



Anne Arundel County, Maryland
**Office of the
County Auditor**

To: Councilmembers, Anne Arundel County Council
From: Office of the County Auditor
Date: October 19, 2026
Subject: County Auditor's Review of Legislation for the October 19, 2026 Council Meeting

CB 61-26 Public Safety – Zoning – Article 18 Update

Summary of Legislation

This bill, introduced at the request of the Administration on behalf of the Office of Planning and Zoning (OPZ), revises the County's zoning code, Article 18. There are approximately 350 proposed amendments to the Article that have been provided by the Administration. This bill updates outdated terms, revises current use categories, revises allowed uses, and maintains compliance with State code. The bill also amends Article 12.

Review of Fiscal Impact

The Office of the County Auditor (OCA) agrees with the Administration's conclusion that the bill has no significant current-year effect on personnel, other operating costs, capital budget, or revenues. The proposed adjustments to the zoning code are expected to have an indirect effect on tax and fee revenue, though the direction and magnitude of that change cannot be reliably estimated at this time.

CB 68-26 Capital Budget and Program – Town Center to Reece Road and Culvert Invert Paving Capital Projects – Transfer of Appropriations

Summary of Legislation

This emergency legislation modifies the FY27 Approved Capital Budget ending June 30, 2027 by transferring \$1,400,000 in General County Bonds from the Town Center to Reece Road capital project (Project No. H371200) to the Culvert Invert Paving capital project (Project No. H590000). The Culvert project is eligible for federal funding. The Planning Board hearing was held on August 26, 2026. At least five affirmative votes from the Council are required to amend the Capital Budget.

Review of Fiscal Impact

OCA agrees with the revised Fiscal Note dated September 14, 2026. OCA confirmed that the \$1,400,000 proposed for transfer is available in the Town Center to Reece Rd project (H371200). OCA also agrees with the Fiscal Note's core conclusion that the bill produces no net change in total FY27 capital authorizations. The revised Fiscal Note further indicates that Public Works plans to seek \$1,400,000 within the FY28 capital program for Project No. H371200 to restore these transferred funds.

OCA notes additional indirect effects of this legislation, which are not addressed in the revised Fiscal Note:

- The FY27 Capital Improvement Program (CIP) page for the Culvert Invert Paving project (H590000) states that the project is eligible for 80% federal funding for both design and

construction through the Federal Highway Bridge Program. Funding this repair entirely with General County Bonds forgoes federal participation of as much as \$1,118,114.

- By shifting approximately \$1,400,000 in bond-financed construction funds from FY29 into FY27 for the H371200 project, this transfer accelerates the timeline for construction and may consequently hasten both bond issuance and subsequent debt service payments..

CB 69-26 Personnel – Positions in the Classified Service – Positions in the Exempt Service – Public Ethics – Financial Disclosure – Health Department – Police Department

Summary of Legislation

This bill modifies the Personnel Officer's Pay Plan in the FY27 Approved Budget by removing and subsequently reclassifying three Exempt Service positions into two established Exempt Service positions and one new Merit position. The new Merit position – Deputy Health Officer, Operations – will be required to file a financial disclosure form.

Review of Fiscal Impact

OCA agrees with the revised Fiscal Note dated September 14, 2026 that this legislation would result in an approximately \$95,370 net increase in personnel costs for FY27, which can presumably be absorbed by existing appropriations. Additionally, OCA agrees that \$95,370 is an estimated recurring cost beginning in FY28, and that the annualized recurring cost of these positions would be reflected in future budgets beginning in FY28. OCA notes that the three new positions are budgeted at the grade minimum and actual salary and benefit costs once filled are likely to be higher than the estimates presented in the Fiscal Note.

CB 70-26 Boards, Commissions, and Similar Bodies – Subdivision and Development – Concept Plan

Summary of Legislation

This bill creates an alternative, optional, review process for certain development projects by establishing a "Concept Plan" which will substitute the submission of a sketch plan or preliminary plan by meeting requirements established by the Office of Planning and Zoning (OPZ). The bill institutes an application fee, requirements for public meetings, and criteria for final applications. Additionally, this bill requires the Odenton Town Center (OTC) Advisory Committee to review and make advisory opinions. Input from private third party groups such as the Maryland Building Industry Association (MBIA), the Commercial Real Estate Development Association (NAIOP), and the Growth Action Network (GAN) was provided during the development of the bill.

