

ANNE ARUNDEL COUNTY OFFICE OF THE COUNTY AUDITOR

To: Councilmembers, Anne Arundel County Council

From: Michelle Bohlayer, County Auditor

Date: December 1, 2021

Subject: Auditor Review of Legislation for the December 6, 2021 Council Meeting

Bill 85-21: Subdivision and Development – Adequate Public Facilities – Public Schools (As Amended)

Summary of Legislation

This bill modifies the provisions for an exemption from requirements for adequate public facilities for schools and restores provisions relating to the school utilization chart as they existed before the sunset of Bill 15-18. This bill provides that a developer may obtain an exemption from the requirements for adequate public facilities for schools for five or less lots in a subdivision of single family dwellings or for five or less dwelling units on a site development plan if the developer has owned the property for at least three years. In addition, the bill provides that an agreement related to the exemption reflect that the developer acknowledges that the exemption is limited to five lots or dwelling units.

We commented on this bill in our letters dated October 27, 2021 and November 10, 2021. At the November 15, 2021 Council meeting, this bill was amended to add in a requirement for passing the school adequate public facilities test, which was a part of Bill 15-18. We have no further comments on this bill.

Bill 94-21: Subdivision and Development and Zoning – Glen Burnie Sustainable Community Overlay Area – Transit-Oriented Overlay Development Policy Areas (As Amended)

Summary of Legislation

This bill revises the definition of redevelopment under the Glen Burnie Sustainable Community Overlay to include rehabilitation of an existing structure or new construction on a lot or lots located, in whole or in part, within a Transit-Oriented Overlay Development Policy Area identified in the General Development Plan. This bill also exempts such properties from the adequate school facilities test under certain conditions. Bill 64-20 originally exempted properties from the adequate school facilities test under certain conditions, and this bill adds redevelopment, located in whole or in part, within a transit-oriented overlay development policy area as identified in the GDP to the exemption conditions.

We commented on this bill in our letter dated November 10, 2021. At the November 15, 2021 Council meeting, this bill was amended to change the terminology used in one of the conditions for exemption from the test for adequate public schools in the Glen Burnie Sustainable Community Overlay Area to reference residential uses instead of multifamily dwellings. This is a clarifying amendment to ensure that at least 50% of the dwelling units in the proposed redevelopment project will be efficiency or one bedrooms and none of the dwelling units are greater than two bedrooms, regardless of the dwelling unit type (multifamily, townhome, etc.).

Bill 96-21: Cedarhurst-on-the-Bay Shore Erosion Control District – Approval of Loan and Assignment Agreement

Summary of Legislation

This bill obligates the County to levy a special tax known as the shore erosion control district assessment on the Cedarhurst-on-the-Bay Shore Erosion Control District (SECD) beginning in fiscal year 2022 in an amount sufficient to repay a \$346,000 loan from Severn Savings Bank to the Cedarhurst Citizens Associations, Inc. The loan proceeds will be used to refinance the existing loan with Sandy Spring Bank for maintenance of an existing shore erosion, bulkhead, and dredging project, which was approved via Bill 90-17. The loan commitment letter provided by the bank shows the interest rate of 3.875% annually, a loan fee of 1% of the loan amount, and the repayment term of six years.

Review of Fiscal Impact

We agree with the fiscal note that any cost associated with administering the Cedarhurst-on-the-Bay SECD loan payment will be offset by the administrative fee charged by the County when taxes are collected. The County does not commit its full faith and credit to the repayment of the loan.

Bill 97-21: Personnel – Benefits – Annual Leave

Summary of Legislation

This bill allows employees who accrue and accumulate annual leave under County Code (Code) § 6-1-302 to carry over and use annual leave accumulated up through pay period year 2021 (December 24, 2020 to December 22, 2021) during the first pay period of pay period year 2022 (December 23, 2021 through, and including, January 5, 2022). In addition, the bill also allows employees who accrue and accumulate annual leave under Code § 6-1-302 to carry over 40 days of accumulated leave into pay period year 2022. The current limit per Code § 6-1-302(d) is 35 days. The 40 days will be calculated based on the accumulated annual leave as of December 22, 2021, less any annual leave used during the first pay period of pay period year 2022.

A similar change was adopted last year due to the Covid-19 pandemic. Per Executive Order Number 31, employees were allowed to rollover up to 42 days of annual leave accrued in pay period year 2020 into pay period year 2021. This bill would similarly extend the use of annual leave through the first pay period of pay period year 2022.

Review of Fiscal Impact

This bill could result in an increase in annual leave payouts for employees that leave County service and increase in overtime due to increased leave use for applicable positions if this causes employees to use their earned leave rather than let it expire. If employees would otherwise have used the leave, it will only change the timing of used annual leave, rather than change any fiscal impact of such leave. According to the Office of Personnel, the intent is to permit the 40 days just for pay period year 2022, therefore, we agree with the fiscal note that the fiscal impact of this bill is expected to be minimal.

Bill 98-21: Boards, Commissions, and Similar Bodies – Human Relations Commission – Student Member

Summary of Legislation

This bill makes the student member of the Human Relations Commission (Commission) a voting member. This bill also adds the Executive Director of Arundel Community Development Services as a voting member of the Commission.

Review of Fiscal Impact

This bill does not have a direct fiscal impact.

Bill 99-21: Subdivision and Development – Site Development – Exemptions

Summary of Legislation

This bill exempts improvements to an existing nonresidential structure outside the critical area or bog protection area from the site development plan process under certain conditions and repeals an exemption relating to certain grading permits.

Review of Fiscal Impact

The Office of Planning and Zoning (OPZ) does not anticipate a significant fiscal impact from this bill. This bill will allow proposed improvements to be exempt from the site development plan process that are relatively minor. These specific improvement projects would then go directly to their permit applications, as needed. Currently, a project may be allowed to skip the site development plan requirements via approval of a modification application. OPZ does not anticipate that this bill would result in additional or fewer modifications being granted, but rather would require a new process so that staff can confirm that the required criteria are demonstrated, rather than the review occurring during the current modification application review process. Based on the provisions of the bill, it may be necessary for OPZ and the Department of Inspections and Permits (I&P) to create a new application intake and review process in order to ensure the projects meet the criteria required to exempt the aforementioned improvement projects from site development plan requirements. If necessary, a new application would require OPZ, I&P, and the Office of Information Technology resources to develop and implement.

Sincerely,

County Auditor

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