



Takoma Park City Council Meeting – April 26, 2017 Agenda Item 1

Public Hearing

Public Hearing on a Proposed Real Property Tax Increase

Recommended Council Action

Hear testimony on the real property tax rate.

Context with Key Issues

Pursuant to State of Maryland law, the constant yield tax rate is calculated by the Department of Assessments and Taxation for each taxing authority in the State. It represents the property tax rate for the coming tax year that will generate the same amount of revenue that was generated during the current tax year. As assessments increase, the constant yield tax rate decreases. When a taxing authority plans to impose a tax rate that is higher than the constant yield tax rate, it must advertise the tax increase and hold a public hearing.

The real property tax rate must be set at the constant yield tax rate hearing, or at a later time if announced at the time of the hearing. The tax rate is adopted as part of the overall budget. An ordinance setting the tax rate is scheduled for adoption at the same time as the budget ordinance is adopted.

Notice of the public hearing on the proposed real property tax increase was published, as required by State law, in a newspaper of general circulation. The notice was published in the April 14, 2017 edition of The Washington Post.

Council Priority

A Livable Community For All
Fiscally Sustainable Government
Environmentally Sustainable Community
Engaged, Responsive & Service-oriented Government
Advance Economic Development Efforts

Environmental Impact of Action

Real property tax revenues, in addition to the stormwater fee and grants, support substantial continued investment in improving the environment, including, but not limited to: \$810,350 for stormwater system improvements, \$127,000 in sustainability efforts, continued movement towards replacement of street lights with LED fixtures, continued efforts towards increasing tree canopy, \$7 million bonding for library renovation and expansion meeting highest green standards possible, \$2 million bonding to match federal grants for the Ethan Allen Gateway and Flower Avenue Green Street projects that both advance environmental sustainability.

Fiscal Impact of Action

The Fiscal Year 2017 property tax rate was \$0.5675 per \$100 of assessed real property. The City Manager's proposed budget for Fiscal Year 2018 includes a property tax rate of \$0.56 per \$100 of assessed real property.

This rate is 4.5% higher than the constant yield tax rate of \$0.5358 per \$100 of assessed real property and will generate \$542,604 in additional real property tax revenues.

Racial Equity Impact of Action

The real property tax revenues support major proposed expenditures to help address racial equity in Takoma Park. Renovation and expansion of the Library will allow for increased books, resources and programming for Ward 4 (85.1% people of color, per the 2010 Census) and other residents, particularly recent immigrants, young adults, and people of color. The Flower Avenue Green Street in Ward 5 (72.4% people of color) and the Ethan Allen Gateway project in Ward 6 (81.5% people of color) will improve pedestrian safety, appearance, and transportation options for the nearby residents. Monies for a Residents Survey will collect needed information to help assess racial equity, improve police/community relations, and identify areas where City services could improve. The new Outreach division of the Recreation Department will help focus services on young people, particularly young people of color. The sustainability program's emphasis on energy efficiency for multifamily and business properties may have a positive impact on racial equity by increasing the affordability of housing and of operating a small business.

Attachments and Links

- Public Hearing Notice as published in *The Washington Post*
- [Proposed FY 18 Budget](#)

from prescription opioids. By 2011, heroin began turning up more often in toxicology reports, bringing the annual death toll from drug overdoses to about 800. Illicit fentanyl used as a substitute for prescription opioids arrived in the U.S. in 2013 or so, Hobron said, and total drug overdose deaths rose to 1,028 by 2015.

Virginia is not alone in this crisis; in 2014, more than 28,000 people died of opioid overdoses across the country. Heroin deaths have tripled since 2010, with 10,500 deaths in 2014, according to the U.S. Department of Health and Human Services.

This crisis is not restricted to rural Virginia, where some who injured themselves doing heavy physical labor took prescription

opioids for pain and became addicted. In urban areas of the state, fentanyl knockoffs and heroin are the major problem, both health officials said.

Levine, the state's health com-

missioner, is going to take years of partnerships between law enforcement, the medical community and the public to address the underlying causes of the epidemic, Levine said.

patricia.sullivan@washpost.com

ES

IRGINIA

My Pick-3:	7-3-8
Pick-4:	7-9-0-1
Cash-5:	8-11-17-25-31
Night/Pick-3 (Wed.):	6-7-9
Pick-3 (Thu.):	0-9-6
Pick-4 (Wed.):	3-2-3-8
Pick-4 (Thu.):	8-3-3-4
Cash-5 (Wed.):	2-7-11-17-28
Cash-5 (Thu.):	13-16-28-29-31
Bank a Million:	4-5-8-27-37-40 *33

MULTI-STATE GAMES

Cash 4 Life:	17-19-49-50-56 †4
Jackpot for Life:	2-3-21-29-33 †13
Powerball:	8-14-61-63-68 **24
Power Play:	2x
Hot Lotto:	5-18-20-35-42 †2

*Bonus Ball **Powerball
 †Cash Ball ‡Hot Ball †Lucky Ball

For late drawings and out-of-area results, check [washingtonpost.com/lottery](http://www.washingtonpost.com/lottery)

CITY OF TAKOMA PARK NOTICE OF A PROPOSED REAL PROPERTY TAX INCREASE

The City Council of the City of Takoma Park proposes to increase real property taxes.

1. For the tax year beginning July 1, 2017, the estimated real property assessable base will increase by 5.9%, from \$2,120,994,549 to \$2,246,294,286.
2. If the City of Takoma Park maintains the current tax rate of \$0.5675 per \$100 of assessment, real property tax revenues will increase by 5.9% resulting in \$711,076 of new real property tax revenues.
3. In order to fully offset the effect of increasing assessments, the real property tax rate should be reduced to \$0.5358, the constant yield tax rate.
4. The City of Takoma Park is considering not reducing its real property tax rate enough to fully offset increasing assessments. The City of Takoma Park proposes to adopt a real property tax rate of \$0.56 per \$100 of assessment. This tax rate is 4.5% higher than the constant yield tax rate and will generate \$542,604 in additional property tax revenues.

A public hearing on the proposed real property tax rate increase will be held at 7:30 pm on Wednesday, April 26 at the Takoma Park Community Center Auditorium, 7500 Maple Avenue, Takoma Park, Maryland.

The hearing is open to the public, and public testimony is encouraged.

Persons with questions regarding this hearing may call 301-891-7267 for further information.