

# City of Hyattsville – RFP



## **Request for Proposal Study of City of Hyattsville Property Tax Relief Programs for Low and Fixed-Income Homeowners**

**RFP #08172022**

**Issuance: August 17, 2022  
Proposal Responses Due: September 15, 2022**

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## **REQUEST FOR PROPOSAL**

The City of Hyattsville, Maryland invites sealed proposals to perform a study of the City's Homeowner's Property Tax Credit Program and the Homestead Property Tax Program and provide a final report with recommendations to improve these programs and/or provide other alternatives to these property tax credit relief programs.

Specifically, the final report should include identifying other effective tools that in the aggregate will help provide financial relief from year-over-year increases in property tax payment liabilities that now impact low and fixed-income homeowners

## **BACKGROUND AND OBJECTIVE**

The City of Hyattsville is a Smart-Growth community making it a prime candidate for assistance offered by the State of Maryland and the Federal Government for investment. Hyattsville is located only one mile from Washington DC and is approximately 2.7 square miles of historic and urban residential, commercial, industrial and high-density mixed-use residential/commercial/office and development. The residential neighborhoods of Hyattsville were a short time ago, one of the community's best-kept secrets, however in more recent years, the local housing market has become very sought after.

The City of Hyattsville has convenient access to transit and transportation options for residents and visitors. We are located on the Metro's Green and Yellow line, served by two stations: West Hyattsville and Hyattsville Crossing. In addition to Metro, the City is traversed by an excellent network of roads, buses, freight transportation, and rail services including THE BUS, AMTRAK, and MARC. We are also located near the region's three airports: Baltimore Washington International, Reagan National (accessible via Metro) and Dulles.

The City of Hyattsville is in close proximity to the University of Maryland campus at College Park as well as many other private and public colleges and universities. Public and private schools for all age groups include Northwestern High School and the nationally recognized DeMatha Catholic High School.

Since 2010, the City has experienced significant population growth and commercial revitalization. The success of the community has been intentional and attributed to a variety of factors including the City's focus on reinvestment in public infrastructure, prioritization of walkable transit-oriented development, high quality public services and proximity to Washington DC. With a raised profile, the City's efforts are now focused on addressing the challenges that come with being a successful destination community.

Subsequently, with the significant development of new homes in the City, this has also created rising property values across the region, thus higher property tax for local homeowners. While the City's property tax rate has not been raised in over a decade, the amount of property taxes paid by homeowners have increased and will reasonably continue to increase annually with rising home values in the City of Hyattsville. Notably, this reality has caused a significant financial hardship for homeowners that are now in low and fixed-incomes situations and are struggling to pay the annual increases of their property tax liabilities.

The City's objective is to seek a consultant to review the City's current Homeowner's Property Tax Credit Program and the Homestead Property Tax Program, including identifying other effective tools that in the aggregate will help to provide financial relief from these year-over-year increases that now impact low and fixed-income homeowners.

## **RFP SOLICITATION SCHEDULE**

The following RFP solicitation schedule is intended to provide a general overview of the solicitation process to those interested in preparing a proposal. These durations and dates are for information purposes only and the City reserves the right to revise any of the durations and to terminate and/or to not initiate any and/or all of the solicitation steps.

August 17, 2022:	Request for Proposals Issuance
September 15, 2022:	Proposals Due by 4:00 pm EDT
September 16, 2022:	Proposal Opening, 9:00 am EDT
September 19, 2022:	Evaluation Period Concludes; Notice to Proceed

## **RECORDS & REPORTS**

The City will require the consultant to maintain an original set of records on work performed including dates, property address, specific work performed and Contract employees. The City will be provided a duplicate set of records, but, upon request, may require the firm to provide specific records for the purpose of confirming City records or use in litigation.

## **SCOPE OF PROPOSAL**

Through this solicitation, the City is seeking a consultant to study the City's current Homeowner's Property Tax Credit Program and the Homestead Property Tax Program, the information for these programs are noted below. After the study period, the consultant will be required to provide a final report with recommendations to improve these programs and/or provide other alternatives to the City's property tax credit relief programs. The final report should also include identifying other effective tools that in the aggregate will help provide financial relief from year-over-year increases in property tax payment liabilities that now impact low and fixed-income homeowners

### **Homestead Tax Credit**

The State of Maryland pursuant to 9-105€ of the Tax-Property Article of the Annotated Code of Maryland established the Homestead Property Tax Credit Program. This program helps the homeowner deal with large assessment increases on their principal residence. The Homestead Credit limits the increase in taxable assessments each year to a fixed percentage. The State of Maryland tax credit limits the taxable assessment increases to 10% or less each year. The City of Hyattsville adopted Ordinance 2008-07 that incorporates the State of Maryland Homestead Tax Credit Program and sets the tax credit percentage at 110% for Hyattsville property owners.

