



Takoma Park City Council Meeting – July 7, 2021 Agenda Item 1

Voting Session

Resolution Supporting National Capital Strategic Economic Development Fund (NED) Grant Application for Acquisition and Preliminary Design for 6530 and 6600 New Hampshire Avenue

Recommended Council Action

Approve the accompanying resolution of support.

Context with Key Issues

The Maryland Department of Housing and Community Development has announced the FY 22 State Revitalization Programs (SRP) which offer a range of funding to further the revitalization goals of communities across Maryland. The National Capital Strategic Economic Development Fund (NED) is one of six funding programs and provides competitive funds in support of commercial and residential activities in areas targeted for revitalization. The program attempts to focus on areas where modest investment and a coordinated strategy will have an appreciable neighborhood revitalization impact. Funds from the NED Program should support the goals and objectives outlined in a targeted area's Sustainable Communities Action Plan.

The City, in collaboration with a development partner, is submitting a grant application for a multi-phase project which includes the acquisition of the property located at 6530 New Hampshire Avenue; rehabilitation of the existing abandoned building to create a conference center and commercial use space as well as new construction to add additional floors to the existing building in order to create 18-20 housing units (of which 35% would be affordable units); and the acquisition of 6600 New Hampshire Avenue.

- Phase 1- Acquisition of 6530 and 6600 New Hampshire Avenue. Funds awarded will be used toward the purchase of these properties. 6530 New Hampshire Ave is under contract for purchase with an anticipated completion date by December 31, 2022.
- Phase 2- Architectural & Engineering Planning. Work with an architect and engineers to finalize building and site plans for 6530 New Hampshire Avenue which will be used to secure permits and contractors for the project. Anticipated completion date is June 1, 2022.

The grant will support the City's efforts to direct funding towards the revitalization of the New Hampshire Avenue corridor as outlined in the New Hampshire Avenue Corridor Concept Plan.

Council Priority

- Community Development for an Improved and Equitable Quality of Life
- A livable Community for All

Environmental Considerations

This project is to reclaim two vacant, derelict properties and bring them into productive use. Currently the building at 6530 New Hampshire Avenue is a shell, without electricity or plumbing. The building at 6600 New Hampshire has been a site of auto-oriented business and may require some site remediation. Currently the property has no stormwater management facilities. The renovated building will meet all requirements for sustainable building.

Fiscal Considerations

The grant application is for \$2,000,000 for acquisition and architectural and engineering design plans. The total cost of the project, including acquisition and renovation, is estimated at \$10,965,000.00. This project was awarded a \$500,000 NED grant in FY 2021 and those funds, along with \$1 million committed by the developer, are being put towards acquisition of the properties. Bringing these properties into productive use will contribute to the real property tax base of the City.

Racial Equity Considerations

The property is located in the New Hampshire Avenue corridor, a racially and internationally diverse community that has had very little redevelopment activity. This very visible site will be one of the largest private investments in the City in decades.

Attachments and Links

- Draft Resolution
- [Maryland Department of Housing and Community Development State Revitalization grants](#)

Introduced by:

CITY OF TAKOMA PARK, MARYLAND

RESOLUTION 2021-

**SUPPORT OF SUBMISSION OF FY22 STATE REVITALIZATION PROGRAM
NATIONAL CAPITAL STRATEGIC ECONOMIC DEVELOPMENT FUND (NED)
GRANT APPLICATION**

WHEREAS, the Takoma Park City Council recognizes that there is a significant need for reinvestment and revitalization of commercial and residential areas in the community; and

WHEREAS, the economic viability of the commercial and residential areas along New Hampshire Avenue have been the focus of numerous planning and economic development studies conducted by the City and others for over ten years; and

WHEREAS, the City has developed a State Revitalization grant application for a multi-phase project which includes the acquisition of the property located at 6530 New Hampshire Avenue, rehabilitation of the existing abandoned building to create a state-of-the-art conference center and commercial use space as well as new construction to add additional floors to the existing building in order to create 18-20 housing units (of which 35% would be affordable units), and the acquisition of 6600 New Hampshire Avenue; and

WHEREAS, the Maryland Department of Housing and Community Development may provide some or all of the financing for the Project in order to assist in making it financially feasible; and

WHEREAS, the project is located within a priority funding area and a designated Sustainable Communities area; and

WHEREAS, the project will contribute to the Council Priorities of Community Development for an Improved and Equitable Quality of Life and A Livable Community for All.

NOW, THEREFORE BE IT RESOLVED THAT, the Council of the City of Takoma Park endorses the submission of the City of Takoma Park's FY 22 State Revitalization Program National Capital Strategic Economic Development Fund (NED) grant application for financial assistance for acquisition and development of architectural and engineering plans for 6530 and 6600 New Hampshire Avenue; and

BE IT FURTHER RESOLVED THAT, the City Manager is hereby authorized to execute documents as “Legal Entity Official (LEO)” and take any action necessary to carry out the intent of the resolution.

Adopted this ____ day of July, 2021.

Attest:

Jessie Carpenter, CMC
City Clerk