

ANNE ARUNDEL COUNTY OFFICE OF THE COUNTY AUDITOR

To: Councilmembers, Anne Arundel County Council

From: Michelle Bohlayer, County Auditor

Date: November 16, 2023

Subject: Auditor's Review of Legislation for the November 20, 2023 Council Meeting

Bill 76-23:

Construction and Property Maintenance Codes Supplement – Building Permit Exemptions – Detached Accessory Structures (As Amended)

Summary of Legislation

This bill exempts gazebos, pavilions, and pergolas from building permit requirements if they do not exceed a specified height and floor area and are accessory to a residential structure. This bill also adds a height limitation to the building permit exemption for detached accessory structures that are accessory to nonresidential structures. One-story detached accessory structures meeting specified floor area are currently exempt from building permit requirements but with this bill, the detached accessory structures that are accessory to nonresidential structures will be limited to unoccupied storage sheds and also subject to a height limitation. Also, this bill exempts specified decks from building permit requirements.

We commented on this bill in our letters dated October 12, 2023 and November 2, 2023. At the November 6, 2023 Council meeting, this bill was amended to require a permit if the structure is on property located in the critical area. We have no further comments on this bill.

Bill 78-23:

Finance, Taxation, and Budget – Subdivision and Development – Zoning – Essential Worker Housing Access Act of 2023 (As Amended)

Summary of Legislation

This bill establishes a Moderately Priced Dwelling Unit (MPDU) program administered by a community service entity with a specified County operating agreement. This MPDU program will require development of MPDUs as part of residential development projects. The bill provides three main incentives for the development of MPDUs: (1) A 50% reduction to Capital Facility Connection Charges for water and sewer, (2) Density bonuses of 15% above the maximum permitted for sale units and 15% above the maximum permitted for rental units, and (3) An exemption from development impact fees. This bill establishes development conditions, requirements, and agreements for building MPDUs as well as MPDU development requirements for sketch, final, and site development plans. Price and occupancy control periods are established for a period of 20 years for ownership and 40

Bill 78-23 (continued)

years for rental units. The bill also establishes requirements and procedures associated with the administration of the MPDU program.

We commented on this bill in our letter dated November 2, 2023. At the November 6, 2023 Council meeting, this bill was amended to clarify that the 1% fee is assessed based on the purchase price of all units in the development and not solely the purchase price of each unit and County Board of Education employees are eligible to purchase or rent MPDUs and for income requirement adjustments under certain circumstances. This bill was also amended to modify the provisions for continued eligibility for rental of MPDUs and increase the number of MPDUs that a regulated development must offer for sale from 10% to 15% and increases the authorized density bonus from 10% to 15% above the maximum permitted density for sale units. This bill was amended to increase the fee in lieu of offering a MPDU that certain developers must pay from 1% to 3% of the purchase price of each dwelling unit. These amendments increase the density bonus and raise fee in lieu payments, which will change the impact of this bill; however, the fiscal impact of this bill cannot be estimated at this time because the number and scope of projects that will be developed is unknown.

Bill 79-23: Purchasing – Disposition of County-Owned Real Property

Summary of Legislation

This bill repeals existing and establishes new procedures and requirements for declaring County-owned real property surplus and disposing of County-owned real property. Declaration of surplus property is the process to determine that the property can be considered surplus and disposition of surplus property is the process to sell, transfer, or otherwise dispose of the property.

A summary of these changes is provided in Appendix 1.

Review of Fiscal Impact

This bill removes and/or revises certain requirements as they relate to notifications, advertisements, Council approvals, and appraisals, which may reduce expenditures and personnel costs associated with declaration and disposition of surplus properties. There are requirements of this bill that may offset the savings, including requiring one independent appraisal for all properties valued under \$10,000 and the County will no longer be required to have the purchaser pay the expenses associated with the sale and conveyance of the property. County workloads will be impacted to the extent there is less legislation required earlier in the process; however, these efficiencies could be offset if the Council modifies or denies proposed transactions for reasons that could have been addressed earlier in accordance with existing requirements.