### **Homeowner Tax Credit**

The State of Maryland pursuant to Section 9-215.1 of the Tax-Property Article of the Annotated Code of Maryland authorizes a municipality to grant a local supplement to the State Homeowner's Property Tax Credit Program. This program allows credits against the homeowner's property tax bill if the property taxes exceed a fixed percentage of the person's gross income. In other words, it sets a limit on the amount of property taxes any homeowner must pay based upon his or her income. The local supplement may equal a percentage not to exceed 50% of the State homeowner's property tax credit.



In Hyattsville's adopted Ordinance 2008-07 it also included a local supplement to the State Homeowner's Property Tax Credit to provide tax relief against City property taxes for low-income and other homeowners who qualify for the states homeowner's property tax credit, and it set the amount of the local supplement at 15% of the state homeowner's property tax credit amount.

### **How does property tax relief programs work for homeowners?**

For most homeowners, the benefit is distributed to your municipality in the form of a credit, which reduces your property taxes. All property tax relief program information provided here is based on current law and is subject to change.

**The selected consultant tasks are specific and will include but not is not limited to the areas noted below.**

- Review the current homeowner property tax credit programs and identify ways and/or recommend adjustments to improve the effectiveness and participation in these relief programs.
- In conjunction with City staff and using any available economic data, identify what is the profile of property owners that could be considered as low- and fixed-income property owners.
- Determine if the City's current tax credit programs caps on home value, tax credit percentage, household income, net worth or other qualifications need to be adjusted for 2023?
- Identify if there are other alternatives that should be considered for inclusion in our property tax relief programs that would be more effective or useful for homeowners.

### **COMPENSATION FOR SERVICES (FEE)**

The City intends to enter into a professional services contract(s) for the proposed project. The consultant must provide a cost proposal for the services rendered and the proposed cost can be presented in terms of a flat fee or based upon an hourly rate to include materials or travel reimbursement for consideration. Payment will be made on a biweekly basis upon submission of itemization of work performed, including interviews, and a written report of final findings and recommendations. Work should be completed promptly, with the goal of completion by November 30, 2022.

### **EVALUATION CRITERIA AND SELECTION PROCEDURES**

#### **Evaluation Criteria:**

Selection of the successful consultant will be based upon the submission required in this section. The consultant is required to demonstrate:

- Experience dealing with and understanding State and local government property tax credit programs.
- Ability to quickly assess various municipal property tax credit programs and program criteria.
- Ability to write a summary report with recommendations that can be understood and acted upon by senior management and City Council.
- Ability to complete the project within the prescribed timeframe.
- References: Point of contact information of three (3) clients

### **Selection Procedures:**

- The City of Hyattsville Treasurer and other finance staff will review all submissions.
- The City may choose to interview any or all of the consultants.
- The Treasurer will make a recommendation to the City Administrator on the selected consultant, we will then proceed with negotiation and execution of an agreement. If the City is unable to agree to terms with the top-rated consultant, the City will consider negotiating with the consultant with the second highest evaluation.

### **GENERAL CONDITIONS FOR PROPOSALS**

Failure to read the RFP and comply with its instructions will be at the consultant's own risk. Corrections and/or modifications received after the closing time specified in this RFP will not be accepted. The proposal must be signed by a designated representative or officer authorized to bind the consultant contractually. Submission of a signed proposal to the City will be interpreted to indicate the consultant's willingness to comply with all terms and conditions set forth.

### **SUBMISSION OF QUALIFICATIONS**

The proposal will be received by the City Clerk, no later than **4:00 pm, on Thursday, September 16, 2022**, and shall be submitted via email to [rfp@hyattsville.org](mailto:rfp@hyattsville.org) to the attention of the following:

**The City of Hyattsville  
4310 Gallatin Street  
Hyattsville, Maryland 20781  
Attn: Laura Reams, City Clerk**

For additional information regarding the services specified in this request for qualifications, contact Ron Brooks, City Treasurer in writing by email at [rbrooks@hyattsville.org](mailto:rbrooks@hyattsville.org). Questions specific to this solicitation will be accepted until 3:00 PM on September 15, 2022.

