

MEMORANDUM

TO: City Council

FROM: David J. Deutsch
City Manager

SUBJECT: *Status Report*

DATE: February 5, 2015

Status Report

1. Highway User Revenue

Governor Hogan has announced a Supplemental Budget allocation of \$25 million for FY16 for Highway User Revenue (HUR). The allocation is split among municipalities (\$19 million), counties (\$4 million) and Baltimore City (\$2 million). Bowie is slated to receive \$1,241,500 from the Supplemental, which, when added to our "HUR base" of \$458,914, would yield \$1,700,414 for us in FY16. Everything is tentative at this stage. We will continue to monitor the State Budget review process and let you know of any developments.

2. Bowie Retail Update

Staff will again attend the International Council of Shopping Centers (ICSC) Mid Atlantic Conference and Deal Making Session on February 17 and 18. In addition to coordinating the exhibit for the "Prince George's Team – Bowie, College Park, New Carrollton, and the PGC EDC" and operating the City's booth, the Economic Development Director is once again organizing and moderating an expert panel – this year's topic is "Remaking Aging Retail Centers". As they have done in past years, staff will be gathering market knowledge and talking with each of Bowie's retail center owners and leasing people.

January is traditionally a slow period for many retailers and retail centers, particularly those in areas like ours with cold winters. Winter weather (freezing rain, sleet, ice, snow, low temperatures) keeps people home. Increased spending over the December holidays often leads to shoppers resting and recovering (not spending) in January. Within the shopping center industry, January revenues account for less than 8% of annual revenue; locally those revenue percentages are in the 5% to 6% range. One data analyst, Redbook Research, reported Tuesday: "National chain-store sales fell 3.6% in the first three weeks of January, from the comparable period in December." Another data analyst said: "January retail sales are suffering from no more than the usual post-holiday blues." Bowie's non-grocery anchored centers activity levels are examples of these seasonal expectations and do not represent a signal of problems to come.

3. MD 197 Update

The Maryland State Highway Administration continues their efforts to develop engineering plans for the section of MD 197 between Kenhill Drive and MD 450. SHA expects their plans to be approximately 30% complete by late Spring, and they will be prepared to sponsor a public input meeting by early Summer, as the improvement plan begins coming together. The project remains fully funded at \$11 million in the recently released State Consolidated Transportation Program (CTP). Completion of construction drawings is still expected to conclude by Fall 2017.

4. Utilities Division Vehicle Replacement

The FY15 Budget allocates for the replacement of truck #409 utilized by the Utilities Division in the Public Works Department. Under Montgomery County Contract #1022192 with Criswell Chevrolet, a 2015 Chevrolet utility truck can be acquired for \$43,804.68. The budget for this vehicle is \$45,000.

As provided by Section 62 of the City Charter, this will serve as the required seven-day notice of intent to issue a purchase order to Criswell Chevrolet for a total amount of \$43,804.68.

5. MC/PG 111-15 Hearing

Today, the Prince George's House Delegation's Bi-County Committee held a hearing on MC/PG 111-15, Delegate Valentino-Smith's Land Use Authority bill. Among its provisions, the bill expands the list of development applications that may be delegated to municipalities by the Prince George's County Council to include all types of Detailed Site Plans, Conceptual Site Plans and Specific Design Plans. The Committee heard from proponents, including the sponsor, the City's lobbyist and Planning Director, as well as Marketplace developer Brian Berman of Berman Enterprises. Councilman Dennis Brady also attended the hearing. Letters of support were received from the cities of Greenbelt and College Park. Several opponents addressed the Committee, including Adrian Gardner, General Counsel of the Park and Planning Commission, a representative of the County Executive and a building industry representative. Mr. Gardner noted that the Planning Board is opposed to the bill. Several Committee members voiced concerns about added costs, inconsistent interpretations and fragmenting of decision making authority in the County. The Committee is expected to vote on MC/PG 111-15 at their meeting next Thursday.