

HYATTSVILLE ORDINANCE 2006-05

**AN ORDINANCE ADOPTING AN ANNUAL BUDGET FOR THE FISCAL YEAR
JULY 1, 2006 THROUGH JUNE 30, 2007, FOR THE GENERAL PURPOSE;
FIXING THE TAX RATES FOR THE FISCAL YEAR BEGINNING JULY 1,
2006; AUTHORIZING COLLECTION OF TAXES HEREIN LEVIED, AND
APPROPRIATING FUNDS FOR THE FISCAL YEAR.**

BE IT ENACTED AND ORDAINED by the Mayor and City Council for the City of Hyattsville, as follows:

That pursuant to Section C5-6 of the Hyattsville City Charter the annual budget as follows:

	General/ Operating	Capital Equipment/ Projects	Debt Service	Total
Revenues				
Local Taxes				
Real Property	5,703,400			5,703,400
Personal Property	214,000			214,000
Railroads and Public Utilities	1,085,740			1,085,740
Penalties and Interest	51,700			51,700
Income	1,040,000			1,040,000
Admission and Amusement	3,000			3,000
Local Tax Subtotal	8,097,840	-	-	8,097,840
Licenses and Permits	420,660			420,660
Other Governments	1,045,785		300,000	1,345,785
Service Charges	145,225			145,225
Fines and Forfeitures	305,380			305,380
Miscellaneous Revenues	234,329			234,329
Total Revenue	10,249,219	-	300,000	10,549,219
Expenditures				
Legislative	255,578			255,578
General Government	1,232,837	107,000	993,850	2,333,687
Public Safety				
Police	4,655,132	190,900		4,846,032
Fire	30,000			30,000
Code Enforcement	347,277	30,800		378,077
Public Safety Subtotal	5,032,409	221,700	-	5,254,109
Public Works				
General Operations	2,845,968	73,000		2,918,968
Pavement Rehab		2,445,295		2,445,295
Public Works Subtotal	2,845,968	2,518,295	-	5,364,263
Recreation	267,330			267,330
Community Development	170,127			170,127
Total Expenditures	9,804,249	2,846,995	993,850	13,645,094
Excess/(Deficit) of Revenues Over Expenditures	444,970	(2,846,995)	(693,850)	(3,095,875)
Other Financing Sources/(Uses)				
Operating Transfers	(662,853)	197,700	465,153	-
General Obligation Bond Proceeds		2,400,000		2,400,000
Lease Financing Proceeds		117,000		117,000
Total Other Financing Sources/Uses	(662,853)	2,714,700	465,153	2,517,000
Net Change in Fund Balance	(217,883)	(132,295)	(228,697)	(578,875)
Fund Balances @ Start of the Fiscal Year	2,323,137	1,804,078	233,138	4,360,353
Fund Balances @ the End of the Fiscal Year	2,105,254	1,671,783	4,441	3,781,478

Which was the subject of a public hearing on May 15, 2006 after notice thereof was published twice in a newspaper of general circulation within the City, is hereby adopted.

The tax rate for all real property, not otherwise exempted, located within the corporate limits of the City shall be as is hereby fixed at sixty-three cents (\$.63) on each one hundred (\$100.00) dollars of assessed value on lands, improvements and fixtures.

The tax rate for all operating property of public utilities and contract carriers, not otherwise exempted, located within the corporate limits of the City shall be as is hereby fixed at one dollar and ninety-eight cents (\$1.98) on each one hundred (\$100.00) dollars of assessed value.

Such taxes on lands and improvements shall be computed on the valuation of said properties in Prince George's County, Maryland, which assessment is hereby adopted and used by the City of Hyattsville as its own valuation assessment of the land and improvements within the corporate limits subject to taxation for property of public utilities and contract carriers, the valuation of said properties as certified to the City of Hyattsville by the Maryland State Department of Assessments and Taxation shall be used as the assessed valuation of properties so certified.

The tax rate for all tangible personal property, not otherwise exempted, located within the corporate limits of the City shall be and is hereby fixed at one dollar and fifteen cents (\$1.15) on each one hundred (\$100.00) dollars of assessed value of all tangible operating personal property, including commercial inventory. In computing and levying such taxes on tangible personal property, the valuation of such property as certified to the City of Hyattsville by the Maryland State Department of Assessments and Taxation shall be used as the assessed valuation of properties so certified.