Review of Fiscal Impact

OCA cannot confirm the Fiscal Note's conclusion that the revenue effect of this legislation is "de minimis." The Fiscal Note's revenue conclusion rests on the premise that "applicants opt to pay either the concept plan fee or a prelim/sketch plan fee," which treats the two pathways as economically comparable. However, OCA's analysis indicates that the proposed pathway is likely to result in lower fee revenue.

The proposed concept plan fee is a flat \$500, while the sketch plan and preliminary plan fees it displaces are assessed at \$75 per residential dwelling unit or \$360 per acre or part of an acre for commercial and industrial development. OCA calculates the break-even at 6.67 residential units and 1.39 acres, meaning that a residential subdivision of seven or more units, or a commercial or

industrial project larger than one acre, pays less under the proposed pathway than under existing law.

The table below illustrates the per-project revenue impact should applicants select to use the Concept Plan pathway.

Project Type	Current Fee	Concept Pathway Fee	Plan Fee Difference
25-unit residential subdivision	\$1,875	\$500	(\$1,375)
50-unit residential subdivision	\$3,750	\$500	(\$3,250)
25-acre commercial	\$9,000	\$500	(\$8,500)
50-acre commercial	\$18,000	\$500	(\$17,500)

Because minor subdivisions are already exempt from sketch plan review under § 17-3-301(a), the majority of applications eligible to use the concept plan pathway are likely to fall above those break-even points. The pathway is therefore structurally revenue-negative rather than revenue-neutral, and the magnitude of the effect turns entirely on utilization, which the Fiscal Note does not estimate.

CB 75-26 – Current Expense Budget – Supplementary Appropriations – Chief Administrative Office – Technical Corrections of Annual Budget and Appropriation Ordinance

Summary of Legislation

This bill amends the FY27 Annual Budget and Appropriation Ordinance (ABAO) (CB 32-26), by transferring \$142,500 from the Chief Administrative Office Contingency Fund to the Empire Towers grant program administered by the Anne Arundel Economic Development Corporation and \$15,000 of pass-through State funding for the Annapolis 250th Commemoration event. The legislation makes a technical amendment to CB 32-26 to reconcile a project's misappropriated funding during the amendment process by relocating the "Information Technology Enhance" project to the appropriate section within the ABAO and removes the same line item from the Board of Education budget.

Review of Fiscal Impact

OCA agrees with the Fiscal Note's conclusion that this legislation has no net effect on the County budget. The bill appropriates \$142,500 from the CAO Contingency Fund to provide budget authority for two one-time grant pass-throughs that arose after the FY27 budget was adopted. OCA validated the grant information using publicly-available award documentation. Additionally, this legislation makes three technical corrections to Exhibit A and Section 49 of the FY27 Annual Budget and Appropriation Ordinance (ABAO), none of which alter total appropriations for the fiscal year.

Resolution 34-26 – supporting the Anne Arundel County Board of Education’s Fiscal Year 2028 Public School Construction Capital Improvement Program request for submission to the Interagency Commission on School Construction

Summary of Legislation

This resolution affirms the County Executive’s support for the Fiscal Year 2028 School Construction Capital Improvement Program Request of the County Board of Education for submission to the Interagency Commission on School Construction (ICSC). Annually, the County’s Local Education Authority (LEA), with approval from its local board, must submit a local Capital Improvement Program application to the Interagency Commission on School Construction (IAC) for the upcoming fiscal year. The Board of Education is requesting \$111.8 million for FY28. The deadline to provide written local government support is no later than November 30, 2026.

Review of Fiscal Impact

OCA agrees with the Fiscal Note that Resolution 34-26 has no direct fiscal impact on the FY27 operating or capital budgets. The resolution confirms the County Executive's letter supporting the Board of Education's (BOE) FY28 State capital budget request.

