

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 344 (Prince George's County Delegation)

Commerce and Government Matters

City of District Heights (Prince George's County) - Urban Renewal Authority for
Slum Clearance
PG 421-99

This bill authorizes the City of District Heights, Prince George's County, to undertake urban renewal projects for slum clearance and redevelopment. The city may establish an urban renewal agency to undertake these projects. In order to initiate an urban renewal project, the city must adopt a resolution which finds that 1 or more slum or blighted areas exist, locates and defines the slum or blighted area, and determines that the rehabilitation of the area is in the public's interest. Before a plan for urban renewal can be undertaken, it must be approved by the city. The bill also requires the city to provide compensation to the appropriate parties when it acquires land or property for urban renewal purposes. In order to finance urban renewal projects, the city may levy taxes and assessments and issue general obligation bonds and revenue bonds. Any property acquired by the city for an urban renewal project may in turn be sold to any other parties provided the property is devoted to the uses specified in the urban renewal plan.

The provisions of the bill may only be amended or repealed by the General Assembly.

Fiscal Summary

State Effect: None.

Local Effect: City of District Heights revenues and expenditures could increase as discussed below.

Small Business Effect: Potential meaningful.

Fiscal Analysis

Local Effect: At this time, the number of properties that would qualify as urban renewal projects for slum clearance and redevelopment cannot be determined. If the City of District Heights undertakes such projects, expenditures would increase depending upon the purchase price. The city could also incur appraisal costs, settlement costs, and attorney's fees. It is expected that these costs could be offset by bond proceeds, additional taxes and assessments, and/or proceeds from the resale of the properties.

Small Business Effect: If the City of District Heights undertakes urban renewal projects, the procurement process could result in additional revenues for any small businesses selected for part of an urban renewal project. In addition, once an urban renewal project is completed, there may be additional tourism or visitation to the area, providing additional opportunities and potential revenues for small businesses.

Information Source(s): Prince George's County, Department of Legislative Services

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