PRINCE GEORGE’S COUNTY BID TOOLKIT

Prince George’s County Planning Board Briefing

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Prince George’s County Planning Department

March 12, 2020

Image source: M-NCPPC Prince George’s County Planning Department
AGENDA

1. Introductions
2. Project Overview
3. Key Findings
HR&A Advisors

is an economic development and real estate consulting firm working at the intersection of the public and private sectors.

Our work transforms communities and revitalizes urban environments in the United States and abroad.
HR&A Advisors

Our Team

Stan Wall, Partner

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AGENDA

1. Introductions
2. Project Overview
3. Key Findings
### Project Context – DC Metro Region

#### District of Columbia
- Georgetown
- Adams Morgan
- Golden Triangle
- DowntownDC
- Mt. Vernon Triangle
- NoMa
- Capitol Hill
- SouthWest
- Capitol Riverfront
- Anacostia
- Dupont Circle (new)
- Greater Brookland
- Congress Heights
- H Street
- Shaw
- MidCity (U St and 14th St)

#### Northern Virginia
- National Landing BID (previously Crystal City BID)
- Ballston
- Rosslyn
- Fairfax Boulevard
- Clarendon Alliance
- Columbia Pike Revitalization Organization
- Lee Highway Alliance
- Reston Town Center Association

#### Maryland
- Silver Spring (proposed)
- Silver Spring Urban District
- Bethesda Urban Partnership
- Wheaton Urban District
- College Park City-University Partnership
- Greater Bowie Chamber of Commerce

#### Existing BIDs

#### Potential BIDs

#### Select BID-like entities
Project Context – Local Momentum

2017 Precedent Legislation to Facilitate BID Formation
- Consensus required to form a BID in Montgomery County, MD:
  - 80% Property owner signatures
  - 51% Property owner signatures

Plan Prince George’s 2035 Strategic Investment Priorities
- Invest in 3 Downtowns
- Designate an Innovation Corridor
- Revitalize 6 Neighborhood Reinvestment Areas

County Economic Corridor Studies
- Most shopping centers in county are healthy but stagnant
- Some corridors are at risk or failing
- County lacks transit-oriented developments with live-work-play areas

Source: Bisnow; Plan 2035 Prince George’s Approved General Plan
Downtowns are specified as Prince George’s Plaza, New Carrollton, Largo Town Center. Innovation Corridor is specified to span parts of College Park, Greenbelt, and Hyattsville.
Project Purpose

- Increase local understanding of BIDS
- Engage with stakeholders
- Create tools to facilitate BID creation
Project Process

July 2019: Project Kickoff
August – November 2019: Research and Stakeholder Outreach
December 2019 – January 2020: Draft Toolkit Production
February 2020: Stakeholder Presentations
February – March 2020: Final Toolkit Production
## Stakeholder Engagement

### County Agencies
- Economic Development Corporation
- Department of Housing and Community Development
- Redevelopment Authority

### Municipalities
- Town of Capitol Heights
- City of Hyattsville

### Community Development Groups
- Hyattsville Community Development Corporation (CDC)
- Northern Gateway CDC
- College Park City-University Partnership

### Local Developers
- Brookfield Properties
- Terrapin Development Company
- Urban Atlantic
- RPAI
- Urban Investment Partners

### Regional BID Case Studies
- NoMa BID
- Crystal City BID
I – Understanding BIDs

Section Components:
- What are BIDs, and what do they do?
- How are BIDs established?
- How are BIDs funded?
- How do BIDs vary in scale and scope?
- What are concrete examples of services provided by different-sized BIDs?
- What value do BIDs bring to communities and local businesses?
- How do BIDs fit into an economic development ecosystem?
- What support do BIDs receive from local jurisdictions?
BIDs provide a largely consistent set of services that achieve several key outcomes.

What do BIDs do?

- Maintenance of Shared Spaces
- Marketing and Events
- Business Attraction and Retention
- Safety Measures
- Capital Improvements

What do BIDs achieve?

- Preservation and enhancement of real estate value
- Revitalization
- Job growth and economic development
- Fiscal health
BIDs range in size, scope, and sophistication, as they serve different types of community needs.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Anacostia</th>
<th>Silver Spring</th>
<th>Downtown DC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Budget</td>
<td>$0.27 M</td>
<td>$3.2 M</td>
<td>$11.1 M</td>
</tr>
<tr>
<td>Commercial Tax Rate</td>
<td>$0.016/sq. ft.</td>
<td>$0.024/sq. ft.</td>
<td>$0.016/sq. ft.</td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Attraction &amp; Retention</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Improvements</td>
<td></td>
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</tbody>
</table>

Note: BID tax rates do not have to be consistent across Prince George’s County; they can vary based on the density and desire for services in a geographical area.

