



**ANNE ARUNDEL COUNTY
OFFICE OF THE COUNTY AUDITOR**

To: Councilmembers, Anne Arundel County Council
From: Michelle Bohlayer, County Auditor
Date: June 29, 2021
Subject: Auditor Review of Legislation for the July 6, 2021 Council Meeting

**Bill 49-21:
Zoning – Requirements
for Special Exception Uses
– Assisted Living Facilities
(As Amended)**

Summary of Legislation

This bill amends the special exception use requirements for an assisted living facility to require the developer to have unified control of the entire facility, allows assisted care units to be provided in certain additional types of dwelling units, provides that the bulk regulations for an assisted living facility are the only bulk regulations for an assisted living facility, and amends the bulk regulations for an assisted living facility.

We commented on this bill in our letters dated June 2, 2021 and June 16, 2021. At the June 21, 2021 Council meeting, this bill was amended to allow the minimum lot size for an assisted living facility as a conditional use to be reduced by 50% when the facility abuts a nursing home or adult independent dwelling units and allows the facility to be operated in conjunction with a nursing home and adult independent dwelling units. This bill was also amended to require that all assisted care units be located on the same lot. We have no further comments on this bill.

**Bill 54-21:
Finance, Taxation, and
Budget – Community
Benefit Program – Grants
for Councilmanic Districts**

Summary of Legislation

This bill amends the community benefit program to allow the County Executive to include a percentage of the amount appropriated for grants in the budget for use in each Councilmanic District (District), which must be the same for each District and includes other related provisions for this program.

We commented on this bill in our letter dated June 16, 2021. At the June 21, 2021 Council meeting, this bill was held until the July 6, 2021 meeting. We have no further comments on this bill.

**Bill 57-21:
Issuance, Sale, and
Delivery of Anne Arundel
County, MD General
Obligation Bonds and
Bond Anticipation Notes**

Summary of Legislation

This bill authorizes the sale and issuance of bonds, bond anticipation notes, and Maryland Water Quality Loans consistent with the Fiscal Year 2022 (FY22) Proposed Capital Budget. The Administration introduced the bill before the Council finalized and approved the capital budget and plans to introduce an amendment at the July 6, 2021 meeting to make the bill consistent with the FY22 Approved Capital Budget. We will comment on the amended bill in our next letter.

**Bill 58-21:
Payment in Lieu of Taxes
– Park View at Furnace
Branch**

Summary of Legislation

This bill authorizes the County Executive to enter into a Payment in Lieu of Taxes (PILOT) agreement with RF Furnace Branch, LLC for the real property known as Park View at Furnace Branch, which is located at 7466 Furnace Branch Road, Glen Burnie. This property is an existing 101 unit multi-family community serving seniors. The County currently has a PILOT agreement for this property with Enterprise Community Development, Inc. The property is being acquired by RF Furnace Branch, LLC, and the current PILOT agreement will terminate when the property is transferred. A PILOT agreement has been requested by the new owner and has been negotiated by Arundel Community Development Services. The new PILOT agreement is requested so that the new owners will be able to borrow enough funds to purchase the property and complete the physical upgrades and repairs needed to ensure it continues to provide housing.

The Legislative Summary for this bill outlines the requirements that authorize an exemption from County real property taxes in the Annotated Code of Maryland, Tax - Property Article § 7-506.1.

Review of Fiscal Impact

The State Department of Assessments and Taxation (SDAT) estimates that the property value is \$6,561,633. Based on that property value, the owner would pay approximately \$61,220 for FY22 Anne Arundel County property taxes without this PILOT agreement. The owner is requesting a PILOT of \$25,250, which would reduce the annual taxes collected from this property by approximately \$35,970. The existing PILOT agreement would require a FY22 property tax payment of \$40,922. This is the amount of property tax revenue that was considered in the property tax cap calculation for FY22, so the fiscal impact of this bill will be a decrease of \$15,672 in property tax revenue for this property. In FY23, there will be no fiscal impact because of the County practice of maximizing the property tax revenue under the property tax revenue cap, when the relative burden among the taxpayers will change, but the total revenue from property taxes will not.

**Bill 59-21:
Public Safety – Traffic –
Vehicles on Public
Sidewalks**

Summary of Legislation

This bill defines bicycle; allows the riding of bicycles, play vehicles, or unicycles on public sidewalks and sidewalk areas; and adds exceptions and conditions to riding on sidewalks. This bill removes golf carts from permitted vehicles allowed to operate on public sidewalk and public sidewalk areas and allowed to operate for use by disabled persons on sidewalk or sidewalk area or bike path during certain times. This bill also authorizes the County Executive to prohibit vehicles on sidewalks or sidewalk areas as designated by signage.

