



Bernard C. "Jack" Young  
Mayor

## PLANNING COMMISSION

*Sean D. Davis, Chairman*

### STAFF REPORT



*Chris Ryer  
Director*

**January 30, 2020**

**REQUEST:** City Council Bill #19-0465/ Port Covington District and Port Covington Community Benefits District Management Authority:

For the purpose of creating a community benefits district for Port Covington; specifying the boundaries of the district; creating a community benefits district management authority and providing for its rights, duties, and powers; providing for the selection and composition of the Authority's Board of Directors; designating the initial interim board of the authority and providing for the selection and approval of a full board, including authority to establish up to three classes of board memberships with certain approval rights granted to each class; creating the administrator for the authority and approving a potential administrator; mandating the financial responsibilities of the Authority and the City in conjunction with the operation of the district; providing for a supplemental tax to be collected for the Authority; authorizing the creation of separate classes and subclasses of property for the purposes of establishing different rates of supplemental tax; authorizing the creation of credits to facilitate a diverse residential mix; incorporating the assessment, collection and enforcement process for the supplemental tax within the procedures and processes already existing; specifying the role of the City in maintaining and enhancing existing services; encouraging the creation of partnerships between and among the Authority, the City, the state, the federal government and other property owners not subject to the supplemental tax; establishing the Board of Estimates as the agency charged with reviewing and approving various matters relating to the district and the Authority; providing for the renewal expiration, termination and approval of the District and the Authority; otherwise providing for the existence, operation and control of the District and the Authority; and providing for a special effective date.

**RECOMMENDATION:** Approval

**STAFF:** Eric Tiso

**INTRODUCED BY:** Councilmember Costello

### **SITE/GENERAL AREA**

The boundaries of the proposed benefits district can be generally described as that area located south of I-95, which includes the southern portion of the Spring Garden Industrial Area below I-95, and the Port Covington area but not including the Under Armor campus. This area includes a couple of parks including Swann Park and West Covington Park, several industrial users, over to the newly redeveloped Sagamore distillery and the Gould Street power plant site.

### **HISTORY**

- The Port Covington Master Plan was adopted by the Planning Commission in their meeting of June 23, 2016.
- The easternmost edge of this site is located within the Port Covington Planned Unit Development (PUD) #71, which was established by Ord. #90-425 on January 17, 1990, that was later amended by Ordinances #00-57, #02-431, #04-884, and most recently by Ord. #16-572, dated December 5, 2016.

## **ANALYSIS**

**Background:** This bill will create a business improvement district (BID), formed by the property owners for the purpose of taxing themselves in order to fund specific additional services. This additional tax will be collected as a supplemental property tax along with regular property taxes for the owners in the BID area. The funds will then be transferred to the BID management authority for disbursement. The proposed tax surcharge is estimated to be \$0.45 per \$100 of assessed value.

The Port Covington BID will be empowered to: acquire property, make contracts for services, apply for grants, borrow funds to support its services, adopt an annual budget and set the supplemental tax rate for its benefitted properties, and establish and enforce rules for public areas within the BID area.

The additional services to be provided within the BID will include: beautification and landscape maintenance; snow removal; sanitation services; additional security; marketing and promotions; events; and fundraising efforts.

Upon establishment, the BID will need to be reviewed by the Mayor and City Council every four years in a public hearing to evaluate the activities of the Authority, where the Mayor and City Council will decide whether the BID continues for an additional four years.

Notice of this meeting was sent via GovDelivery to 17,121 unique subscribers (with a 96% delivery rate). For direct stakeholder outreach, the applicant team (representing 62% of the land area) contacted property owners within the project area, and received either support or no objection from most of the property owners (30% of the land area). Two property owners (representing approximately 8% of the land area) did not respond.



**Chris Ryer**  
**Director**