Sources: Respective BID Business Plans
BID assessments are self-imposed by taxable properties, but tax-exempt entities can also play an important role within BIDs.

Example tax-exempt entities in Prince George’s County:
- Transit agencies, e.g. WMATA
- Academic institutions, e.g. University of Maryland at College Park
- Local government, e.g. municipal buildings
- Federal government, e.g. the Internal Revenue Service

Potential non-tax contributions to a BID:
- Provide additional services that complement existing activities, such as investments in wayfinding and beautification
- Offer time and expertise by serving on the Board
- Contribute financially through grants or other in-kind donations

Note: The District of Columbia BID Code states that exempt property owners that voluntarily make a payment to the BID in lieu of the BID tax are entitled to BID membership and services.

Capitol Riverfront BID Example
The U.S. Department of Transportation (DOT) does not contribute taxes towards the BID, but the DOT awarded the BID a grant for a protected mobility lane through the Transportation Alternatives Program.

The U.S. DOT Walking Museum of Transportation provides beautification and education to the Capitol Riverfront BID.

Image source: Flickr
BIDs complement existing services and organizations in a community, acting as both an economic development organization and a funding tool.

Prince George’s County Economic Development Ecosystem

**County**
- Economic Development Corporation
- Redevelopment Authority
- Revenue Authority

**Municipality**
- Community Development Corporations
- and Economic Development Departments

**Business District**
- Business Associations
- Main Street Maryland Designation
Section Components:

- Necessary Conditions for a BID
- Enabling Conditions for a BID
- Would it be possible for my community to have a BID?
- Would a BID be likely to succeed in my community?
BIDs are feasible and effective in corridors with several underlying characteristics.

**Necessary Conditions**

- Predominantly commercial and multifamily for-rent properties, with multiple private owners of surrounding real estate
- Stakeholder interest and buy-in, expressed through a desire for BID services
- Sufficient resources (tax base, geographic size, sponsor) to pay for extra services

**Enabling Conditions**

- Pipeline of economic drivers and new development that could catalyze major investments and growth
- A strong local champion who will advocate for the adoption of BIDs
- An anchor institution or asset that stakeholders can organize around
III – Forming a BID

Section Components:
- What does it take to plan for a BID?
- Required Documentation for BID Application Submission
- What does it take to legally authorize a BID?
Following Maryland’s state legislative requirements, there are two key phases to plan for and legally establish a BID.

### Planning Phase
- **Step 1**: Steering Committee
- **Step 2**: Property Owner Approval
- **Step 3**: Formal Submission
- **Step 4**: Public Hearing

### Legislative Authorization Phase
- **Step 5**: Council Decision
- **Step 6**: Preliminary BID Tax Roll
- **Step 7**: BID Establishment
Through property owner, business, and resident engagement, Prince George’s County should determine if it will pursue a new BID formation approval rate.

The property owner approval rate is a major determinant of BID formation.

<table>
<thead>
<tr>
<th>State</th>
<th>Approval Rate</th>
</tr>
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<tbody>
<tr>
<td>Maryland</td>
<td>80%</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>51%</td>
</tr>
<tr>
<td>New York</td>
<td>51%</td>
</tr>
<tr>
<td>Georgia</td>
<td>51%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>50%</td>
</tr>
<tr>
<td>California</td>
<td>50%</td>
</tr>
<tr>
<td>Colorado</td>
<td>50%</td>
</tr>
<tr>
<td>Washington</td>
<td>50%</td>
</tr>
<tr>
<td>Michigan</td>
<td>30%</td>
</tr>
</tbody>
</table>

Local jurisdictions can facilitate BID formation by adopting a lower BID approval rate. Montgomery County, MD has set a precedent in Maryland, lowering the local requirement:

- Property owner signatures: **80%** → **51%**
IV – Operating a BID

Section Components:
- How is a BID governed?
- What is required in a BID’s annual report?
- How is a BID staffed?
- What does a BID operating plan entail?
- How might the budget guide strategic decisions?
- What sources of revenue are included in the budget?
- What are some example budget line items?
- What are some example performance metrics?
Strategic planning efforts allow BIDs to set priorities, which in turn inform budgeting and resource allocations across different services and activities.

