Chapter 378

(House Bill 555)

AN ACT concerning

St. Mary's County - Building Impact Fees - Deferrals

FOR the purpose of authorizing the County Commissioners of St. Mary's County to defer the building impact fee imposed on certain newly constructed living units for a certain period of time; and generally relating to the authority of the County Commissioners of St. Mary's County to defer building impact fees.

BY repealing and reenacting, with amendments,

Article 25 - County Commissioners

Section 10D-1

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Local Government

Section 20–706

Annotated Code of Maryland

(As enacted by Chapter ___ (H.B. 472) of the Acts of the General Assembly of 2013)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 25 - County Commissioners

10D-1.

- (a) The County Commissioners of St. Mary's County may raise the building permit fees up to two percent of the cost of any new construction of any living units built in St. Mary's County, or prebuilt and brought into St. Mary's County; the building permit fees shall be set by the County Commissioners in December of each year.
- (b) (1) Subject to paragraphs [(2) and (3)] (2), (3), AND (4) of this subsection, the County Commissioners of St. Mary's County may require every person, firm, partnership, corporation, or other legal entity which submits its property plans for approval to the planning commission of St. Mary's County (or the appropriate approving authority) to pay a fixed sum as set by the County Commissioners to defray

the additional cost for additional public facilities as required by local ordinance or resolution.

- (2) By ordinance, the County Commissioners of St. Mary's County may enact an exemption to the building impact fee imposed under paragraph (1) of this subsection for the first 3 lots, in a minor subdivision, that:
- (i) Were recorded after June 1, 2000 and created from a parcel of record or a lot of record; and
- (ii) Transferred to a natural, direct lineal descendant, or a legally adopted son, daughter, grandson, or granddaughter.
- (3) (i) Subject to subparagraphs (ii) and (iii) of this paragraph for each fiscal year, the County Commissioners of St. Mary's County may:
- 1. Waive the building impact fee imposed under paragraph (1) of this subsection for up to 60 newly constructed living units, excluding mobile homes: and
- 2. Defer or provide for the amortization of the building impact fee for up to 70 newly constructed living units, excluding mobile homes.
- (ii) The County Commissioners may waive, defer, or amortize the building impact fee only for newly constructed living units that are deemed to be affordable for individuals whose family income in the previous fiscal year was less than 60 percent of the county median family income as reported by the U.S. Department of Housing and Urban Development.
- (iii) A waiver, deferral, or amortization shall be limited to new construction of living units not exceeding a certain square footage as determined by the County Commissioners of St. Mary's County.
- (iv) The total amount of building impact fees waived, deferred, or amortized shall be reflected in the St. Mary's County annual capital budget for the fiscal year in which the waiver, deferral, or amortization is granted.
- (4) THE COUNTY COMMISSIONERS MAY DEFER THE BUILDING IMPACT FEE IMPOSED ON A NEWLY CONSTRUCTED LIVING UNIT CONSTRUCTED IN ACCORDANCE WITH A BUILDING TRADES PROGRAM APPROVED BY THE ST. MARY'S COUNTY BOARD OF EDUCATION UNTIL THE EARLIER OF:
- (I) ONE YEAR FROM THE TIME THE FEE WOULD OTHERWISE HAVE BEEN PAYABLE; OR

(H) THE TIME THE LIVING UNIT IS SOLD AND CONVEYED.

(e) The income derived from subsections (a) and (b) of this section shall be used to defray the additional cost to St. Mary's County for additional educational, water, sewerage, road, sanitation, solid waste, park, or similar facilities.

Article - Local Government

20-706.

- (a) (1) The County Commissioners of St. Mary's County may impose building permit fees in an amount up to 2% of the cost of any new construction of any living units:
 - (i) built in St. Mary's County; or
 - (ii) prebuilt and brought into St. Mary's County.
- (2) The county commissioners shall set the building permit fees in December of each year.
- (b) (1) Subject to paragraphs [(2) and (3)] (2), (3), AND (4) of this subsection, by ordinance or resolution, the County Commissioners of St. Mary's County may impose a development impact fee to finance any of the costs for facilities described in subsection (c) of this section required to accommodate new construction or development.
- (2) By ordinance, the county commissioners may enact an exemption to the development impact fee imposed under paragraph (1) of this subsection for the first three lots in a minor subdivision that are:
- (i) recorded after June 1, 2000, and created from a parcel of record or a lot of record; and
- (ii) <u>transferred to a natural, direct lineal descendant or a legally adopted child or grandchild.</u>
- (3) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, for each fiscal year, the county commissioners may:
- 1. <u>waive the development impact fee imposed under</u> paragraph (1) of this subsection for up to 60 newly constructed living units, excluding mobile homes; and

- <u>2.</u> <u>defer or provide for the amortization of the development impact fee for up to 70 newly constructed living units, excluding mobile homes.</u>
- (ii) The county commissioners may waive, defer, or amortize the development impact fee only for newly constructed living units that:
- 1. are considered affordable for individuals whose family income in the previous fiscal year was less than 60% of the county median family income as reported by the U.S. Department of Housing and Urban Development; and
- <u>2.</u> <u>do not exceed a specified square footage determined</u> <u>by the county commissioners.</u>
- (iii) The total amount of development impact fees waived, deferred, or amortized shall be reflected in the St. Mary's County annual capital budget for the fiscal year in which the waiver, deferral, or amortization is granted.
- (4) THE COUNTY COMMISSIONERS MAY DEFER THE BUILDING IMPACT FEE IMPOSED ON A NEWLY CONSTRUCTED LIVING UNIT CONSTRUCTED IN ACCORDANCE WITH A BUILDING TRADES PROGRAM APPROVED BY THE ST. MARY'S COUNTY BOARD OF EDUCATION UNTIL THE EARLIER OF:
- (I) 1 YEAR FROM THE TIME THE FEE WOULD OTHERWISE HAVE BEEN PAYABLE; OR

(II) THE TIME THE LIVING UNIT IS SOLD AND CONVEYED.

(c) The revenue derived from this section shall be used to defray the cost to St. Mary's County for additional educational, water, sewerage, road, sanitation, solid waste, park, or similar facilities.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 2, 2013.