

Redevelopment Authority - Fiscal Year 2022 COW Budget Review Summary

FY 2022 Proposed Operating Budget

| Expenditures by Fund Type | | | | | | |
|---------------------------|---------------------|---------------------|----------------------|---------------------|--------------------|--------------|
| Fund | FY 2020 Actual | FY 2021 Approved | FY 2021 Estimated | FY 2022 Proposed | \$ Change | % Change |
| County Grant | \$ 333,500 | \$ 333,500 | \$ 333,500 | \$ 312,200 | \$ (21,300) | -6.4% |
| CDBG-Staff Support | 319,215 | 361,300 | 361,300 | 361,300 | - | 0.0% |
| Other Revenue | 3,080,260 | | | | | |
| Total | \$ 3,732,975 | \$ 694,800 | \$ 694,800 | \$ 673,500 | \$ (21,300) | -3.1% |

Authorized Staffing - All Classifications

| Fund | FY 2020 Approved | | FY 2021 Approved | | FY 2022 Proposed | | Change | | % Change |
|--------------|---------------------|----------|---------------------|----------|---------------------|----------|----------|----------|-------------|
| | FT | PT | FT | PT | FT | PT | FT | PT | FT |
| | General Fund | 9 | 0 | 9 | 0 | 9 | 0 | 0 | 0 |
| Grant Fund | 5 | 0 | 5 | 0 | 5 | 0 | 0 | 0 | |
| Total | 14 | 0 | 14 | 0 | 14 | 0 | 0 | 0 | 0.0% |

FY 2022 Proposed Operating Budget – Key Highlights

- The County’s grant is \$312,200 – 46.3% of the total proposed funding.
- Total funding is reduced by \$21,300 under FY 2021 funding as the County’s grant was reduced by the same amount.
- Staffing has been consistent for the past three (3) fiscal years.
- Key Programs/Initiatives: Redevelopment and revitalization through infill development and CIP programs,
 - Completed construction on Northern Gateway District and Phase I of Glenarden Apartments.
 - Continued construction of Phases I & II of the Towne Square at Suitland Federal Center
 - Awarded \$1.9 million in Commercial Property Improvement Program and \$696,500 in Community Impact grants.

Capital Improvement Program (CIP)

| | Expended tho Date | Estimated for FY2021 | Proposed FY22 Capital Budget | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | Total Proposed CIP Funding |
|--|----------------------|-------------------------|------------------------------------|--------------------|------------------|--------------------|--------------------|------------|-------------------------------|
| Addison Rd/Capitol Heights Metro Corridor | \$2,784,000 | \$1,000,000 | \$500,000 | \$290,000 | \$0 | \$0 | \$0 | \$0 | \$4,574,000 |
| Cheverly | \$127,000 | \$408,000 | \$736,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,271,000 |
| County Revitalization | \$2,689,000 | \$4,384,000 | \$1,400,000 | \$1,150,000 | \$499,000 | \$0 | \$0 | \$0 | \$10,122,000 |
| Glenarden | \$9,578,000 | \$3,100,000 | \$6,378,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$19,056,000 |
| Suitland | \$79,266,000 | \$12,064,000 | \$8,900,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$100,230,000 |
| Town of Upper Marlboro | | \$0 | \$0 | \$0 | \$500,000 | \$1,000,000 | \$1,000,000 | \$0 | \$2,500,000 |
| Total | \$94,444,000 | \$20,956,000 | \$17,914,000 | \$1,440,000 | \$999,000 | \$1,000,000 | \$1,000,000 | \$0 | \$137,753,000 |



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

April 14, 2021

MEMORANDUM

TO: Calvin S. Hawkins, II, Chair
Committee of the Whole (COW)

THRU: David H. Van Dyke, County Auditor *DH*

FROM: Warren E. Burris, Senior Legislative Budget and Policy Analyst *W*

RE: Redevelopment Authority
Fiscal Year 2022 Budget Review *RB*

Budget Overview

The FY 2022 Proposed Budget for the Redevelopment Authority (“RDA” or the Authority) is \$673,500, a decrease of \$21,300 or 3.1% under the FY 2021 Approved Budget. The budget decrease is due to the reduction of the County Grant by \$21,300.

Budget Comparison – All Funds

Approved Fiscal Year 2020 to Proposed Fiscal Year 2022

| Fund | FY 2020 Actual | FY 2021 Approved | FY 2021 Estimated | FY 2022 Proposed | \$ Change | % Change |
|---------------------------|---------------------|---------------------|----------------------|---------------------|--------------------|--------------|
| County Grant | \$ 333,500 | \$ 333,500 | \$ 333,500 | \$ 312,200 | \$ (21,300) | -6.4% |
| CDBG/HITF - Staff Support | 319,215 | 361,300 | 361,300 | 361,300 | - | 0.0% |
| Other Revenue | 3,080,260 | - | - | - | - | - |
| Total | \$ 3,732,975 | \$ 694,800 | \$ 694,800 | \$ 673,500 | \$ (21,300) | -3.1% |

