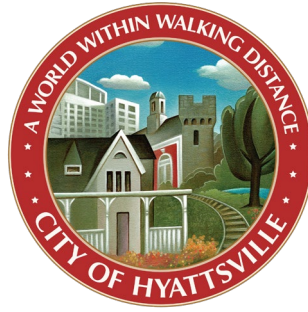


Robert S. Croslin
Mayor



Tracey E. Douglas
City Administrator

March 29, 2023

Honorable Mayor Croslin and members of the Hyattsville City Council:

I am pleased to submit the Fiscal Year 2024 (FY24) General Fund and Capital Improvement Budget Proposal for the City of Hyattsville. The proposal includes the continuation of essential services and operations, prioritized goals and objectives outlined in our strategic plans, and the Council's 2024 budget priorities.

The FY24 proposed budget reflects our ongoing commitment to public safety, infrastructure improvements, business and economic development, age-friendly and community programs, environmental stewardship, park and playground improvements, investments in technology, and completion of the highly anticipated and long-awaited Public Safety HQ and Teen Center. Funding is also included to begin repayment of the \$900K annual debt that we incurred on the bond secured in FY20 to complete the Public Safety Bldg.

The proposed budget aligns with the City's adopted goals and objectives identified below:

STRATEGIC GOALS & OBJECTIVES
Ensure a Transparent & Accessible Governance
Provide a Safe and Secure Community
Economic Development & Environmental Sustainability
Strengthen Community Identity
Excellence in City Operations

The City has and continues to invest in consultants to evaluate and study areas of opportunity. This has resulted in over 20 action-ready strategic plans and other studies that are scheduled to start or be completed in FY24. Significant staff time is involved in preparing the solicitation, evaluating bids, and managing the contracts. There is also a large investment of cost and time to provide the oversight required during the study period. In addition, the staff supports the resident and community outreach and engagement efforts needed to complete several of the ongoing plans. Therefore, to keep the approved study recommendations moving forward, it is imperative that we include incremental, prioritized goals from the studies in the budget annually or bi-annually as time, costs, and resources permit. The current or ongoing plans and studies are outlined below:

STRATEGIC PLANS/ STUDIES
Sustainability Plan – Phase II
Affordable Housing Study
Pedestrian Safety Plan
Age-Friendly Action Plan
Citywide Transportation Study
Lower Ward 1 Stormwater Study
Strategic Communications Plan
Compensation Study
Business Retention & Expansion Plan
Business Improvement District
*Emergency Operations / Continuity of Operations
*Race & Equity Plan
*Disaster Recovery Plan
*Intersection Study (Round-About)
*Tax Relief Program Study
*Driskell Park Master Plan
*West HVL Traffic Calming, Road, & Sidewalk Repair
*Flag & Logo Redesign
*Space Utilization Study
*Smart Waste Study- New in 2024

*Ongoing /In development

Finally, this proposal includes the Mayor and Council’s FY24 budget priorities outlined below:

MAYOR & COUNCIL PRIORITIES
Forced Clean-Up Relief Fund
Better Choice Program for Youth Non-Violent Offenders
Wellness Check-In Program
Multi-Family Green Improvement Program
Invasive Species Remediation
High Visibility Crosswalks (<i>From the Pedestrian Safety Plan</i>)
Public Policy Internship Program
Nachotchtank Woods Dedication
Artwork on Reusable Bags
Language Classes
Mental Health Initiatives
Feminine Hygiene Dispensers in City Bldgs & Select Parks

Over the past year, the staff worked hard to reduce spending and obtain the most competitive rates and best values for goods and services. This included receiving over \$2M in grant funding, cultivating new and existing partnerships, and seeking in-kind services. Despite our best efforts to identify reductions, the FY24 proposed total expenditures for the General fund, greatly exceed

our projected revenues. However, by using funds from the general fund reserve (carryforward balance) together with projected revenues we are able to present the budget as balanced.

A summary of the FY24 budget revenues and expenditures is reflected below, followed by a more in-depth narrative of budget inclusions, and focus areas.

