



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

To: Councilmembers, Anne Arundel County Council
From: Michelle Bohlayer, County Auditor
Date: May 11, 2022
Subject: Auditor's Review of Legislation for the May 16, 2022 Council Meeting

**Bill 33-22:
Zoning – Residential
Districts – Requirements
for Conditional Uses –
Townhouses (As
Amended)**

Summary of Legislation

This bill allows townhouses as a conditional use in R22 residential zoning districts and amends the conditional use requirements for townhouses.

We commented on this bill in our letter dated April 27, 2022. At the May 2, 2022 Council meeting, this bill was amended to require that the development be located on a development site of at least five acres. We have no further comments on this bill.

**Bill 34-22:
Current Expense Budget –
Transfer of Appropriation
– Chief Administrative
Office – Department of
Public Works**

Summary of Legislation

This bill transfers an appropriation of funds from the Chief Administrative Office's (CAO) Contingency Account to the Department of Public Works (DPW) for snow removal costs.

Review of Fiscal Impact

This transfer of \$3,365,600 of appropriations from the CAO's Contingency Account is for snow removal services. The County estimates these additional funds are needed to cover snow removal related expenditures. Based on our review of DPW's expenditures, the request for additional appropriations appears reasonable. This is the first request to adjust the CAO's Contingency Account appropriation in fiscal year 2022 (FY22), which has an available appropriation of \$12,000,000 which is sufficient to cover this transfer.

The Controller certified that these funds are available for appropriation.

**Bill 35-22:
Gibson Island Special
Community Benefit
District – Approval of
Loan and Assignment
Agreement**

Summary of Legislation

This bill obligates the County to levy a special tax on the property owners in the Gibson Island Special Community Benefit District (SCBD) beginning in fiscal year 2023 (FY23) in an amount sufficient to repay a loan for up to \$11,450,000 from M&T Bank to the Gibson Island Corporation (Corporation). The loan commitment letter provided by the bank shows a fixed interest rate of 3.08% for a 10 year loan amortized over a 25 year period. These terms were agreed upon to keep the monthly payment amount consistent with the current note payment, however, a draft of the agreement between M&T Bank and the Corporation is not available for review.

The SCBD intends to use the proceeds to refinance an existing loan for the construction of community-owned facilities on community-owned property, which was approved via Bills 11-15 and 52-16, and to fund repairs and improvements to a non-County-owned causeway. The purpose of the SCBD includes the maintenance and repair of non-County-owned causeways and construction, improvement, and maintenance of community-owned real and personal property. The SCBD bylaws require approval from the Board of Directors (Board) for any capital projects that exceeds \$1,000,000, which was received unanimously. Documentation of this approval was received, however, there was an error in the Resolution of the Corporation Board that listed the loan as approximately \$11,045,000. Communication from the community was received via the Office of the Budget (Budget) to confirm that this was a typographical error and that the Board approved the amount of \$11,450,000.

A FY23 budget request for Gibson Island SCBD was submitted to Budget to include the repayment of the loan of \$660,480, which is consistent with the FY22 budget request for loan repayment and the FY21 financial report expenditure for loan repayment.

Review of Fiscal Impact

The Gibson Island SCBD is responsible, and the County does not commit its full faith and credit to the repayment of the loan, therefore, this bill has no direct fiscal impact.

**Bill 36-22:
Licenses and Registrations
– Amusements – Linked
Bingo Games**

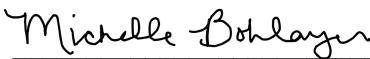
Summary of Legislation

This bill amends the definition of bingo, linked bingo game and linked bingo provider; allows players to participate virtually in linked bingo games under certain circumstances; requires certain notices and signs for linked bingo games; and amends requirements of a linked bingo game provider license.

Review of Fiscal Impact

We agree with the Administration’s fiscal note that the County received approximately \$2.5 million in revenue from the local admission and amusement tax on bingo in fiscal year 2021 and that the expanded access to participation in commercial bingo under this bill would increase County revenue in proportion to any increase in commercial bingo participation.

Sincerely,



Michelle Bohlayer
County Auditor