<table>
<thead>
<tr>
<th>Program/Service</th>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branding/Identity</td>
<td>Website/newsletter/social networking program; public relations/advertising/sales promotion campaign</td>
<td>$100,000 - $150,000</td>
</tr>
<tr>
<td>Placemaking/Beautification</td>
<td>Wayfinding signage, banner program, public art program</td>
<td>$50,000 - $100,000</td>
</tr>
<tr>
<td>Special Events</td>
<td>Signature event, weekly music and beer events, quarterly major events, arts market</td>
<td>$50,000 - $100,000</td>
</tr>
<tr>
<td>Clean and Safe</td>
<td>Coordinating county police and private sector security, coordinating maintenance, contracting with maintenance/landscaping firms</td>
<td>$25,000 - $50,000</td>
</tr>
<tr>
<td>Administrative Costs</td>
<td>Executive Director; Manager of Operations; Rent/insurance; legal/accountant; Board expenses; Branding/placemaking consultant; special events coordinator</td>
<td>$250,000 - $350,000</td>
</tr>
</tbody>
</table>

**Total Estimated Expenses**: $475,000 - $750,000

*Source: White Flint Downtown Advisory Committee Budget Estimate*
Performance metrics show property owners and other stakeholders that the BID’s activities are meaningfully and measurably advancing stated goals.

- Growth in occupancy rates and new investment
- Increased retail sales
- Attendance at events and activities
- Attitudinal surveys of businesses, residents, visitors
- Amount of trash collected
- Website visitors, social media followers and media citations
Section Components:

- Formation Requirements Checklist
- Property Owner Outreach Survey
- Sample Executive Director Job Description
- Sample Service Schedule
- Sample Vendor Solicitation Policy
- Operating Budget Plan Template
- Sample Performance Evaluation Template
AGENDA

- Introductions
- Project Overview
- Key Findings
The County is experiencing new opportunities and momentum for BIDs to form.
Stakeholders recognize that BIDs would benefit many commercial areas in the county, primarily by contributing to the following:

- Vibrancy and Identity
- Beautification
- Public Safety
- Infrastructure Improvements
- Regional Competitiveness
However, major barriers to BID formation remain, with stakeholders recognizing the following challenges:

- Cost of BID start up
- Low commercial density
- Low tolerance for taxation, given demonstrated need for tax reduction policies like PILOTs
- Potential displacement of small businesses and residents
- Maintaining equity and inclusivity in the BID
Local authorities can support BIDs administratively and financially.

**Forms of County Support:**

- Establish clear process and protocol to BID formation
- Designate public entity to facilitate BID authorization and funding
- Provide tangible support, such as grant funding or technical assistance

<table>
<thead>
<tr>
<th>Place</th>
<th>Department</th>
<th>Form of Support</th>
</tr>
</thead>
</table>
| Washington, D.C. | Department of Small and Local Business Development | • Management of BID certification and charter extension process  
• “Emerging BID Grants” used for economic research and outreach |
| San Diego, CA    | Economic Development Department                  | • Grants for storefront improvement                                    |
| Denver, CO       | Department of Finance-Capital Planning and Programming Division | • Revolving loan fund for “final organizational costs of emerging BIDs” |
| Silver Spring, MD| Silver Spring Regional Service Center            | • Revenue from Parking Lot District funds, to supplement 2/3 of BID budget |
Moving forward, County leadership has several key decisions to make regarding the County’s support of BIDs.

- Will the County advance legislation that facilitates BID adoption by lowering approval rates, as Montgomery County has done?
- Will the County financially support the exploration and formation of new BIDs?
- Which county entity/agency might facilitate administrative tasks related to BIDS, such as the disbursement of government funds? How would this agency be staffed?
Meanwhile, local stakeholders such as property owners and CDCs could begin to create informal committees to gather interest in BIDs or BID-like entities.

- Hold visioning sessions to gather interest in a BID
- Conduct outreach to property owners, businesses, and residents to determine community needs and articulate BID benefits
- Draft budget and scope the corresponding services a BID could provide

Image source: Bisnow
Questions

• Based on the overview of the toolkit, do you feel there are any other sections that would be helpful to include?

• What additional concerns do you have about BIDs and their implementation in Prince George’s County?
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Thank You!