PROPOSED BUDGET	
General Fund	
General Fund Revenues	\$24.5M
General Fund Expenditure (includes debt service)	\$30.3M
Transfer from General Fund Reserve Balance	\$5.8M
Total (Revenues – Expenditures)	0
Other Funds	
Special Revenue Funds	\$1.44M
Capital Improvement Funds	\$19.6M
Total All Funds	\$51.3M

The FY24 budget anticipates an increase in property, income, and amusement taxes and an increase in debt services as we repay \$12.6M in municipal bonds, funding which was necessary to complete the new Public Works Facility and our Public Safety Headquarters. The City continues to maintain a solid reserve fund balance which provides us the ability to offset the deficit and sustain essential government operations and critical services. Our goal is to once again pursue federal and grant funding to offset the budget deficit.

The FY24 total operating budget, which includes all funds, is projected to be **\$51.3M**. The General Fund expenditures are projected to be **\$30.3M**; Special Revenue funds are presented with a slight increase and the Capital Improvements Fund projection is presented as **\$19.6M**

Personal property taxes are projected to generate **\$975,000**, and City income taxes will generate approximately **\$2,985,650**. The real property tax rate is presented as unchanged at **\$0.63** per

\$100 of assessed valuation which will result in the City using approximately **\$5.8M** from the unreserved fund balance estimated at **\$28.2M** which will leave a projected balance of **\$22.4M unaudited**. The proposed budget highlights are reflected below:

Employee Programs, Salaries, and Benefits: Employee salaries and benefits continue to consume the greatest portion of the General Fund Budget. In FY23 we added fourteen new positions which included an Equity Officer, a Finance Transaction Manager, Mental Health Case Manager, Environmental Coordinator, Traffic Engineer, an Investigator, Police Training Officer, a Part-time Animal Control Liaison, and several other essential positions. Those legacy costs continue in the FY24 budget.

This year, we will add a staff member in Youth Services to manage the Teen Center's new, Council proposed language, music, and creative arts programming. A handful of positions in Youth Services and Economic Development will transition from part-time to full-time. The FY24 new positions include a Housing Manager, an IT Technician, a Deputy for Environmental Operations, additional Clean and Safe Team members, and the Emergency Operations Officer. These positions will be funded using American Rescue Act dollars. They will be transferred to the general fund in 2025.

It is important to recognize that the staff continues to operate at or near capacity. As new programs, priorities, and services are added, the City will need to work harder to prioritize and identify what ongoing services can or should be reduced or eliminated. Without that added layer of scrutiny, we will continue an unsustainable trajectory of increased spending. The increases, in spending and legacy costs if not controlled, will require additional personnel and resources to meet the expanding workload. Funding offsets and contract positions will help. However, we will need to work together to minimize the ongoing strain on the budget.

In FY23 we completed a compensation study that identified 77% of staff compensation as below market. To reflect our commitment to our workforce we adjusted the salaries of our significantly lower wage earners to ensure they were more competitively compensated. Police officers remain hard to hire and difficult to recruit. The officer salaries in surrounding jurisdictions and agencies and the imminent flight risk of our more seasoned officers made the situation dire. In response, we adjusted our officer salary ranges to retain officers, keep pace with the market and reflect our unwavering support and commitment to public safety.

The budget reflects a **2.0%** Cost of Living Adjustment (COLA). The ongoing compensation adjustments and proposed COLA helps ensure our employees make a livable wage and are able

to keep pace with the current economic environment. We included a **3.5%** placeholder to cover benefits should the State of Maryland increase health insurance rates. The City continues to benefit from being a part of the State of Maryland Health Network because they have over 80,000 employees allowing them to negotiate the most competitive rates.

The Human Resources more commonly referred to as “People Services” staff is evaluating proposals to implement a new performance evaluation system. This will ensure useful professional development feedback and fair employee compensation for performance. We will also fund a consultant to update the personnel manual and benefits handbooks. Finally, the City continues to invest in wellness programming and education and remains committed to advancing diversity, racial equity, and inclusion in our programming, policies, training, and culture.

Mental Health Training: The Mental Health Coordinator’s role was expanded to include providing support to the City staff and residents. Funding is included to continue the mandatory police mental health check-in program and support civilian Case Managers. Additionally, the Mental Health Coordinator will seek and implement mental health, wellness, training, and education opportunities. The coordinator will continue collaborating locally and nationally to ensure that our mental health programs support our officers, staff, and the community and serve as an example for surrounding jurisdictions.