Over the past three fiscal years, the County sold four surplus properties and declared four other properties surplus. The sold properties were each less than half an acre and had assessed values that ranged from

Bill 79-23 (continued)

\$78,400 to \$191,000. The four surplus properties were each less than a quarter of an acre and have not been sold to date. If the quantity of surplus property declaration and disposition maintain these levels, the fiscal impact of this bill is likely to be minimal.

Bill 80-23:

Anne Arundel County 10-Year Solid Waste Management Plan 2024-2033

Summary of Legislation

This bill repeals the County's Solid Waste Management Plan 2013, as amended, and adopts the County's 10-Year Solid Waste Management Plan 2024-2033 (Plan).

Review of Fiscal Impact

We agree with the Administration's fiscal note that there is no direct fiscal impact associated with this bill, but there could be a fiscal impact from future actions to implement this Plan and these will be considered as a part of future budget deliberations.

Bill 81-23:

Current Expense Budget – Supplementary Appropriations – Grants Special Revenue Fund – Opioid Abatement Special Revenue Fund

Summary of Legislation

This bill provides supplementary appropriations of \$1,701,966 to the Grants Special Revenue Fund from unanticipated grant revenue and \$1,616,000 to the Opioid Abatement Special Revenue Fund from unanticipated revenues.

Review of Fiscal Impact

The \$1,701,966 in supplemental appropriations for unanticipated grant revenue provide for the following:

- \$57,500 from the United States Department of Justice (USDOJ) to the Chief Administrative Office to support a Program Manager position and hate crimes-related events. The award period is from October 1, 2023 through September 30, 2027. This grant was not included in the fiscal year 2024 Approved Budget (FY24 Budget) and does not require a matching contribution.
- \$90,120 from the Maryland Department of Aging to the Department of Aging for senior care waitlist programs that provide personal care and services, medications and supplies, and chore services. The award period is from July 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$45,723 from the National Association of County and City Health Officials (NACCHO) to the Department of Health to implement tools that forecast and analyze infectious disease outbreaks. The award period is from November 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.

Bill 81-23 (continued)

- \$150,000 from NACCHO to the Department of Health to address inequities in COVID-19 and influenza vaccination coverage among racial and ethnic minority adults. Based on support provided, this grant has an anticipated term of 10/20/2023 through 6/30/2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$120,108 from USDOJ to the Partnership for Children, Youth, and Families (PCYF) for to support a Community Conferencing Coordinator position and a Juvenile Re-Entry Program Navigator position. The award periods for these two grants are from 10/1/2018 through 9/30/2023 and 10/1/2019 through 9/30/2024, respectively. These two grants were not included in the FY24 Budget and do not require a matching contribution.
- \$110,000 from the Governor's Office of Crime Prevention, Youth, and Victim Services (Governor's Office) to PCYF to support Local Team Care Coordinator program work. The award period is from July 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$415,677 from the Governor's Office to PCYF for administration and support. The award period is from July 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$83,030 from the Governor's Office to PCYF for the Black Wall Street Mentoring Program which provides mentoring, academic support, and life skills development to youth and young adults who are gang involved or at-risk for gang involvement. The award period is from July 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$45,000 from the Maryland Department of Human Services to PCYF for rent assistance for eligible County residents. The award period is from November 1, 2022 through December 31, 2023. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$165,00 from the Governor's Coordinating Offices to PCYF to expand an existing youth mentoring program that matches youth with adult mentors for one-on-one support. The award period is from July 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$10,000 from the Maryland Local Food Council Collaborative to PCYF to support its emerging food council and participation in a statewide food council collaborative. The award period is from July 1, 2023 through June 30, 2025. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$83,840 from the Governor's Coordinating Offices to PCYF for a teen court program that seeks to divert youth from the juvenile justice system. The award period is from July 1, 2023

Bill 81-23 (continued)

- through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$42,500 from the USDOJ to the Police Department for police overtime and surveillance equipment. The award period is from October 1, 2023 through September 30, 2027. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$33,468 from the Governor's Coordinating Offices to the Office of the Sheriff for overtime and investigations to locate and apprehend wanted subjects. The award period is from July 1, 2023 through June 30, 2024. This grant was not included in the FY24 Budget and does not require a matching contribution.
- \$250,000 from Maryland Department of Emergency
 Management to the Department of Public Works to assess
 roadway and bridge vulnerabilities across the County. The
 award period is from March 18, 2022 through March 17, 2025.
 This grant requires a \$62,500 matching contribution, which
 may be in-kind.

