



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

To: Councilmembers, Anne Arundel County Council
From: Michelle Bohlayer, County Auditor
Date: December 15, 2023
Subject: Auditor's Review of Legislation for the December 18, 2023 Council Meeting

**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 and 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 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 letters dated November 2, 2023, November 16, 2023, and November 30, 2023. At the December 4, 2023 Council meeting, this bill was amended to require that in order for a household to purchase or rent a MPDU, a member of the household must be a resident of the County, employed in the County, or have accepted an offer of employment at a location in the County. We have no further comments on this bill.

Bill 84-23: Subdivision and Development – Zoning – Boards, Commissions, and Similar Bodies – Finance, Taxation, and Budget – Public Works – Odenton Town Center – Odenton Town Center Master Plan (As Amended)

Summary of Legislation

This bill repeals the 2016 Odenton Town Center Master Plan and adopts the Odenton Town Center Master Plan, dated October 2023; renames the Odenton Town Center Growth Management Area the Odenton Town Center (OTC); adds uses established since 2016 in other planning areas; eliminates some permitted uses from the OTC Core and OTC Historic Zoning Districts; requires developers to conduct noise mitigation studies and provide noise mitigation measures for specified developments; requires a specified number of electric vehicle charging stations; requires structured parking for certain types of residential and business development; changes signage requirements; revises certain standards and procedures related to adequate public facility tests, mitigation plans, an incentive program, and outdoor noise mitigation to be consistent with the Parole Town Center Master Plan; modifies provisions concerning an advisory committee; and requires the Odenton Town Center Master Plan to be kept in specified locations. The bill places various provisions currently in the 2016 OTC Master Plan into the County Code.

We commented on this bill in our letter dated November 30, 2023. At the December 4, 2023 Council meeting, this bill was amended to allow the Planning and Zoning Officer to require a developer to design, construct, and dedicate roads identified as planned in the OTC Master Plan as a condition of approval of a development application and require developers to improve and dedicate County roads under certain conditions. We have no further comments on this bill.

Bill 86-23: Subdivision and Development – Zoning – Development Requirements for Particular Types of Development – Redevelopment (As Amended)

Summary of Legislation

This bill establishes redevelopment requirements applicable to Critical Economic, Critical Corridor, Town Center, and Transit-Oriented Overlay Policy Areas designated in the Plan2040 General Development Plan, as well as Commercial Revitalization Areas if elected by a developer; outlines redevelopment application requirements and procedures; reduces specified redevelopment fees by 50%; alters conditional use requirements by establishing redevelopment density requirements and eliminating commercial use requirements; authorizes the Planning and Zoning Officer to approve specified actions; and authorizes a redevelopment to pass the test for adequate public facilities if: (1) it creates 250 or fewer new daily trips or if certain roads operate with a specified acceptable level of service and (2) it satisfies existing tests for adequate school facility or the redevelopment consists of multifamily dwellings with at least 50% of the dwelling units being efficiency or one-bedroom units and none having more than two bedrooms.

Bill 86-23 (continued)

We commented on this bill in our letter dated November 30, 2023. At the December 4, 2023 Council meeting, this bill was amended to add multifamily dwellings as a conditional use in a C4 commercial district only if the redevelopment project is in certain policy areas. This bill was also amended to clarify the requirement that areas subject to preservation or conservation easements and natural features and their associated buffers must remain undisturbed to the maximum extent practicable. We have no further comments on this bill.

Bill 87-23: Capital Budget and Program – Board of Education Security Related Upgrades, Roof Replacement, and Old Mill MS South Capital Projects – Community College Campus Improvements Capital Project – Supplementary and Transfer of Appropriations**Summary of Legislation**

This bill amends the Fiscal Year 2024 Approved Capital Budget and Program (FY24 Capital Budget) by making supplementary appropriations and a transfer of appropriations for the Board of Education (BOE). This bill reflects the budgetary changes adopted by the BOE at their meeting on September 20, 2023. This bill also makes a supplementary appropriation for Anne Arundel Community College (AACC).

These changes to the FY24 Capital Budget have been reviewed by the Planning Advisory Board, and they have offered an advisory recommendation of approval.

Review of Fiscal Impact

This bill transfers appropriations in the total amount of \$3,115,000 for the Old Mill MS South (Project #E550400) capital project from general county bonds to other state grants funding. Specifically, this transfer recognizes the availability of \$3,115,000 in additional Built to Learn funding from the Maryland Interagency Commission on School Construction to the BOE and reduces the general county bonds appropriated by that amount.