Organizational Structure: The City of Hyattsville has a 10-person City Council and a Mayor. The Mayor is elected at large, and one Councilmember is elected from each ward of the City for a term of four (4) years. The City, like most smaller cities around the country, operates under a Council Manager form of government. The Mayor and Council hire a professional manager to oversee the day-to-day operations. The City Administrator supervises a Deputy, 6 Department Directors, and a Chief of Police. The City has also prioritized three specialized areas which include Emergency Operations, Mental Health, and Equity. The City’s leadership is committed to ensuring a diverse staff and continues to emphasize equity and inclusion.

Communications and Legislative Services: The prolonged pandemic created more reliance on accurate and timely information. The Communications Department rose to the challenge and for the past few years has identified creative ways to reach residents and to keep the community informed and engaged. In FY23 the communications team introduced new technology and innovative approaches to ensure constant, reliable, and transparent two-way communication. We included funding to continue those programs and implement priorities outlined in the Strategic Communications Plan. We have also included funding to expand content production and introduce expanded marketing and outreach campaigns. This includes expanding advertising

mediums such as smart trash receptacles, City vehicle decals, and collages, bus shelters, metro stations, the Mall at Prince George's, billboards as well as software for electronic signs. The funds also include the addition of a full-time Police PIO position to the team.

The Office of the City Clerk has included funding for contracted services to assist with minutes and record keeping. The staff has also been preparing for the transition to hybrid Council and committee meetings and while some expenses will be funded using ARPA funds, we expect to incur some operational costs associated with the transition.

Community and Economic Development: The proposed budget supports the continued implementation of the City's 2021 Business Retention and Expansion Strategy (BRE). This includes the addition of a Small Business Administrator to directly engage small businesses. This position will initially be funded through ARPA and transition to the general fund in FY25. We plan to undertake the recommended Retail Market Analysis, which will help us better understand the City's current retail ecosystem, identify needs and gaps, and form a comprehensive strategy for a robust and resilient business community. Finally, we will enter Phase IV of the Hyattsville Crossing Business Improvement District (BID) feasibility, with the goal of establishing an entity that will promote and maintain Hyattsville Crossing as a modern destination.

In FY23 we engaged residents to participate in updating the City's 5-year Sustainability Plan. In FY24 we will finalize and publish the plan. In addition, we included funding to continue the City's Corridor Investment Program and Commercial Façade Improvement Program which provide funding to local businesses for eligible projects.

The City will retain over \$600K of state funds originally dedicated to the construction of a parking garage to formalize a permanent park to support the arts and entertainment at the eastern terminus of Hamilton Street adjacent to the Trolley Trail. We included funding to match the state's investment and to further enhance the park area. We are proposing funding to provide strategic consulting related to the transition of our GIS platform from ArcMap (which is being retired by Esri in FY24) to ArcPro. In addition, we included funding to implement recommendations identified in the City's 2021 Housing Action Agenda, including Council priorities of bringing on a full-time Housing Manager and contracted services to examine, identify, and possibly implement effective models for rent stabilization. Both programs and the potential costs to execute them are still being deliberated by the Council, however, we want to ensure funding is available to execute programming should the mandates come. Finally, we included funding for planning, project development, and special recognition events such as Trolley Trail and Park(ing) Day, Economic Development Week, and the Love Local campaign. We will continue efforts with planning, projects, and development updates.

Code, Permitting & Licensing: Funding for forced clean up and tree removal is included in the submitted FY2024 budget. The staff will create criteria and an application process to manage the implementation and management of the program. Funding is also included to implement a new permitting module which will provide greater clarity, data-driven information, and a more efficient way to meet the increasing number of requests for licensing and permits. Funding is included to continue offering licensing inspections six days a week, with morning and evening hours. In addition, the City is scheduled to update its Business Licensing brochures in both English and Spanish.