The City Treasurer, or any other person designated by the City Council to act in his place, is hereby authorized and directed to collect the taxes herein levied by this ordinance.

In accordance with Section C5-6 of the Hyattsville City Charter, the real property taxes provided for in this ordinance shall be due and payable on the first day of July, 2006 and shall be overdue and in arrears on the first day of October, 2006. All real property taxes shall bear monthly interest while in arrears at the rate of two thirds of one percent (.0066) and a monthly penalty of one percent (.01) as provided in Section C5-17 of the City Charter.

Tangible personal property shall bear a fixed penalty of one hundred (\$100.00) dollars for the first month in arrears, which is defined as the period beginning ninety-one (91) days and ending one hundred twenty (120) days following the tax bill date. An additional penalty of four and one third percent (.0434) per month shall be due on any taxes in arrears more than one hundred twenty (120) days. All tangible personal property taxes shall bear interest at the rate of two thirds of one percent (.0066) per month while in arrears.

AND BE IT FURTHER ORDAINED, that this budget shall govern the expenditure of funds by the City during the fiscal year 2007, subject to further budget ordinances enacted by the City pursuant to Article 23A §2(b)(2) of the Maryland Annotated Code;

AND BE IT FURTHER ORDAINED, that the City Council may from time to time during the fiscal year amend this budget by motions made, discussed and carried by a 2/3 vote of

the City Council so long as any action regarding this budget is taken at a public meeting after notice and a public discussion, and the amendments to the budget for entire fiscal year do not increase the total expenditures by more than ten percent (10%) of the total budgeted expenditures figure appearing above;

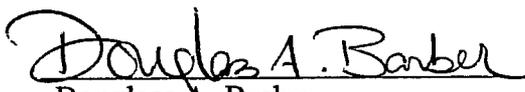
AND BE IT FURTHER ORDAINED, pursuant to Hyattsville Resolution 2004-03 designating the University Town Center Special Taxing District and Hyattsville Resolution 2004-03 authorizing the imposition, levy and collection of special taxes in the Special Taxing District and pursuant to the Rate and Apportioning terms adopted, the City of Hyattsville adopts and approves the report of the Administrator of the University Town Center Special Taxing District (Exhibit A) and hereby assesses and levies as additional real property taxes on the owners of properties in the University Town Center Special Taxing District this special tax as indicated in Appendix A of Exhibit A for the upcoming fiscal year; in the event any parcel numbers are changed prior to the actual billing of taxes by the county, the Administrator shall revise Appendix A to be consistent with the tax parcel numbers used by the County for billing of taxes and recalculate the special tax to be collected from each parcel in a manner consistent with the method utilized to calculate the special taxes in Exhibit A;

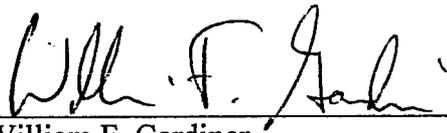
AND BE IT FURTHER ORDAINED, that this ordinance shall become effective on July 1, 2006 and a fair summary of this Ordinance shall be published twice in a newspaper having general circulation in the City, subject to the provisions of section C3-2A(6) of the City Charter;

AND BE IT FURTHER ORDAINED, that this ordinance shall be passed as emergency legislation.

PASSED on the 5th day of June, 2006

Adopted: June 5, 2006

Attest: 
Douglass A. Barber
City Clerk


William F. Gardiner
Mayor

**CITY OF HYATTSVILLE
SPECIAL OBLIGATION BONDS
UNIVERSITY TOWN CENTER PROJECT
SERIES 2004**

**FISCAL YEAR 2006-2007
SPECIAL TAX REPORT**

Prepared By:

MUNICAP, INC.

May 24, 2006

CITY OF HYATTSVILLE
SPECIAL OBLIGATION BONDS
UNIVERSITY TOWN CENTER PROJECT
SERIES 2004

Fiscal Year 2006-2007
Special Tax Report

INTRODUCTION

The City of Hyattsville issued \$18,000,000 of special obligation bonds in August 2004 related to the University Town Center Development District. These bonds are to be repaid from special taxes levied on the taxable property in the University Town Center Special Taxing District, which was created pursuant to Resolution No. 2004-02 adopted by the City Council on February 17, 2004.

