

CITY OF BOWIE STATE OF THE CITY REPORT



MAYOR G. FREDERICK ROBINSON

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Good morning. I thank you for getting up early to be here today and be a part of this event. We appreciate your hard work and we particularly appreciate your choice to make Bowie the home for your business – a great choice for you and a great choice for us. Thank you for making Bowie a better place to live and to run a business.

We have gathered here a number of times for this purpose over the years. I have always appreciated your hospitality and have always respected your support of our city. Like the other times that I have come before you, I am here to tell you that the state of the City is strong.

We are strong not only because we study and are guided by sound fiscal policies, but because we take that planning responsibility seriously. We plan, we look forward, we study, and we do everything we can to anticipate what's coming so we will continue to thrive, and, this is extremely important, we remain strong because we also save for the unexpected.

Together we have experienced a variety of events and been affected by a host of outside forces over the years. We have seen economic turmoil and terrorist attacks on our nation, we have experienced snow storms, state budget cuts, falling property values and foreclosures, but we have weathered these storms – meteorological and otherwise. I am proud to say that Bowie remains strong and we are well positioned to move forward to a great future.

While we can't control the national economy or the unemployment rate, we can and we do influence the local economy in positive ways through our policies and our tax rates; by creating a business friendly atmosphere and by providing the best environment for you to run your business. We maintain our streets and sidewalks, we plow our streets quickly and effectively, we offer recreational amenities in the form of parks and indoor facilities, and the City Police patrol the City's neighborhoods and business areas. Our goal is to create an environment that is safe and inviting for our residents and one that encourages businesses to bloom and grow.

Speaking of businesses that bloom and grow, I want to congratulate Inovalon, a multimillion dollar company based in Bowie and our largest private employer. This company, which provides analytics and data-based technology services to the healthcare sector, will soon go public with an initial public offering of up to 500 million dollars of Class A common stock. Inovalon reported net income of \$51.9

million for the nine months ending in September 2014, up from \$27 million a year earlier. Quite an accomplishment, indeed! Congratulations.

In terms of the City's finances, I would like to offer our succinct observation: our conservative budget is balanced, our bills are paid, and we maintain a strong reserve. Our revenue comes from residential property taxes, shared income taxes, business taxes, licenses, fees, and grants from other levels of government.

We pride ourselves on our commitment to fiscal responsibility and to the retention of our prestigious triple AAA bond rating, a designation that only a handful of municipalities in the state of Maryland can claim.

For Fiscal Year 2016 we expect our budget to be close to what it has been for the last couple of years, with an operating budget of around \$46 million dollars. We will continue to focus our attention and our spending on core services, with 53% of the budget dedicated to Public Works and Public Safety. As we begin planning for the next fiscal year this spring, my colleagues and I are determined to keep costs controlled and we plan to keep taxes stable. It is my goal once again to produce a reasonable budget that not only meets our needs, but that will, with my colleagues' concurrence, hold property taxes flat for the sixth year in a row.

You have heard me say many times before that one of the reasons the state of our city is strong is because of our dedicated City staff. But I've never gone beyond that statement to explain what I really mean. This year, I would like to spend a moment or two highlighting a few of the more than 400 employees who have helped Bowie earn its reputation as a well-run, well-maintained city that I believe is the envy of the region.

Let me start with **Rick Kellner**, who is an example of the fine employees in our Parks and Grounds Division. As City Forester, he oversees the care of trees in our parks, at our public facilities, and along our streets. Not only do trees provide shade, they also bring charm and beauty to an area. They are one of those things that make developments into neighborhoods. Rick and his team quietly and effectively fight invasions of emerald ash borers and other species that attack the trees in his care and he shares his expertise about trees in the City newsletter and in consultations with City residents. He and his co-workers are also the first to respond, day or night, when a storm's fury fells a tree across a roadway or sidewalk in the City.

Bennie Henderson is a member of our Bowie Police Department, assigned to our Community Services Unit. Every Bowie Officer from the Chief on down is a Community policing officer, but the majority of our outreach programs are organized and operated through the Community Services Unit.

Besides being an experienced police officer and one of the original six officers of the Bowie PD, Bennie has been instrumental to the success of all of the Department's outreach efforts. You will find him sorting toys donated to the annual "Toys for Tots Drive", or you will find him speaking to seniors about how to avoid being victims of crime, or sharing information with retail businesses in Bowie concerning crime trends, organizing anti-bullying campaigns at the schools, or drumming up support for Bowie's award winning National Night Out Against Crime event each August. He understands the importance of building community ties and what community policing really means.

Jamie Braun is one of our Code Compliance Officers. Like her peers in this division, she is committed to preserving the inviting nature of Bowie's neighborhoods by maintaining the standards that are set forth in our City Code. She's hardworking, friendly, practical, and knows her job inside and out. She is also well respected by her peers across the state, having served as president of the Maryland Chapter of the Code Enforcement and Zoning Officers Association.