This bill also includes an increase in the total amount of \$3,277,500 for the following:

- Security Related Upgrades capital project (Project #E538100) – increases \$797,000 in other state grants from the Maryland Center for School Safety for the FY24 School Safety Grant Program for new guided entrance security vestibules at the following elementary schools: Four Seasons, Crofton Meadows, Shipley’s Choice, Windsor Farm, and Cape St. Claire; and
 - Roof Replacement capital project (Project #E538400) – increases \$2,480,500 in other state grants from the Interagency Commission on School Construction for FY24 Healthy School Facility funding for roof replacement at Central Middle School.
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Bill 87-23 (continued)

This bill provides a \$1,000,000 FY24 Capital Budget supplementary appropriation for AACC's Campus Improvements (Project #J441200) capital project to repair a pedestrian bridge that connects the east and west side of the Arnold campus. AACC will use community college paygo funding for this project.

The Controller certified that these funds are available for appropriation.

**Bill 88-23: Zoning –
Accessory Structures in
Front Yards**

Summary of Legislation

This bill authorizes an accessory structure in the front yard of a through lot or corner through lot if it is located in a specified front yard, requires the prevailing front yard pattern on adjoining lots to determine the front yard where an accessory structure is located, and prohibits certain alleys and easements from being considered roads when assessing a front lot line.

Review of Fiscal Impact

The Department of Inspections and Permits and the Office of Planning and Zoning do not anticipate a change in workload from this bill and no additional resources are anticipated to be required. The Administration advises no active projects would be impacted by this bill, nor do they expect a change in the number of applications, but it may reduce the number of variance requests.

**Bill 89-23: Finance,
Taxation, and Budget –
Real Property Taxes –
Credits – Disabled or
Fallen Law Enforcement
Officers and Rescue
Workers**

Summary of Legislation

This bill amends the property tax credit for disabled or fallen law enforcement officers or rescue workers by expanding eligibility to members of the Federal Bureau of Investigation (FBI) and the United States Capitol Police (USCP) who are authorized by their agency to carry firearms and have statutory power of arrest and apprehension. This bill also aligns the County tax credit with a new state law requiring counties to define who is a law enforcement officer or rescue worker and requiring specified applicants to have: (1) lived in the state within 5 specified years and (2) acquired the dwelling within the past 10 years.

Review of Fiscal Impact

This property tax credit has been in effect since tax year 2003. The table below illustrates the annual property tax credits granted over the last five fiscal years.

Fiscal Year	No. of Credits	Total Amount	Avg. Amount
2020	121	\$299,443	\$2,475
2021	126	\$312,508	\$2,480
2022	127	\$323,056	\$2,544
2023	125	\$340,234	\$2,722
2024	126	\$368,064	\$2,921

The Office of Finance advises that this bill may increase the workload associated with verifying applicant eligibility and administering the tax credits, and there may be a need for additional personnel depending on the number of additional applications that are received and the amount of time required to review, approve, and administer those tax credits. We were not able to obtain an estimate of the number of FBI or USCP law enforcement officers that reside or own property in the County. The additional applications for credits that may be submitted as a result of this bill and the resulting additional workload cannot be estimated at this time.

Real property tax credits reduce taxes collected by the County; however, the fiscal impact of these credits will be determined by the tax rate set during the annual budget process. If the County decides to maximize the property tax revenue under the tax cap, the fiscal impact of the change in eligibility for the tax credit would not impact the property tax revenue collected by the County, but rather would be absorbed by the remaining tax base.

**Resolution 53-23:
Relating to the
Condemnation
Proceedings to Acquire
Real Properties Located
in Gambrills for the
Purpose of the Towsers
Branch Stream
Restoration Project**

Summary of Legislation

County Code § 8-3-101 (c)(2) provides that the County may acquire property by condemnation after the Council identifies the property and determines and declares its acquisition is necessary for a public purpose. This resolution states that it is necessary for a public purpose for the County to acquire 0.523 acres of real property adjacent to Maryland Route 3, near Evergreen Road, in Gambrills. The necessary public purpose is described as right-of-way acquisition and construction of a stream restoration construction associated with Watershed Protection and Restoration's (WPR) LP-OF-01 (Project #B556700) capital project. An environmental assessment of this property is not required and the Department of Public Works (DPW) does not believe one is necessary based on their assessment of this property.

Review of Fiscal Impact

This property is made of up two separate parcels and one appraisal was performed on each parcel. The parcels were appraised for \$2,000 and \$4,000 for a total estimated value of the property of \$6,000. Once the property is condemned, the County will set aside \$6,000 in funds for the Orphan's Court to compensate any potential landowners.

Total funding for WPR's LP-OF-01 capital project is \$4,380,000. As of December 4, 2023, the balance in this project is approximately \$3,582,000 with \$108,700 allocated for land acquisition. DPW does not anticipate any other land acquisitions being required for this project, therefore, there are sufficient funds available in the project for this allocation.