The \$1,616,000 in supplemental appropriations for unanticipated revenues provide for the following to the Department of Health:

- \$1,000,000 to support a Recovery Residence Grant Program that awards grants to recovery residences for installation of fire suppression systems; acquisition of property to serve as a recovery residence if the grant applicant is transitioning from rented to owned property; bedding, furniture, paint, and other facility improvements; and operating costs associated with establishing treatment services.
- \$500,000 to provide grants to community and faith-based behavioral health providers establishing or enhancing opioid abatement activities. Grants will be awarded for up to two years and will range from \$20,000 to \$100,000 annually.
- \$116,000 to support Substance Use Disorder Prevention Coalition efforts to reduce youth alcohol and substance use.

The Controller certified that funds totaling \$1,701,966 and \$1,616,000 are available for appropriation in the Grants Special Revenue Fund and Opioid Abatement Special Revenue Fund, respectively.

Bill 82-23: Personnel – Classified Service – Disability Leave

Summary of Legislation

This bill repeals the 64-hour per calendar year limit on the use of accumulated disability leave for the care or treatment of an employee's non-dependent family member.

County employees may be eligible for several types of leave to care for qualifying family members, including County disability leave and County leave without pay. Each type of leave has specific eligibility and use requirements, and individuals may be eligible for more than one type of leave. Among other things, accumulated County disability leave may be used for the care or treatment of an employee's dependent and non-dependent family member for a mental or physical illness, injury, or condition. This eligibility is currently limited to 64 hours of leave per calendar year for non-dependent family members and requirements related to the Family and Medical Leave Act may also apply.

Review of Fiscal Impact

This bill will not change the amount of disability leave that an employee will accrue, but it will change the circumstances in which disability leave may be used. This change may impact employee disability leave usage, leave without pay usage, and employee retention. The Office of Personnel does not anticipate that this bill will impact its operations or prompt a notable increase in disability leave use.

Certain employees are entitled to be paid \$25 for each day of disability leave earned but not taken upon separation from County service and certain accumulated disability leave can be added to length of service upon retirement. Thus, to the extent this bill results in additional use of disability leave, these payments may decrease.

Bill 83-23: Zoning – Requirements for Conditional Uses – Housing for the Elderly of Moderate Means and Workforce Housing

Summary of Legislation

This bill amends conditional use requirements for Housing for the Elderly of Moderate Means (HEMM) and Workforce Housing (WFH) to expand eligible property locations and authorize more development per lot.

This bill authorizes HEMM on properties that abut and have vehicular access from a collector or higher classification roads and increases maximum lot coverage for HEMM from 65% to 80% in R15, R22, and commercial zoning districts.

This bill limits a requirement that WFH be located on collector or higher classification roads to only R5 and R10 zoning districts. Also, this bill increases maximum lot coverage for WFH from 65% to 80% in R15, commercial, and industrial zoning districts.

Bill 83-23 (continued)

Review of Fiscal Impact

The Office of Planning and Zoning does not anticipate a change in workload due to this bill and advises no additional resources are required. To the extent the bill results in additional residential development, impact and permit fees and taxes collected by the County may increase; however, this is dependent upon the actual development projects. Therefore, it is difficult to determine the potential fiscal impact.

Resolution 49-23: Urging the United States Congress to Renew and Extend the Affordable Connectivity Program

Summary of Legislation

This resolution urges the United States Congress to renew and extend Federal Communications Commission Affordable Connectivity Program (ACP) funding in 2024 to ensure currently enrolled ACP low-income households have access to affordable high-speed internet.

