



Legislation Text

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Submitted by: Holly Simmons
Submitting Department: Community & Economic Development
Agenda Section: Presentation

Item Title:

Hyattsville Crossing Business Improvement District (BID) Phase III

Suggested Action:

Presentation Only.

Summary Background:

In June 2021, the City of Hyattsville commissioned HR&A Advisors, and its sub-consultant Brick & Story, to perform a feasibility to assess the creation of a Business Improvement District (BID) to support land areas around the Hyattsville Crossing area. A BID is an economic development tool that allows for targeted investment in a geographic cluster of primarily commercial properties with the purpose of increasing economic vitality through services such as placemaking, marketing and branding, increased 'clean and safe' services, and the attentions of a dedicated Executive Director managing operations, coordination, and advocacy.

The first phase of assessment was to assess market conditions, perform stakeholder interviews, develop boundary recommendations and perform a financial analysis. HR&A Advisors briefed the City Council on the Phase I findings on May 2, 2022.

Phase II occurred from June 2022 to March 2023. This phase included drafting State enabling legislation to align the requirements for establishment of a BID in Prince George's County more closely with the requirements for establishing a BID in Montgomery County; additional comprehensive stakeholder outreach and interviews of property and businesses owners to form a steering committee intended to guide the formation of the BID; and a December 2022 Formation Steering Committee kick-off meeting.

Currently, Phase III is underway. The State enabling legislation drafted in Phase 2 was adopted on May 8, 2023, and comprehensive property owner and stakeholder outreach continues through individual interviews, Formation Steering Committee meetings, mailers, and tabling events. To date, Formation Steering Committee meetings have addressed BID vision, possible service package and formula for assessment of BID fees to property within the proposed BID area. Phase III will also include the development of a BID business plan and submittal of a BID application to the County.

The business plan for the BID will include the vision statement, goals, and objectives; scope and cost estimate for services to be provided; the structure of the BID's board; and a budget to support operations of the BID. The budget is anticipated to be comprised of collective investment from private and public stakeholders, including a fee to be assessed on properties within the BID and an anticipated annual public contribution from the City.

Aside from a City financial contribution to BID operations to be included in the BID budget, the City's FY24 CED budget includes \$150,000 for Hyattsville Crossing BID Phase IV activities (01-799-710-5399), which has been discussed through APRA funding. This future phase of work to support the BID to its inception will be considered in October/November

2023.

The consulting team will be presenting the attached update at the June 5, 2023, City Council meeting and will be available to answer questions, both during the meeting and via email follow-up as necessary.

Next Steps:

No next steps at this time.

Fiscal Impact:

The formation of a BID at Hyattsville Crossing will improve economic vitality in the specific area and in the City, promoting economic development and increasing fiscal revenue through increased commercial activity and increased property values.

The City will need to confirm their contribution to the BID prior to it being established. At this time, the anticipated amount is \$100K-250K. Any contribution must be approved by the Council and formalized through a resolution.

Phase IV is included as a request in the City's FY2024 budget, proposed to be funded through ARPA, \$150,000 with a potential legacy cost of \$20,000 for technical assistance as/if needed.

City Administrator Comments:

For presentation.

Community Engagement:

Community engagement is ongoing and includes comprehensive property owner and stakeholder outreach through individual interviews, Formation Steering Committee meetings, mailers, and tabling events. Prior to BID formation, a mandatory public hearing will be held.

Strategic Goals:

Goal 2 - Ensure the Long-Term Economic Viability of the City

Legal Review Required?

N/A