

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 827

(Delegate Ivey)

Environment and Transportation

Finance

Prince George's Gateway Development Authority - Established

This bill establishes the Prince George’s Gateway Development Authority in Prince George’s County to support the development and approval of a comprehensive neighborhood revitalization plan in the “target area” in the county. The authority consists primarily of State and local government officials, or their designees. Authority members may not receive compensation but are entitled to reimbursement for expenses. The authority may manage appropriated funds from municipalities in the target area, Prince George’s County, and the State. By October 31, 2025, the authority must report its comprehensive neighborhood revitalization strategy to the Governor, the Senate Budget and Taxation Committee, and the House Appropriations Committee. **The bill terminates September 30, 2028.**

Fiscal Summary

State Effect: No direct effect. It is assumed that members of the authority can likely provide staff and expense reimbursements with existing resources. Although the bill allows the authority to manage funds appropriated by the State, it does not require any such funds to be appropriated. Revenues are not directly affected.

Local Effect: Prince George’s County and participating local authority members can likely provide staff for the authority with existing resources. If not, local expenditures may increase minimally. Although the bill allows the authority to manage funds appropriated by Prince George’s County and municipalities in the target area, it does not require any such funds to be appropriated. No direct effect on local revenues.

Small Business Effect: None. Small businesses are not directly affected by the establishment of the authority but could be affected by the implementation of the neighborhood revitalization plan developed pursuant to the bill.

Analysis

Bill Summary: “Target area” means the City of Mount Rainier, the Town of Brentwood, the Town of Cottage City, the City of Bladensburg, the Town of Colmar Manor, and the Town of North Brentwood in Prince George’s County.

The authority may receive donated services from accountants, lawyers, or other consultants as necessary to carry out the bill and may supervise, manage, and terminate staff and consultants as necessary.

The authority must support the development and approval of a comprehensive neighborhood revitalization plan in the target area to benefit (1) the residents; (2) housing; (3) neighborhoods; (4) economic development; and (5) transportation, including motor vehicles and pedestrians.

Members of the authority may not receive compensation but are entitled to reimbursement for expenses.

Current Law: Chapters 80 and 81 of 2021 established the West North Avenue Development Authority to support a revitalization plan in a target area and buffer zone in Baltimore City.

Additional Comments: The bill does not explicitly allow the authority to finance neighborhood improvements and economic development initiatives that are typical for development authorities. However, to the extent that it receives funds from Prince George’s County, municipalities, and/or the State for those purposes, the authority may initiate those types of projects. As any such projects are contingent on funding that is not required by the bill, this analysis does not reflect any fiscal effects, such as increased debt service payments, or property tax revenues, that may result from implementing the neighborhood revitalization strategy that is developed in accordance with the bill.

However, there may be a future expectation of funding. As a recent example, the fiscal 2024 budget as passed by the General Assembly includes \$11.4 million for the West North Avenue Development Authority, which was established in 2021 for a similar purpose, with similar responsibilities, and also without a funding mandate, primarily to hire staff and fund/initiate development projects along West North Avenue in Baltimore City.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 696 (Senator Augustine) - Finance.

Information Source(s): Department of Commerce; Department of Housing and Community Development; Prince George's County; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2023
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