A special tax is to be collected each fiscal year in the University Town Center Special Taxing District pursuant to Resolution No. 2004-03, and an Executive Order, dated August 9, 2004, executed by the Mayor. This report has been prepared to explain the methodology used to calculate the special tax rates at which property will be taxed in the University Town Center Special Taxing District for fiscal year 2006-2007.

SPECIAL TAX REQUIREMENT

Special taxes are to be collected in a proportional amount equal to each parcel equivalent use factor such that the total special tax collected is equal to the special tax requirement. The special tax requirement is generally equal to (i.) annual debt service, (ii.) administrative expenses, less (iii) proceeds in the capitalized interest account, and (iv.) interest income on reserve fund held by the trustee.

Table A provides a summary of the special tax requirement for fiscal year 2006-2007. Bond proceeds held in capitalized interest account, investment earnings on debt service reserve fund will not be sufficient to pay debt service on the bonds and administrative expenses for fiscal year 2006-2007. As a result, special taxes equal to \$980,000.00 will have to be collected for fiscal year 2006-2007. Each of these numbers is explained in the following sections.

Debt Service

Debt service includes interest on the bonds payable on January 1, 2007 and July 1, 2007. Each semi annual interest payment is equal to \$508,572 on the terms bonds shown below.

Term 2017 Bonds of \$1,676,000 at 5.00%	\$83,800
Term 2024 Bonds of \$3,524,000 at 5.60%	\$197,344
Term 2034 Bonds of \$12,800,000 at 5.75%	<u>\$736,000</u>
Total:	\$1,017,144

There is no principal due on July 1, 2007. As a result, total debt service for fiscal year 2006-2007 is \$1,017,144.

Table A
Special Tax Requirement
Fiscal Year 2006-2007

Debt service:	
Interest on January 1, 2007	\$508,572
Interest on July 1, 2007	\$508,572
Principal on July 1, 2007	\$0
<i>Sub-total debt service</i>	\$1,017,144
Administrative expenses	\$28,050
Contingency	\$48,492
<i>Total expenses</i>	\$1,093,686
Reserve fund investment income	(\$56,843)
Surplus from prior year	(\$56,843)
<i>Funds available to be applied for FY06-07</i>	(\$113,686)
<i>Special Tax Requirement</i>	\$980,000

Administrative Expenses

Administrative expenses include the trustee, the administrator, and the expenses of the city related to the district. The annual charges of the trustee are estimated to be \$7,000. The fees and expenses of the administrator are estimated to be \$11,050. The expenses of the city are estimated to be \$10,000. Accordingly, the total administrative expenses are estimated at \$28,050.

Contingency

A contingency, equal to approximately four percent of annual debt service plus an additional amount to round the special tax requirement to the nearest ten-thousand has been added in case there are unanticipated expenses or tax payment delinquencies.

Reserve Fund Income

As of April 30, 2006, the balance in the reserve fund was \$1,708,192.50, which is the reserve requirement of Series 2004 Bonds. An estimated interest income in the amount of \$28,185.18 will be earned by the next debt service payment due on July 1, 2006 and will be made available to pay debt service and administrative expenses for fiscal year 2005-2006. Bond proceeds in the reserve fund are invested Transamerica Guarantee Investment Contract (GIC) that is earning 3.30 percent per annum (paid semi-annually in June and December) and maturing on August 24, 2009. The yield on the reserve fund requirement of \$1,708,192.50 will result in annual investment income of \$56,370.35, which will be available to pay debt service for fiscal year 2006-2007.