Review of Fiscal Impact

We agree with the fiscal note that the fiscal impact of this bill is minimal and can be absorbed with existing appropriations.

**Bill 60-21:
Miscellaneous Provisions –
Public-Private
Partnerships**

Summary of Legislation

This bill defines public-private partnership and requires the County to maximize opportunities for public-private partnerships when it is feasible to do so and is in the best interest of the County.

Review of Fiscal Impact

The direct fiscal impact to the County is not readily determined. The potential fiscal impact would be dependent on the utilization and results of public-private partnerships within the County.

**Bill 61-21:
Zoning – Outdoor
Lighting in Nonresidential
and Residential Zoning
Districts**

Summary of Legislation

This bill provides for the applicability of outdoor lighting provisions and adds conditions for the installation of outdoor light fixtures on residentially zoned lots. This bill requires that outdoor light fixtures installed on a residentially zoned lot be arranged to direct the light down towards the property on which the light fixture is located and away from adjoining residential lots or aimed to confine the light to an object, such as a flag or landscaping. This bill also requires that the outdoor light fixtures be installed using motion sensing if used for security purposes.

Review of Fiscal Impact

The Office of Planning and Zoning (OPZ) does not expect a change in workload from this bill. This bill has no direct fiscal impact.

**Bill 62-21:
Subdivision and
Development – Critical
Area Overlay – Forest
Conservation Easements**

Summary of Legislation

This bill will allow the conveyance of a forest conservation easement back to the property owner upon written request from the property owner to the County. This bill is specific to properties within the Critical Area. OPZ noted that clearing in the Critical Area is limited with or without the protection of an easement. This bill must be approved by the Maryland Critical Area Commission and will take effect 45 days from the date it becomes law or the date of approval by the Maryland Critical Area Commission, whichever is later.

Review of Fiscal Impact

OPZ does not expect a change in workload from this bill. This bill has no direct fiscal impact. This bill will directly affect one forest conservation easement project, and there are two other projects that could request to have the easements terminated.

**Resolution 30-21:
Acquisition of Real
Property Known as 7180
Heritage Crossing**

Summary of Legislation

This resolution approves the purchase of real property, consisting of approximately 14.693 acres, known as 7180 Heritage Crossing in Glen Burnie, utilizing funds from the Advance Land Acquisition Capital Project C106700 (ALA) for a potential school site, as well as other possible uses. Anne Arundel County Code § 8-3-101(d)(2) requires agreements for purchases of real property utilizing funds from the ALA to be contingent on the approval of the County Council. Additionally, an independent appraisal, environmental study, and feasibility study are required to be submitted to the County Council.

The County entered into an agreement of sale on May 12, 2021, pending Council approval. The purchase price for the property is \$5,100,000. SDAT's assessed value, as of July 1, 2020, is \$2,743,500. The County's appraisal, performed as of December 22, 2020, notes the property is zoned General Commercial District (C3), and considered the highest and best use to be an eventual retail development, as permitted by the property's zoning classification. This appraisal is based on a sales comparison approach and estimated the fair market value of the property at \$5,100,000. This appraiser was not supplied with, or made aware of, any environmental studies performed, and the appraisal is contingent on the assumption that the subject property is free from any environmental hazards.

The environmental study performed revealed no evidence of any Recognized Environmental Conditions. Only a single de-minimis environmental condition was observed. A discarded tire was observed in the wooded area on the southwestern portion of the property. Used tires cannot be disposed of as regular waste and would need to be properly disposed of and recycled. The feasibility study prepared by Gregory J. Stewart, Senior Manager of Planning for Anne Arundel County Public Schools and Jessica Leys, Director of the Department of Recreation and Parks, determined that the property can be used for both

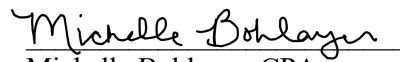
Res. 30-21 (continued)

recreational and educational uses, including an elementary school site that can support approximately 600 students. The property is located within existing water, electricity, and sewer service areas.

Review of Fiscal Impact

We agree with the fiscal note that this real property acquisition will cost the County \$5,100,000 and that there is sufficient appropriation in the ALA for this purchase.

Sincerely,


Michelle Bohlayer, CPA
County Auditor