Review of Fiscal Impact

This resolution has no direct fiscal impact.

Resolution 50-23: Agreeing to Establish an Additional Early Voting Center at the Broadneck Library

Summary of Legislation

In accordance with state law, the County must have at least nine early voting centers and may have one additional early voting center. This resolution confirms the County Executive's agreement with the establishment of a tenth early voting center at the Broadneck Library. The additional early voting center is subject to final approval by the State Board of Elections.

Review of Fiscal Impact

The Anne Arundel County Board of Elections advises it can absorb any additional costs associated with operating an additional early voting center in FY24.

Appendix 1

Anne Arundel County Office of the County Auditor

Bill 79-23: Purchasing – Disposition of County-Owned Property

(Provisions directly affecting the Council are in bold)

Current Law	Bill 79-23	Impact
Determination of Surplus Property		
County Executive (CE) determines, with approval of Council by resolution. CE must inquire whether any County agency has a current or anticipated future need for property. (§8-3-202)	Central Services Officer (CSO) makes preliminary surplus determination. Chief Administrative Officer (CAO) makes final determination after inquiring whether certain County agencies have current or anticipated future need for property. Council approves surplus declaration and proposed disposition after CE approves disposition. (§8-3-201(B)(1) and (2))	New preliminary determination step by CSO and CSO. CAO makes final surplus determination. Council approva of surplus determination not required until proposed disposition.
Valuation		
For estimated value between \$10,000 and \$25,000: one independent appraisal. For estimated value over \$25,000: average of two independent appraisals. If conveyed for public purpose at nominal consideration, the Department of Public Works (DPW) or designee may perform an appraisal. (§8-3-203) For transfers to other governmental entities, one appraisal if assessed value over \$1,000. (§8-3-209(b)(4))	Real Estate Division to obtain appraisals. For estimated value under \$100,000: one independent appraisal. For estimated value of \$100,000 or more: average of two or more independent appraisals. Appraisals valid for 18 months from the appraisal date. (§8-3-201(B)(3))	Threshold for requiring two appraisals increased from \$25,000 to \$100,000. Establishes 18-month expiration for appraisals. Eliminates authority for DPW to perform an appraisal on surplus property conveyed for public purpose at nominal consideration.
Method of Sale		
Public auction, invitation to bid process at discretion of CE, or real estate broker. Private disposition with Council approval by ordinance. County must require expenses associated with the sale and conveyance be paid by the purchaser. Council approval by ordinance if purchase price is less than 90% of appraised value or appraised value of \$50,000 or more. (§8-3-204)	Real Estate Division chooses method. For appraised value under \$100,000: competitive solicitation or negotiated private disposition. For appraised value of \$100,000 or more: public auction, competitive solicitation, real estate broker, or negotiated private disposition. (§8-3-201(B)(4)) Council approval by resolution required for all dispositions. (§8-3-201(B)(9)(IV))	Auction and real estate broker methods not available if appraised value under \$100,000. No requirement for purchaser to pay expenses associated with the sale and conveyance. Council approval by resolution required for all dispositions.

Anne Arundel County Office of the County Auditor

Bill 79-23: Purchasing – Disposition of County-Owned Property

(Provisions directly affecting the Council are in bold)