Surplus from Prior Year

Table D below outlines the surplus from the prior year that may be applied to pay debt service and administrative expenses for fiscal year 2006-2007. The balance in the capitalized interest account as of April 30, 2006 was \$418,223.39. Bond proceeds in the Series 2004 capitalized interest account are invested in Transamerica Guarantee Investment Contract (GIC) that is earning 1.76 percent per annum. At the current interest rate, an estimated \$3,680.37 in interest income will be earned on the capitalized interest account through the debt payment period of July 1, 2006. All of

Equivalent Use Factors means for any parcel, the number of dwelling units, parking spaces, and building square footage of a parcel by the Land Use Class multiplied by the factor for each Land Use Class as shown in Table F below:

Table F
Land Use Class and Equivalent Use Factors

Land Use Class	Equivalent Use Factors
Office Property	0.70 per 1,000 square feet
Parking Property	0.02 per parking space
Residential Property	1.00 per dwelling unit
Retail Property	1.02 per 1,000 square feet

Schedules from the State Department of Assessments and Taxation showing the building square footage for each parcel, which were used in computing the equivalent use factors for each taxable parcel within the district, are attached to Appendix B. There are currently twelve parcels within the special tax district. These parcels and their respective land use class, building square footage for office and retail property, respectively, the number of dwelling units per residential parcel, the number of parking spaces for parking property and the corresponding equivalent use factors are shown in Table G below.

Table G
Special Tax District Parcels

Parcel Account #	Parcel	Land Use Class	Building SF/ Parking Spaces	Equivalent Use Factor	Equivalent Use Factors
356694-0	I	Office	313,278	0.70	219.29
372073-7	R	Office	429,924	0.70	300.95
372074-5	S	Retail	0	0.70	0.00
337808-0	G	Office	188,019	0.70	131.61
366669-0	L	Office	488,502	0.70	341.95
366674-0	J	Residential/ Parking	0	1.00/ 0.02	0.00
366675-7	K	Retail	0	1.02	0.00
366671-6	M	Retail	0	1.02	0.00
366672-4	N	Retail	0	1.02	0.00
372072-9	Q	Retail	0	1.02	0.00
372068-7	P	Retail	0	1.02	0.00
372070-3	P	Retail	0	1.02	0.00
Total			1,419,723		993.81

Special taxes are to be collected in a proportional amount equal to each parcel equivalent use factor such that the total special tax to be collected is equal to the special tax requirement. For fiscal year 2006-2007, the special tax requirement is equal to \$980,000.00. The equivalent use factors for all parcels within the district are equal to 993.81. As a result, the special tax to be collected per each equivalent use factor is equal to \$986.11 ($\$980,000.00 \div 993.81 = \986.11). The special tax to be collected on each parcel is shown in Table H below.

Table H
Special Tax Levy
Fiscal Year 2006-2007

Parcel Account #	Equivalent Use Factor	Special Tax Per EUF	Special Tax Levy
356694-0	219.29	\$986.11	\$216,248.13
372073-7	300.95	\$986.11	\$296,766.00
372074-5	0.00	\$986.11	\$0.00
337808-0	131.61	\$986.11	\$129,784.91
366669-0	341.95	\$986.11	\$337,200.96
366674-0	0.00	\$986.11	\$0.00
366675-7	0.00	\$986.11	\$0.00
366671-6	0.00	\$986.11	\$0.00
366672-4	0.00	\$986.11	\$0.00
372072-9	0.00	\$986.11	\$0.00
372068-7	0.00	\$986.11	\$0.00
372070-3	0.00	\$986.11	\$0.00
Total	993.81		\$980,000.00

SPECIAL TAX RATES

Special taxes are to be collected in a proportional amount equal to each parcel equivalent use factor such that the total special tax collected is equal to the special tax requirement. The total expenses of the district for fiscal year 2006-2007 are estimated to be equal to \$1,093,686.09. Surplus revenue from prior year and interest income available to pay expenses are estimated to be \$113,686.09. Accordingly, the special tax requirement is \$980,000.00.

The special taxes to be collected on each parcel for fiscal year 2006-2007 are shown in Appendix A. Appendix B includes schedules from the State Department of Assessments and Taxation showing the building square footage for each parcel, which were used in computing the equivalent use factors for each taxable parcel within the district.