John Illig manages the City's Water Plant, which supplies water to almost 8,000 Bowie households. He has worked for the City for almost 50 years. He can tell you all about the rainwater that fell hundreds of years ago to fill the underground aquifers that supply water to Bowie's water system. Not only does he know the geology that created aquifers, he also knows the chemistry to keep the water safe and potable, and he knows the mechanics of the pumps and wells that bring the water to your tap.

None of these four have what might be called glamorous jobs, but these individuals are on the frontlines of City government every day, keeping the water flowing, the trees growing, the neighborhoods neat, and the community safe. They reflect their peers throughout the City government, in their experience, in their expertise, and in their dedication to their jobs; and the City Council and the residents of Bowie are fortunate to have them working for us. We are proud of them.

Before I leave this topic I would like to give you a quick update on the Bowie Police Department.

In early 2005, even before a large majority of the electorate voted to support the establishment of a Bowie Police Department, the Council and the City Manager were talking about what a Bowie Department might look like. We wanted improved response times and safer neighborhoods, but community-based policing was central to the plan and has always been our goal.

Today, eight years after the first officers began patrols in Bowie, the department is 61 officers strong. We have a strong patrol force, a Criminal Investigation Unit, a Traffic Unit, a Community Services Program, and we have officers based at Bowie High School and at the Belair Annex.

We have good relationships with residents, retailers, community groups, and our partners in the Prince George's County Police Department. Our officers work every day to build bridges with these groups through education, through community events, and by having leadership that is approachable, and an operation that is transparent. The officers reflect the community in both their demographics, and in their attachment to this community. They are a part of Bowie, they are invested in Bowie, and they take crimes that threaten the safety and stability of Bowie very seriously.

In 2016, we will take the next step in the department's evolution when we establish a City of Bowie Non-Emergency Call Center that will ensure that callers can reach the Department's offices 24 hours a day, seven days a week and get someone on the phone who knows our neighborhoods, our issues, and our hot buttons. The Call Center will also act as a communications hub for all City services during non-business hours. Emergency dispatch will remain with Prince George's County 911 Center, but the initial calls for assistance will be handled by City of Bowie employees.

I firmly believe that the work of this outstanding department and the fine job done by all the other City departments contributes to the strength and economic health of our community.

Now I'd like to talk about two very different economic development projects that I think illustrate how this Council and this staff work together to achieve continued success for our city.

As I said earlier, we are conservative when it comes to spending money. We make a budget, we set goals for the future, we save for large purchases, and we never borrow money to fund day-to-day operations.

But in other ways we are innovators.

The temptation in government is that when you find something that works, you keep doing it. That may be a good strategy when it comes to managing money, but it doesn't always work when it comes to managing government. That is why we frequently question ourselves to see if there is a better or more efficient way of doing things to achieve the results we want for our city.

This is especially true when it comes to development within the city.

Sometimes it is a small, but not insignificant, change in focus or strategy that can break a logjam of many years and ultimately yield desired results. Two recent development projects illustrate this point very well and highlight how the City Council and the City staff approach problems and diligently work to find solutions.

Most of you know the Marketplace Shopping Center was once a busy retail center with a movie theater, a department store, a bank, several dining options, and an anchor grocery store. Over the years, the center lost tenants and declined into a shell of its former self. Today only Chaney's, Dry Clean Depot, Glory Days, Rite Aid, and a couple of other small establishments remain among the empty store fronts and boarded up windows. It is quite frankly an eyesore in the center of our city and is a stark contrast to the busy Free State Shopping Center across the street.

We believe Marketplace is vital to the economic health of the center of our city. We believe declining centers invite crime and mediocrity and they discourage other investment nearby, but at Marketplace, multiple owners, economic downturns, and shopping competition here in Bowie and in Crofton have made improving the shopping center difficult to accomplish.

Now, we could have thrown up our collective hands in despair at this situation, but we did not! Instead

- City staff has attended and actively participated in international retail conferences marketing Bowie.
- They have reached out to grocery store chains across the country, looking for one interested in anchoring a redeveloped center.
- We have worked at the state level for legislation to allow grocery stores in the City to sell beer and wine, a feature we have been told would make it easier to convince a new grocery store to locate in Bowie.
- We worked and continue to work with our State and County colleagues to secure funding for road improvements and the widening of Annapolis Road between Route 3 and 197. This is a critical need for Bowie and for the Marketplace project.

In mid-2013 Berman Enterprises took a risk, and bought the Marketplace property and actively began taking steps to revitalize the center. However, things did not progress very quickly. Getting a grocery store to anchor the center proved difficult and extremely costly. But here is where planning and forecasting come in handy.

In 2011, Council established an economic incentive fund to be used, when necessary, to cultivate or retain businesses in the City. In establishing the fund, Council recognized that sometimes before a government can be successful in nurturing new development and realizing new sources of tax revenue, it must first be a catalyst for development.

Marketplace seemed like the perfect place to make that investment. So after much research and deliberation, and some serious public discussion, in December 2014 Council made a major commitment to the future economic health of our community by approving almost \$1 million in incentives to help Berman Enterprises move the redevelopment project forward in the current challenging economic climate.