OCA notes that the County budgets State school construction (IAC) funds as a capital funding source. The State's decisions on this request will therefore affect future County capital revenues, even though the resolution itself has no revenue effect.

Resolution 35-26 – approving Anne Arundel County’s 2026 Financial Assurance Plan for compliance with the National Pollutant Discharge Elimination Phase I Municipal Separate Storm Sewer System Permit

Summary of Legislation

This resolution approves the County’s 2026 Financial Assurance Plan (FAP) in compliance with the National Pollutant Discharge Elimination System (NPDES) Phase I Municipal Separate Storm Sewer System (MS4) Permit for stormwater discharges from municipal separate storm sewer systems and industrial activities. The FAP demonstrates that the County has the financial means to achieve the NPDES MS4 Permit requirements per State and federal law. This permit expires on November 4, 2026.

Review of Fiscal Impact

OCA partially agrees with the Fiscal Note. OCA cannot confirm the Fiscal Note's statement that the current stormwater fee schedule is adequate and that no future fiscal effects are anticipated. The FAP's revenue projections assume stormwater fee increases of 3% in FY28 and 5% a year in FY29–FY31. The Administration has confirmed that these increases depend on approval by the next Administration and County Council. **Even with those increases, the FAP projects costs exceeding revenues in every year from FY28 through FY31, by a cumulative \$7,143,240. That gap would be funded by drawing down the available fund balance.**

OCA agrees that this resolution has no direct effect on the FY27 revenues, operating costs, or capital costs. OCA also agrees that the FAP meets the State's requirement to show funding for 100% of projected compliance costs over FY27–FY28. OCA independently recalculated FY27–FY28 coverage at 123%.

Resolution 36-26 – approving the revision of certain terms and conditions of the private disposition of certain County-owned property in Glen Burnie, Maryland, known as 7409 Baltimore-Annapolis Boulevard

Note: Per County Council staff, this legislation is expected to be withdrawn by the Administration at the October 19, 2026 Council Meeting.

Summary of Legislation

This resolution modifies the terms and conditions related to the sale of up to 34.008 acres of County-owned property located at 7409 Baltimore-Annapolis Boulevard, Glen Burnie, MD 21601. This redevelopment project began with a request for proposal from the Anne Arundel Economic Development Corporation. On May 13, 2025 the Administration and the AAEDC announced the selection of Sawmill Partners, LLC as the vendor to acquire the land and facilitate the redevelopment. The sale was approved by Resolution 16-25 on July 7, 2025 to Sawmill Partners LLC. This represents the third amendment to the Land Disposition and Development Agreement.

Review of Fiscal Impact

OCA agrees with the Fiscal Note that this resolution has no FY27 fiscal impact. The resolution does not change the \$1,000,000 purchase price or any County operating or capital appropriation.

However, the revised terms will have future fiscal effects that the Fiscal Note does not estimate. The resolution reduces the planned development from 246 to 220 dwelling units, and reduces for sale units from 210 to 146. Compared to the terms approved in Resolution 16-25, these reductions will lower the future assessable base and the transfer and recordation taxes collected on initial home sales.

Additionally, the proposed changes alter the in-kind contributions delivered to the County by the developer in connection with the sale. While the original agreement estimated these contributions “in excess of \$4,600,000”, a response to Council queries provided by the Administration on October 17, 2026, outlined updated projections totaling \$5,725,000. This higher figure incorporates two newly added items addressing site conditions discovered during evaluation: soil stabilization (estimated at \$1,000,000) and methane mitigation (estimated at \$750,000). Conversely, the valuation assigned to Moderate Priced Dwelling Units (MPDUs) exceeding Code mandates fell to \$1,025,000 from the previous estimate of \$1,625,000. Because no supporting cost documentation accompanied these revised projections, OCA could not verify their accuracy.

Unless otherwise noted, this analysis reflects OCA’s review of the legislation as introduced and is not updated to reflect subsequent amendments.