APPENDIX A

CITY OF HYATTSVILLE
UNIVERSITY TOWN CENTER SPECIAL TAX DISTRICT
PRINCE GEORGES COUNTY, MARYLAND

SPECIAL TAX ROLL

Parcel Account #	Parcel	Building	Owner	Special Tax FY06-07
356694-0	I	Metro I	PG Center I Inc	\$216,248.13
372073-7	R	Metro II	PG Center II LP	\$296,766.00
372074-5	S	0	PG Center II LP	\$0.00
337808-0	G	Metro IV	PG Metro Center IV, LLC	\$129,784.91
366669-0	L	Metro III	PG Metro Center III, Inc	\$337,200.96
366674-0	J	0	UTC Housing I, LLC	\$0.00
366675-7	K	0	UTC Retail I, LLC	\$0.00
366671-6	M	0	UTC Retail II, LLC	\$0.00
366672-4	N	0	UTC Retail III, LLC	\$0.00
372072-9	Q	0	UTC Retail VI LLC	\$0.00
372068-7	P	0	UTC Retail IV LLC	\$0.00
372070-3	P	0	UTC Retail IV LLC	\$0.00
Total				\$980,000.00

ADOPTING AN ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 2006 THROUGH
 FOR THE GENERAL PURPOSE: FIXING THE TAX RATES FOR THE FISCAL YEAR
 JULY 1, 2006; AUTHORIZING COLLECTION OF TAXES HEREIN LEVIED, AND
 CREATING FUNDS IN THE AMOUNT OF \$13,645,094 FOR THE FISCAL YEAR.

The City of Hyattsville are set as follows:

	Rate
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for the City of Hyattsville was the subject of a public hearing on May 15, 2006 and is hereby adopted

	General/ Operating	Capital Equipment/ Projects	Debt Service	Total
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Property	214,000			214,000
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OFFICE OF
 THE PRINCE GEORGE'S SENTINEL

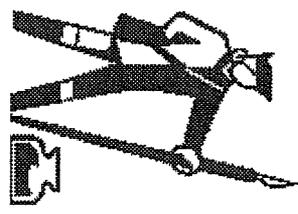
Seabrook, MD JUNE 22, 2006

THIS IS TO CERTIFY, that the annexed advertisement of

REASONABLE SUMMARY OF HYATTSVILLE

was published in

THE PRINCE GEORGE'S SENTINEL,
 a weekly newspaper published in Prince George's County, Maryland,
 once a week for TWO successive week (s)
 on or before the 22ND day of JUNE, 2006 and that the
 first publication was the 15TH day of JUNE, 2006.



THE PRINCE GEORGE'S SENTINEL

By Shirley Sanderson

AN ORDINANCE ADOPTING AN ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 2006 THROUGH JUNE 30, 2007, FOR THE GENERAL PURPOSE; FIXING THE TAX RATES FOR THE FISCAL YEAR BEGINNING JULY 1, 2006; AUTHORIZING COLLECTION OF TAXES HEREIN LEVIED, AND APPROPRIATING FUNDS IN THE AMOUNT OF \$13,645,094 FOR THE FISCAL YEAR.

The tax rates for FY07 for the City of Hyattsville are set as follows:

Tax Type	Rate
Real property (includes land, improvements and fixtures)	sixty-three cents (\$.63) on each one hundred (\$100.00) dollars of assessed value
Operating property of public utilities and contract carriers	one dollar and ninety-eight cents (\$1.98) on each one hundred (\$100.00) dollars of assessed value
Tangible operating personal property, including commercial inventory	one dollar and fifteen cents (\$1.15) on each one hundred (\$100.00) dollars of assessed value
University Town Center Special Tax District	
Parcel 356694-0	\$216,248.13
Parcel 372073-7	\$296,766.00
Parcel 337808-0	\$129,784.91
Parcel 366669-0	\$337,200.96

The City Treasurer is hereby authorized and directed to collect the taxes herein levied by this ordinance.

Taxes not paid by the date due will be assessed interest and be subject to penalties.

The annual budget for FY07 for the City of Hyattsville was the subject of a public hearing on May 15, 2006 and is hereby adopted as follows:

	General/ Operating	Capital Equipment/ Projects	Debt Service	Total
Revenues				
Local Taxes				
Real Property	5,703,400			5,703,400
Personal Property	214,000			214,000
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General Obligation		2,400,000		2,400,000
Bond Proceeds				
Lease Financing Proceeds		117,000		117,000
Appropriation of Prior Year				
Unexpended Fund Balance	217,883	132,295	228,697	578,875
Total Other Financing Sources/(Uses)	(444,970)	2,846,995	693,850	3,095,875
Total Revenues and Other Financing Sources	9,804,249	2,846,995	993,850	13,645,094
Expenditures				
Legislative	255,578			255,578
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