Parking: Parking revenues continue to remain generally stable this year due to increases in parking sessions balanced with a moderate decrease in enforcement revenue. The City plans to evaluate the 2-year impact of the fee structure modification that was adopted by City Council in FY22 and make recommendations on the next steps. The City is scheduled to add ninety (90) permanent public spaces, plus thirty (30) flex public spaces with the completion of the Canva Parking structure, which may impact revenues in future years. Funding is requested in the budget to outfit the City's portion of the garage with meters and parking space technology. The staff will provide a more comprehensive overview and recommendations during the next fiscal year. The Parking Division will continue managing permit renewals in the City's Residential Parking Zone (RPZ) program and the bi-annual renewal cycle in Spring 2023.

Infrastructure and Facility Investment: In FY24 we expect to complete the long-awaited Public Safety Headquarters and the new Teen Center. The significant increase in construction costs due to the escalating price of materials and shipment delays may contribute to cost overruns, but we will minimize modifications and change orders to keep costs low. Other infrastructure priorities include storm water studies, storm drain upgrades, Hamilton St. and Oliver Alley activation, green bus shelters, and the space utilization study. The space study is useful as we prepare to make modifications, renovations, and repairs to the 2nd floor of the aging municipal building after the police department relocates. The Department of Public Works will require two additional senior staff positions to address the increasing project load. These positions will help to ensure adequate contractor and consultant oversight and project execution. The positions will be funded through ARPA for the next 18 months; however, equipment, uniforms, and supplies will be funded through the general fund and are included in this budget submission.

Traffic and Transportation: The FY24 budget includes funding to manage roadway improvements, install additional wayfinding signage, implement sidewalk repair projects, coordinate the acquisition of MD 208, oversee the West Hyattsville traffic study, and complete the intersection roundabout safety study. Several Transportation related projects that were

identified in the Action Ready Plans will also be funded this year. This includes upgrades to safety signage, installing decorative crosswalks, ADA-accessible crossings, bike lanes, and sharrows to strengthen connectivity for walkers and cyclists.

Parks and Playgrounds: The FY24 budget includes funding to upgrade the tree canopy and a Nacotchtank Trail design and dedication. The staff fund will also focus on invasive plant removal and the upgrade of several of our parks and playgrounds. This year the staff will focus on upgrading operating systems in the Driskell Park Recreation center, King Park design and construction, the dedication and trial renovation of Nacotchtank Woods, and the first planting season at the Heurich Park Community Garden.

Community Programs and Services: Over the past year we safely transitioned to in-person engagement and began the process of growing our programs and expanding outreach and volunteerism. This year funding has been included to continue executing the creative new programs and resuming staple programs and services. The City's Anniversary Festival and summer jams which now include the International Festival, Juneteenth, Hispanic, and other themed programs will fully return in FY24. The budget also includes funds to increase cultural awareness programming, along with health and wellness events for the community and staff. Other Community Service priorities include:

Community Support: This year we will continue to support the community by providing monthly fresh produce mobile market and monthly diaper distributions. We also recognized the need for mental health and social services support to our residents, so we included funding to increase training and outreach in these areas. We funded a Case Manager through the American Rescue Act funds and included funding to implement support services, educators, and advisors as needed. We added funds for a full-time staff to develop, implement, and coordinate the new language programs, music programs, camp scholarships, and art programs for residents and their families.

Partnerships & Sponsorships: It is important to identify partnerships to create synergy and gain efficiencies and sponsorships to reduce costs. This year we partnered with the county to introduce summer youth employment at no cost to the city and several other low and no-cost partnership opportunities. We included funds to participate with non-profit organizations, businesses, and other organizations when feasible. We will also expand outreach, and pursue greater collaboration with surrounding municipalities, school officials, and clergy, to identify greater cost savings.

Age-Friendly and Senior Programming: This year, we recognized the need to continue providing reliable services and support to our seniors and vulnerable populations. In response, we included funding for the continuation of Age-Friendly Programming priorities, expanded Senior Services, and Call-A-Bus transportation. The Community Services Team added new Senior programs focused on technology, mental health, wellness, arts, and crafts. The FY24 Age-Friendly Action Plan priorities include completing the voluntary vulnerable populations registry and database, updating the senior services directory, and expanding transportation services with the additional grant-funded wheelchair-accessible buses and a full-time driver. Funding has also been included to expand the Meals on Wheels program and conduct more workshops for seniors.