### **RFP GUIDELINES SECTION**

A consultant responding to this Request for Proposal (RFP) for "City of Hyattsville Property Tax Relief Programs for Low and Fixed-Income Homeowners" must submit a proposal prepared in accordance with the guidelines stated in the RFP. Failure to comply with these requirements will result in a disqualification of the proposal. The Proposal Section must include the following information:

- The name of the individual or, if a firm, the managing principal/executive director;
- The individual's or firm's principal place of business;
- If a firm, the firm's tax status, company structure and board of directors;
- Identification, experience and role of key individuals in the management team and proposed Account Representative to serve as the City's point of contact.
- Identification of any proposed sub-contractors
- One to two-page summary of the information to be considered in Evaluation Criteria, identified above
- Letter of commitment from the consultant that all services detailed in this solicitation and further detailed in the individual's or firm's proposal will be available through September 2022, provided a Notification of Award and agreement are executed by September 26, 2022.

## **EVALUATIONS OF PROPOSALS AND AWARD OF CONTRACT**

The proposals will be opened and read on **September 16, 2022 at 9:00 am.**

Proposals from all consultants meeting the minimum qualifications detailed in this solicitation will be reviewed and evaluated. The proposals best meeting the evaluation criteria will then be selected for interviews, if the Treasurer determines interviews are needed.

The City reserves the right to reject any and all RFP submissions and further reserves the right to re-issue the RFP.

## **PRICE TO REMAIN FIRM**

Any costs offered with a proposal must be valid for a period of **90-calendar days** from the due date of the proposal once the consultant is selected.

## **AMENDMENT OR CANCELLATION OF THE RFP**

The City of Hyattsville reserves the right to cancel, amend, modify or otherwise change this application process at any time if it deems to be in the best interest of the City of Hyattsville to do so.

## **PROPOSAL MODIFICATIONS**

No additions or changes to any proposal will be allowed after the due date unless such modification is specifically requested by the City of Hyattsville. The City at its option, may seek retraction and/or clarification from the consultant regarding any discrepancy or contradiction found during the review of the proposal.

## **SUSPENSION AND/OR DEBARMENT**

Firms, Contractors, Consultant, Companies or Sub-Contractors which are either suspended or debarred from performing work by the State of Maryland or within Prince George's County, Maryland are prohibited from submitting an proposal for this project. If any firm or others noted above in this section submits a proposal is found to have been suspended and/or debarred from conducting business within Prince George's County, Maryland, such firm or others noted above will be reported to the State's Attorney General and Comptroller's Office.

## **PRESENTATION OF SUPPORTING EVIDENCE**

Firms, Contractors, Consultants, Companies or Sub-Contractors responding to this solicitation must be prepared to provide substantiation of any experience, performance, ability and/or financial sureties claimed in their proposal that the City of Hyattsville deems to be necessary or appropriate.

## **ERRONEOUS DISBURSEMENT OF FUNDS**

The City of Hyattsville reserves the right to correct any inaccurate awards of monies for this project made to any Firms, Contractors, Consultants, Companies or Sub-Contractors. This may include, in extreme circumstances, revoking an award of funds made for this project to a consultant subsequently awarding those funds to another

consultant.

**PROPOSAL PREPARATION COSTS**

Firms, Contractors, Consultant, Companies or Sub-Contractors are responsible for all costs and expenses incurred in the preparation of a proposal to respond to this solicitation.

**THIS SOLICITATION IS NOT A CONTRACT**

This solicitation is not a contract and will not be interpreted as such.

**SUB-CONTRACTORS**

The Firms, Contractors, Consultant, Companies submitting a proposal certifies and warrants that all payments of fees charged by any sub-contractors pursuant to that contract are the sole responsibility of the contractor.

**LEGAL TERMS**

It is the policy of the City of Hyattsville that all legal disputes are heard in a court of law in Prince George's County, Maryland, and that each party is responsible to pay for the cost of their own legal fees.

**The City of Hyattsville will not agree to terms that are not consistent with this policy.**

**END OF RFP**