

FISCAL IMPACT NOTE

Legislation No: O-6-17

First Reader Date: 2-13-17

Note Date: 4-19-17

Legislation Title: Food Stores in C2A Districts

Description: For the purpose of introducing Food Stores as a permitted use in C2A zoning districts; and removing the erroneous reference to a standard for Food Stores in the PM2 zoning district.

Analysis of Fiscal Impact: This legislation would permit the use of Food Stores in C2A zoning districts, in an effort to encourage establishments of a grocery store in downtown Annapolis areas with more economic rents. Although it is difficult to establish the fiscal impact if passage of this ordinance is successful, there is underlying components which will potentially influence outcomes.

An assumption is that the physical property will be improved by the investor and as a result the City's real-estate base would increase resulting in the potential of additional real estate taxes. Additionally, there is also the potential of increased personal property taxes.

The City's local receipts will also increase, although short-term in duration. Permitting, inspection, and other related fees would increase during the permitting and/or building stages. It is possible that parking revenues could increase assuming demand for parking increases as the results of increased traffic in the C2A zoning district.

Any additional sales tax would not directly benefit the City since this revenue category is State revenue and is not shared with the City.