



**Howard County Citizens Association**

*Since 1961...*

*The Voice Of The People of Howard County*

Date: 22 December 2018

**Subject: HCCA Strongly Supports the County's Public Facilities Surcharge Should be Increased**

Dear Howard County Delegation,

The Howard County Citizens Association (HCCA) applauds Delegate Vanessa Atterbeary on introducing a Bill that would have a lasting beneficial effect on our County by protecting taxpayer dollars and partially funding our infrastructure. We are very encouraged and appreciate that the State Delegation plans on holding a Work Session on January 12 at the George Howard Building to allow the public better access. County Executive Calvin Ball at his Annual Budget presentation stated, "Without changes to County revenues or expenditures, current patterns of spending are unsustainable in the long-term." We join with Delegate Atterbeary and County Executive Ball in taking immediate action to plan for the future, and note the following critical concerns and suggestions.

School impact fees are extremely low in our County as compared to other counties. Funding for school growth has lagged behind school construction cost increases. Lower school impact fees compounds the problem. Facilitating and promoting growth increases the infrastructure gap. These impact fees are utilized to partially cover the cost of new school construction. In 2004 this fee was set at an arbitrary value of \$1.00 per square foot and pegged to inflation in the years ahead. Unfortunately for many years the existing school impact fees have been shortchanging the taxpayers and the County's budget. According to the 2018 Department of Legislative Services Report the fee is \$1.26 per square foot. In Montgomery County, the fee ranges from \$23,062 to \$38,087, which is an average of \$30,575 per home. The \$4 per square foot of the proposed bill is not enough to recover our current school overcapacity at 229 (FY-2020 Superintendent's Proposed Capital Budget), and growing, temporary trailers. New outbuildings, like those in Maple Lawn, are causing our children to walk outside in freezing weather, or the now more regular rainstorms.

According to data provided by the Howard County's Department of Planning and Zoning the average size single family detached and attached homes built in eastern Howard County between 2014 and 2017 were 4,774 square foot and 2,586 square foot, respectively. While the cost of schools could be a minimum of \$50,000 per new student (the cost of the new Hanover Hills Elementary School was \$53,000 per new student), the County has been collecting an average of \$5,000 per new home (2017 number). Since 2004, the County has approved approximately 1,700 homes per year or nearly 24,000 new homes during the last 14 years. This means, if Howard County had kept up with the impact fees charged by Montgomery County, it would have saved taxpayers a nominal value (not adjusted for inflation) of nearly \$530 million during the last 14 years. This does not include intangible costs due to stress on infrastructure because of deferred maintenance, increased class sizes, and interest paid on bonds, etc.

On these critical planning issues we request the Delegation implement the following at the Work Session:

1. We understand the Work Session will cover surcharge fees, school redistricting, adequate public facilities ordinance, and school construction funding in general. These areas are interrelated and as such if possible we request the Delegation to concentrate your discussion to the extent of impact school surcharge fees.
2. We request the State Delegation solicit the views of impartial experts with no financial conflicts of interest to serve as witnesses in order to ensure the interests of BOTH the taxpayer and the development community is protected.
3. We would appreciate you sharing any advanced information by any Work Session witnesses to the public by publishing on your website at <https://www.howardcountymd.gov/About-HoCo/State-Delegation>.

We very much appreciate the opportunity to discuss and hopefully for you to take the necessary action of increasing the Impact Fees with the goal to gain needed County revenue as a means to possibly avoid tax increases to your constituents.

Your feedback is appreciated and most welcome.

Sincerely,

Stu Kohn  
HCCA, President