Youth Programming: The youth program now has over 10 program offerings and continues to provide programs and outreach to toddlers, and youth. This year they added the Leadership program, a pathway to the Youth Advisory Committee, Educational Path Scholarship programs, Parents Night Out, and a host of other new and continuing programs such as Spring, Summer, and Winter camps, as well as out-of-school day camps. We are excited to announce that the Youth Center will be completed in early FY24 and was funded completely using grant funding. We included funding for the youth staff to implement college preparation, job readiness, and career exploration activities and will continue to sponsor field trips, training labs, tutoring, and mentoring programs. The budget allows for continuing the creative mind's toddler program that now serves children ages 1- 5 years, expanding the bilingual parent and teen workshops, and managing sports fields.

Police and Public Safety: The police department is fully committed to protecting lives, reducing crime and the fear of crime, and ensuring the safety and well-being of our residents as well as our officers. As such, the Chief of Police has prioritized the investment in reliable technology and equipment. In FY23 the department purchased advanced Body Worn Cameras (BWC), In-Car Video Cameras (ICV), and upgraded computers. This year we plan to continue that momentum by continuing to invest in technology such as virtual reality (VR) training simulators, closed circuit television (CCTV) and mobile cameras, and new police reform initiatives. In FY23 the department hired a full-time training coordinator to ensure training and certification requirements are met. This year we are including funding to continue collaborative training and progressive programs, de-escalation, crisis and peer intervention, leadership development, and co-responder programs to name a few.

The department will continue the aggressive recruiting and retention efforts as needed. A fully staffed department will allow officers to expand into specialty fields and develop professional growth opportunities. A full contingent of officers will also allow for the build-out of the

Community Action Team to prioritize relationships and positively engage youth, seniors, businesses, as well as the greater community.

Technology and Environment: The City invested heavily in updating technology during and after the pandemic. As we transitioned back to an office environment, we will continue to invest in technology to upgrade or install equipment, servers, cabling, and networks in the municipal building, the Driskell Park building, and the Public Safety Headquarters. We will also move into the implementation phase of the Enterprise Resource Management Program which will improve efficiency, reduce costs, ensure data accuracy, and improve customer service.

To reinforce our commitment to green energy we will continue pursuing environmentally friendly initiatives and alternative fuel goals. This includes the deliberate and incremental growth of our fleet of electric and hybrid vehicles and charging stations. We will also evaluate the expanded use of solar panels, using smart environmental design, stormwater management, tree planting, restoration and programming, ambient lighting, and design in parks and new and existing areas of the City. Funds are also included for smart 'power plant' structures to provide charging and internet access in our local parks and to implement Healthy Trees Hyattsville (HTH) initiatives. We will continue to promote the compost program, gas-powered blower trade-ins, plastic bag ban (TBD), the living green bus shelter program, and a new community garden in West Hyattsville. The City plans to complete the design and phase-in upgrades to David C. Driskell Park, continue the lower Ward 1 stormwater management efforts, and construct a submerged wetland at 42nd and Charles Armentrout. Minimal funds were included to begin the concept design for the Environmental Depot which will allow residents to drop off and pick up hazardous materials and bulk items, and charge vehicles and equipment.

In conclusion, we are proud to present a budget proposal that allows the City to sustain current services and programs while funding exciting new projects and priorities. The budget reflects the City's steadfast commitment to our residents and businesses and welcoming to our growing community. The staff remains committed to leveraging technology, partnerships, and grants, to reduce costs, improve efficiency and meet or exceed expectations. Finally, in our effort to be good stewards of tax-payer dollars we will evaluate resources and ensure a competitive process for contracts and purchases, to achieve the best overall value and savings.

Finally, I would like to acknowledge and commend the City Treasurer, Ron Brooks, for his financial leadership, acumen, and guidance throughout this process. I also want to acknowledge the dedicated department directors and staff who invested significant time, effort, and energy to

ensure the proposed budget meets or exceeds the needs and expectations of our dedicated and deserving community.

Respectfully Submitted,

Tracey Douglas
City Administrator

