ANNE ARUNDEL COUNTY
OFFICE OF THE COUNTY AUDITOR

To: Members of the County Council

From: Susan L. Smith, County Auditor

Date: May 13, 2020

Subject: Legislation to be heard or eligible for vote on May 18, 2020: Bill Nos. 13-20, 14-20, and 16-20.

Bill No. 13-20: Finance, Taxation, and Budget and Zoning – Commercial Revitalization Area Program – Designation of a Commercial Revitalization Area in Harundale in Glen Burnie, Maryland (as stated in our March 12, 2020 letter)

Bill No. 14-20: Finance, Taxation, and Budget and Zoning – Commercial Revitalization Area Program – Designation of a Commercial Revitalization Area in Marley in Glen Burnie, Maryland (as stated in our March 12, 2020 letter)

Bill No. 13-20 proposes the adoption of a map and a designation of an area along Ritchie Highway and Aquahart Road in Glen Burnie as Commercial Revitalization Area 10 for tax credit and zoning purposes. Bill No. 14-20 proposes the adoption of a map and a designation of an area along Ritchie Highway and Mountain Road in Glen Burnie as Commercial Revitalization Area 11 for tax credit and zoning purposes. Anne Arundel County Code § 4-2-306 provides the eligibility requirements for improvements on qualified properties that qualify for tax credits, and states that a qualified property is eligible to receive a tax credit for a period of five years.

These bills will increase the number of properties eligible for these tax credits; however, we cannot estimate the number and value of qualified improvements that will result in credits and the overall fiscal impact. As of February 28, 2020, fiscal year 2020 commercial revitalization credits totaling approximately $256,100 have been granted. The commercial revitalization credit has been in place since 2003, and the first commercial revitalization credit was granted in fiscal year 2006. The following table shows the credits granted in each fiscal year since inception:

Fiscal Year	Credits	Fiscal Year	Credits
2006	$ 69,662	2013	$ 9,704
2007	85,383	2014	10,003
2008	99,337	2015	2,396
2009	100,054	2016	26,805
2010	108,274	2017	31,056
2011	27,556	2018	57,682
2012	17,014	2019	241,254

According to the Office of Planning and Zoning, there have been 15 properties that have received tax credits since the inception, of which 10 initially received credits in 2016 or later.

Bill No. 16-20: Zoning – Residential Districts – Community Based Assisted Living Facilities I and II, Group Homes I and II, Recovery Residences I and II, and Rooming Houses

This bill defines community based assisted living facilities I and II, group homes I and II, recovery residences I and II and distinguishes category I and II based on the number of residents. Category Is have 8 or fewer residents, and category IIs have between 9 and 16 residents. This bill establishes and changes the zoning for non-community based assisted living facilities, community based assisted living facilities, group homes, and rooming houses; establishes conditional requirements for those zoned conditional use; and changes the parking requirements for these residences.

This bill allows non-community based assisted living facilities as a special exception use in RA districts, the only residential district for which they were not already zoned special exception. This bill changes the zoning for community based assisted living facilities and group homes in category II from a permitted use in all residential districts to a conditional use in all residential districts except that community based assisted living facilities II are no longer a permitted use in the RA district. This bill adds zoning to allow the newly defined recovery residences I to be a permitted use in all residential districts and recovery residences II to be a conditional use in all residential districts. Lastly, zoning for rooming houses were changed from a permitted use in R15 and R22 residential districts to a conditional use in R10 and R15, and a permitted use in R22.

The conditional requirements for the aforementioned facilities zoned conditional use is that the owner may not own two facilities that adjoin each other, and if a proposed adjoining facility is owned by a business, then the owner, the owner's family, and business associates may not have a financial or personal interest in the proposed facility.

According to the Office of Planning and Zoning, there are 15 projects in the approval pipeline that were submitted between October 9, 2019 and February 2020 that were classified as group homes or assisted living facilities. Of the 15 projects, there are 9 pending that would be impacted by this bill. These 9 projects would be classified as Group Home IIs under this bill and are adjoining properties with common ownership. Pursuant to this bill, these facilities will not meet the criteria for conditional use. In total, these properties would provide 128 group home beds. These properties, at least partially, were previously a behavioral health treatment center that closed in August 2019. The Office of Planning and Zoning did not provide us with pending projects submitted prior to October 9, 2019, or existing properties that would no longer meet the zoning requirements.

Our review of the Department of Aging existing assisted living facilities list, disclosed two facilities with nine or more residents that are on adjoining properties with common ownership. While these two facilities would be grandfathered in and allowed to continue operations, if they wanted to expand the number of beds a variance would have to be granted to allow the expansion.

This bill has no fiscal impact to the County.

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