Bill 79-23	Impact
Notice to owners within 300 feet and community or homeowner's association. Notice to the Councilmember for the district. Advertise on County website. (§8-3-201(B)(9)(I)-(II))	Notices to owners within 300 feet, rather than adjacent. Adds notice to the Councilmember for the district. Requires notices be posted on the County website (not for "non-buildable" properties). Eliminates requirement to advertise in newspapers.
Objections may be submitted to CAO by a specified date. CAO reviews objections and determines if disposition may proceed. (§8-3-201(B)(9)(I)-(III))	Eliminates statutory time frames for objections and decisions. Eliminates requirement for CAO to hold hearings on objections.
Council approves by resolution both surplus declaration and disposition if CAO determines a proposed disposition can proceed. (§8-3-201(B)(9)(IV), §8-3-202(C)(6)(III), §8-3-203(C)(6)) Council approves by resolution surplus property declaration if there are no offers, or if CAO does not approve a proposed disposition. (§8-3-201(B)(8), §8-3-202(C)(5))	Specifies that Council approval for both surplus and disposition is sought after a disposition is proposed, or if there are no offers or if the CAO does not approve a proposed disposition. Eliminates approval by ordinance.
	Notice to owners within 300 feet and community or homeowner's association. Notice to the Councilmember for the district. Advertise on County website. (§8-3-201(B)(9)(I)-(II)) Objections may be submitted to CAO by a specified date. CAO reviews objections and determines if disposition may proceed. (§8-3-201(B)(9)(I)-(III)) Council approves by resolution both surplus declaration and disposition if CAO determines a proposed disposition can proceed. (§8-3-201(B)(9)(IV), §8-3-202(C)(6)(III), §8-3-203(C)(6)) Council approves by resolution surplus property declaration if there are no offers, or if CAO does not approve a proposed disposition. (§8-3-201(B)(8), §8-3-

Anne Arundel County Office of the County Auditor

Bill 79-23: Purchasing – Disposition of County-Owned Property

(Provisions directly affecting the Council are in bold)

Current Law	Bill 79-23	Impact
Non-Buildable Property Non-buildable surplus property may be disposed of through private disposition. Must be 1/10 of an acre or less. Surplus determination approved by CAO and Council by resolution. CSO must consult DPW and Department of Recreation and Parks to determine if they have a need for the property. (§8-3-208)	Non-buildable surplus property is 1/10 of an acre or less. CAO makes final surplus determination. No appraisals required. Adjacent property owners may make offers and Real Estate Division determines highest offer. Comments on proposed disposition may be submitted to the CAO for review by a specified date. If CAO approves disposition, Council by resolution approves surplus determination and disposition. If no offers, or if CAO sustains objections, Council approves surplus designation. (§8-	Aligns process for non-buildable surplus property with other surplus property processes. Limits disposition of non-buildable surplus property to adjacent landowners.
Disposition to Other Governmental Entires of property. Council approves by resolution. Resolution must explain proposed use. After public notice and Example approval, CSO determines fair market value by reviewing one appraisal if assessed value is over \$1,000, and title may be transferred. The deed must provide for the property to revert to County if it ceases to be used for the specified purpose. (§8-3-209)	CSO makes preliminary surplus determination and CAO makes final decision. Real Estate Division determines value by one appraisal if estimated value is under \$100,000 and average of two or more appraisals if \$100,000 or more. Real Estate Division negotiates private disposition. If CAO approves disposition terms, Council by resolution approves surplus determination and disposition. The deed must provide for the property	Aligns process with other surplus property categories. Council approval occurs after negotiation of transfer.
Duration of Surplus Declaration No current provision for surplus declarations to expire.	to return to County if it ceases to be used for the specified purpose for more than 90 consecutive days. (§8-3-203) Surplus declarations approved by Council expire after three years. (§8-3-204)	Requires properties to be disposed of within three years of being declared surplus.

Anne Arundel County Office of the County Auditor

Bill 79-23: Purchasing – Disposition of County-Owned Property

(Provisions directly affecting the Council are in bold)

Note: B79-23 does not amend these provisions in current law:

- Authorizing the County to, for five years following the completion or abandonment of a capital project
 and on a determination that all or part of the property acquired for the project is no longer needed for
 public use, grant and convey surplus property back to the owner from whom it was acquired, for a price
 no less than the cost of acquisition of the property by the County (County Code §8-3-206); and
- Requiring the CE to send a report to the County Auditor each year not later than September 30 listing the property disposed of by the County during the prior fiscal year, with related details (description of the property, acquisition costs, appraised value, and consideration received). (County Code §8-3-210)