Council also agreed to support a grocery store gas station at the center, and in later phases of redevelopment to support some housing on the site. To this end, I want to publicly thank and congratulate the City Council for their thoughtful and courageous action. This action was not without controversy, but it was the right decision at the right time. I would also like to thank Berman Enterprises for having the foresight to invest in our community.

The incentive package included the transfer of a small parcel of land, less than an acre in size, at the Sage Lane entrance to the center and approximately \$700,000 to raze the empty, failing structures so that redevelopment of Marketplace can begin.

Today I am pleased to be able to tell you that demolition of the center is expected to commence within the next six months and Berman Enterprises is in final negotiations with a major grocery store chain to build a store at the Marketplace site.

We estimate that a fully built and occupied Marketplace will bring in approximately \$180,000 in tax revenues annually, compared to the \$24,000 the City receives in tax revenue from there now. In today's economy, at that location, we believe a fully occupied center could only be built if the City made the up-front investment in the future and in the economic vibrancy of this community.

This same willingness to look with fresh eyes at a project that never really reached its potential can also be seen in the Council's approach to development at Melford.

In 1985, the large area north of Route 50 and to the east of Route 3 was approved as a high quality business park, where high tech industries would cluster. The thought was that businesses would be clamoring to put down roots at what was then called the University of Maryland Science and Technology Center.

The City supported the idea wholeheartedly and at the request of the developers, annexed the area and agreed to provide water and sewer service and help manage stormwater in the area. The developer and the City agreed to a set of covenants for the property that protected the City's infrastructure investment and guaranteed that only uses compatible with the intended plan could be developed.

Over the years this project has seen a variety of owners, very hard economic times, conflict among owners, the City, the County, and the State. It has been a divisive issue that has been stalled for far too long.

Then, in 2013, after much research, numerous discussions, and many meetings, the City Council stepped back, re-evaluated the realistic chances of seeing a successful employment center at Melford and came to the conclusion that fundamental change was needed. They took the bold and somewhat controversial step to change the covenants for Melford to allow a mixed use of office, retail, and housing on the site. Current plans represent significant agreement between the City and the developer for a defining project that will give new life to the project and add quality development to the City.

This key decision set a new direction for development of this property. The Council voted to support St. John Properties' revised mixed-use proposal that will add up to:

- 2,500 new dwelling units (including up to 1,000 senior units),
- 268,500 square feet of retail uses and
- An additional 260,000 square feet of office space

This change in direction has multiple benefits for the City.

- The project will move forward and will be a vibrant and attractive addition to the City.
- There will be a projected net gain in City tax revenue of over \$1.5 million dollars.
- The public safety surcharge revenue, which pays the City for the additional public safety services required, will bring in about \$3.8 million dollars.
- Over \$1 million in building permit fees will be generated.
- More housing opportunities for seniors will be available here.
- At least 100 units will be designated as workforce housing units, making the project affordable to a broad segment of the population.
- The traffic impact is estimated to be less than previous proposals would have generated.
- The City maintains site plan approval authority for all projects at Melford Village.

- The developer has agreed to encourage minority, women, and/or disadvantaged business owners to participate in the development.
- They have also agreed to make every reasonable effort to attract regular transit service to the project.

The concept plan is awaiting final action by the District Council in the coming months. Approval will clear the way for submission of individual subdivision and site plans for various parts of the project. You can expect to see major infrastructure investment in the site beginning later this year.

I fully support this change. It is the right time and the right course. But, this change would not be possible again, but for the City Council's decision to move forward. For that, I congratulate them. This was a tough call and they answered it wisely and courageously.

We are hopeful that a revitalized Marketplace and a variety of employment opportunities, retail offerings, and housing options at Melford will generate new interest in Bowie and bring a new generation of residents to settle here.

Throughout its history, one of Bowie's strongest assets has been the deep roots that people had in this community and their willingness to improve it for future generations. You could see this when young people grew up here, married, and decided to raise their families in the same community that nurtured them. Our challenge is to convince a new generation of people that Bowie is a great place to live, a great real estate investment, a great community in which to raise a family, and a particularly great place to establish a business.

It's not just us tooting our own horns about our great hometown. We've known it for a long time, and others do too. In fact, in fall of 2014, *Money Magazine* named Bowie one of the 50 best small cities in America. Coming in at number 28 and being only one of 4 communities in the Washington, DC/Baltimore area to make the top 50 list, we are not exactly the hidden jewel of the region, but sometimes it's hard to convince others just how special Bowie is.

As Mayor I wear many hats, but one of my most important and visible roles is being the Cheerleader in Chief for Bowie and as long as I have a voice, I will continue to spread the message about the benefits of being a Boweite or operating a business here. Bowie is indeed a terrific place.

So...there are big projects on the horizon for City government and for our community. There will be some setbacks and some bumps, and there will be issues that need addressing, but I am absolutely confident that this Council and this government are up to the challenges that lay ahead and that Bowie will continue to remain strong and will continue to provide world class services to those who operate businesses here or choose to call Bowie home. We will continue to build on our past and embrace the future.

Thank you for being here today and for supporting Bowie and our many programs. It is because of you and your hard work that we are successful together.