Authorized Staffing Count – All Funds

| | FY 2021 Approved | FY 2022 Proposed | Change Amount | % Change |
|---------------|---------------------|---------------------|------------------|-------------|
| General Funds | 9 | 9 | 0 | 0.0% |
| Grant Funds | 5 | 5 | 0 | 0.0% |
| Total | 14 | 14 | 0 | 0.0% |

Budget Comparison --Redevelopment Authority (RDA) Fiscal Year 2022 Budget

| Category | FY 2020 Actual | FY 2021 Approved | FY 2021 Estimated | FY 2022 Proposed | \$ Change | % Change |
|---|--------------------|---------------------|----------------------|---------------------|--------------------|----------------|
| Beginning Fund Balance | \$2,088,448 | \$1,322,775 | \$2,789,840 | \$2,882,840 | \$1,560,065 | 117.90% |
| Revenues | | | | | | |
| County Grant | \$333,500 | \$333,500 | \$333,500 | \$312,200 | (\$21,300) | -6.40% |
| Intergovernmental RDA Staff from GF | \$851,877 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| CDBG/HITF -Staff Support | \$319,215 | \$361,300 | \$361,300 | \$361,300 | \$0 | 0.00% |
| Technical Assistance -HRAP | \$1,709,796 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Miscellaneous Revenues | \$1,502 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Align to RDA Annual Financial Report | \$517,085 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Appropriated Fund Balance | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Total Revenues | \$3,732,975 | \$694,800 | \$694,800 | \$673,500 | (\$21,300) | -3.10% |
| Expenditures | | | | | | |
| Category | FY 2020 Actual | FY 2021 Approved | FY 2021 Estimated | FY 2022 Proposed | \$ Change | % Change |
| Board Member Stipend | \$21,700 | \$25,000 | \$23,100 | \$25,000 | \$0 | 0.00% |
| Board Member Expenses | \$2,251 | \$4,000 | \$2,200 | \$4,000 | \$0 | 0.00% |
| Board Member Development | \$0 | \$3,000 | \$0 | \$0 | (\$3,000) | -100.00% |
| Office Supplies & Expenses | \$24,816 | \$46,500 | \$20,000 | \$38,200 | (\$8,300) | -17.80% |
| Staff Training & Development | \$0 | \$5,000 | \$0 | \$0 | (\$5,000) | -100.00% |
| Consultants & Feasibility Studies | \$7,600 | \$3,000 | \$36,000 | \$3,000 | \$0 | 0.00% |
| Staffing Services - Administrative Assistant | \$31,861 | \$45,000 | \$45,000 | \$40,000 | (\$5,000) | -11.10% |
| Commercial Insurance | \$3,597 | \$25,000 | \$25,000 | \$25,000 | \$0 | 0.00% |
| General Counsel | \$24,955 | \$90,000 | \$35,000 | \$90,000 | \$0 | 0.00% |
| Office of Finance Fees | \$60,040 | \$60,000 | \$60,000 | \$60,000 | \$0 | 0.00% |
| Auditing Fees | \$11,136 | \$20,000 | \$10,000 | \$20,000 | \$0 | 0.00% |
| Equipment Leasing Contracts | \$190 | \$7,000 | \$0 | \$7,000 | \$0 | 0.00% |
| CDBG/HITF Grant - Staff Support | \$319,215 | \$361,300 | \$345,500 | \$361,300 | \$0 | 0.00% |
| Other Interest Payments - Debt Service | \$67,174 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| RDA Grants - Includes Grant Payments to Contractors | \$1,658,260 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Intergovernmental RDA Staff from GF | \$851,877 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| RDA Projects - Loss on Disposable Capital Equipment | \$867,205 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Alignment to Annual Financial Report | (\$920,294) | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Total Expenditures | \$3,031,583 | \$694,800 | \$601,800 | \$673,500 | \$0 | 0.00% |

| | | | | | | |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|
| Excess of Revenues over Expenditures | \$701,392 | \$0 | \$9,300 | \$0 | \$0 | 0.00% |
| Other Adjustments | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Ending Fund Balance | \$2,789,840 | \$1,322,775 | \$2,882,840 | \$2,882,840 | \$1,560,065 | 117.90% |

The Authority was established pursuant to Council Bill 85-1997. RDA’s Charter was approved pursuant to Council Resolution 60-1998. The purpose of the Authority is to provide for residential, commercial or industrial development in Prince George’s County. Funding sources for the Capital Improvement Program under the Authority come from proposed land sales closed during the fiscal year and County contributions.

The Redevelopment Authority is to operate with a specific focus on infill development and the preservation of workforce/affordable housing near transit centers, mixed-income and mixed-use, and mixed-tenure projects in targeted communities.

