timely filed, when the minimum requirements of § 175-10 are not met.

B. – C. \* \* \* \*

**Section 6. BE IT FURTHER ORDAINED AND ENACTED** by the Mayor and Council of the City of College Park that, upon formal introduction of this proposed Ordinance, which shall be by way of a motion duly seconded and without any further vote, the City Clerk shall distribute a copy to each Council member and shall maintain a reasonable number of copies in the office of the City Clerk and shall publish this proposed ordinance or a fair summary thereof in a newspaper having a general circulation in the City of College Park together with a notice setting out the time and place for a public hearing thereon and for its consideration by the Council. The public hearing, hereby set for \_\_\_\_\_ P.M. on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, shall follow the publication by at least seven (7) days, may be held separately or in connection with a regular or special Council meeting and may be adjourned from time to time. All persons interested shall have an opportunity to be heard. After the hearing, the Council may adopt the proposed ordinance with or without amendments or reject it. As soon as practicable after adoption, the City Clerk shall have a fair summary of the Ordinance and notice of its adoption published in a newspaper having a general circulation in the City of College Park and available at the City's offices. This Ordinance shall become effective on \_\_\_\_\_, 2015 provided that a fair summary of this Ordinance is published at least once prior to the date of passage and once as soon as practical after the date of passage in a newspaper having general circulation in the City.

**INTRODUCED** by the Mayor and Council of the City of College Park, Maryland at a regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_ 2015.

**ADOPTED** by the Mayor and Council of the City of College Park, Maryland at a regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_ 2015.

**EFFECTIVE** the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**ATTEST:**

**CITY OF COLLEGE PARK,**

By: \_\_\_\_\_  
Janeen S. Miller, CMC, City Clerk

By: \_\_\_\_\_  
Andrew M. Fellows, Mayor

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:**

\_\_\_\_\_  
Suellen M. Ferguson, City Attorney