FY 2021 Key Accomplishments and Successes

- Complete construction on the Northern Gateway District and Phase I of the Glenarden Apartments
- Continued construction on the Phases I & II of the Towne Square at Suitland Federal Center and Phase II of the Glenarden Apartments
- Awarded \$696,500 in Community Impact Grants and \$1.9 million the Commercial Property Improvement Program.
- Awarded \$900,000 in Commercial Property Improvement Program (CPIP)
- Awarded \$250,000 in Community Impact Grants
- Partnered with Housing Initiative Partnerships (HIP) to implement HRAP program, the Net Zero home Programs
- Partnered with UCAP and HOPE in other façade programs

Strategic Focus for FY 2022

- Continue the redevelopment of three large scale mixed income, mixed use, and mixed finance infill sites
 - Glenarden Hills
 - 210 Maryland Park Drive
 - Town Square at Suitland Federal Center
- Increase homeownership opportunities for first time homebuyers through the Pathways to Purchase and the Prince George’s County Purchase Assistance Programs
- Advance and promote green building and sustainable development practices
- Promote community revitalization by providing grants that support small scale community-led capital projects and the revitalization of commercial centers.

Budget Comparison – Redevelopment Authority (RDA) – Capital Improvement Projects

Capital Improvement Program (CIP)

- The major Programs of the Redevelopment Authority are capital projects, economic development, neighborhood reinvestment, and special projects. The Redevelopment Authority has included six (6) active capital projects in the FY 2021 - FY 2026 Proposed Capital Improvement Program (CIP) for a funding amount of \$137,753,000. One (1) existing project: Town of Upper Marlboro Redevelopment has been deferred to FY 2024 with no required funding for FY 2022. The five (5) active projects with proposed fund balance from the County for FY 2022 sources are as follows:

| | Expended to Date | Estimated for FY2021 | Proposed FY2022 Capital Budget | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | Total Proposed CIP Funding |
|---|---------------------|----------------------|--------------------------------|--------------------|------------------|--------------------|--------------------|------------|----------------------------|
| Addison Rd/Capitol Heights Metro Corridor | \$2,784,000 | \$1,000,000 | \$500,000 | \$290,000 | \$0 | \$0 | \$0 | \$0 | \$4,574,000 |
| Cheverly | \$127,000 | \$408,000 | \$736,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,271,000 |
| County Revitalization | \$2,689,000 | \$4,384,000 | \$1,400,000 | \$1,150,000 | \$499,000 | \$0 | \$0 | \$0 | \$10,122,000 |
| Glenarden | \$9,578,000 | \$3,100,000 | \$6,378,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$19,056,000 |
| Suitland | \$79,266,000 | \$12,064,000 | \$8,900,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$100,230,000 |
| Town of Upper Marlboro | | \$0 | \$0 | \$0 | \$500,000 | \$1,000,000 | \$1,000,000 | \$0 | \$2,500,000 |
| Total | \$94,444,000 | \$20,956,000 | \$17,914,000 | \$1,440,000 | \$999,000 | \$1,000,000 | \$1,000,000 | \$0 | \$137,753,000 |

- The RDA’s FY 2022 projects include:
 - Towne Square at Suitland Federal Center – Redevelopment of the old Suitland Manor subdivision into a new Transit Oriented Development (TOD) neighborhoods with 1,200 residential units, 10,000 square feet of new retail, an affordable senior building, performing arts center, and two (2) large urban parks. The FY2022 funding will support the construction of infrastructure (streets, utilities, and storm water management) for the residential, retail, and open space project. Total public infrastructure costs are estimated at \$40 million. FY 2022 Funding consists of \$9.1 million in bond sales. Construction began FY 2018. **Total Project budget - \$100,230,000.**
 - Glenarden Hills – Redevelopment of Glenarden Apartments with is a four (4) phased project including demolition and replacement of a blighted 578-unit apartment complex on 27 acres. The new redevelopment will consist of 429 new multifamily apartments, owner occupied townhomes for seniors and families, infrastructure improvements, community center, pool and three (3) acres of green space. FY 2022 funding supports the construction of infrastructure and storm water management. The project is delayed because of rubble removal on site and the pandemic. The funding consists of \$2 million in PAYGO funds, \$1 million in state funds, and \$598,000 in land sales proceeds. **Total Project budget - \$19,056,000.**
 - Addison Road/Capitol Heights Metro – The project consists of land assembly, relocation and demolition to facilitate TOD near two (2)metro stations. FY 2022 Funding supports the BlueLine Façade program for single family home renovation projects, which anticipates nine (9) homes in the Fairmont Heights Net Zero Program. Total funding includes \$250,000 in State grants. **Total Project Budget - \$4,574,000.**
 - Cheverly Development – The project consists of land assembly, demolition, and the redevelopment of a hotel and restaurant with 50,000 buildable square feet. The 120-room extended stay hotel will include a restaurant pad site. FY 2022 funding will support land assembly, demolition, and redevelopment of the 26-acre site of the new Prince George’s Hospital Center. The project is delayed due to the Pandemic. **Total Project Budget - \$1,271,000.**
 - The County Revitalization project consists of land assembly, relocation, demolition, and various programs. Countywide efforts include the: (1) Community Impact Grants, (2) Transit Oriented

Development (TOD) Place Marketing Programs, (3) Commercial Revitalization Program, and (4) Northern Gateway Revitalization Program. In FY 2022 spending/awards for the CIG and the Commercial Property Improvement Programs (CPIP) will be supported by previous year's funding. **Total Project Budget - \$10,122,000.**

- Town of Upper Marlboro – Project delayed another fiscal year.