

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

Senate Bill 400 (Senator Astle)
Education, Health, and Environmental Affairs

Anne Arundel County - Development Impact Fees - Not-For-Profit Entities

This bill authorizes Anne Arundel County to grant exemptions from or credits against development impact fees for development by nonprofit entities. The county council must enact an ordinance that sets the amount of the exemptions or credits, establishes conditions of eligibility, and adopts application procedures.

Fiscal Summary

State Effect: None.

Local Effect: Anne Arundel County revenues would decrease depending upon enactment of any ordinance allowing for exemptions or credits from development impact fees.

Small Business Effect: Minimal.

Analysis

Current Law: Anne Arundel County, by ordinance, may fix, impose, and collect development impact fees for financing, in whole or in part, the capital costs of additional or expanded public works, improvements, and facilities required to accommodate new construction or development.

Background: Anne Arundel County imposes development impact fees on new residential and nonresidential development, or a change of use or improvement to an existing use, that impacts public schools, transportation, or public safety facilities. The total impact fee (school, transportation, and public safety) required to be paid for a

single-family, detached home is \$4,904 for fiscal 2008. The fee for office space is \$2,156 per 1,000 gross square feet up to 100,000 gross square feet (see **Appendix 1** for fee schedule). Pursuant to the county code, the fee revenues can only be used to expand the capacity of public schools, roads, and public safety facilities and not for replacement, maintenance, or operations.

Anne Arundel County first imposed development impact fees in fiscal 1988. The county council amended the development impact fee ordinance in 2001, effective in fiscal 2003, to bring the fees in line with inflation and at the same time provided for yearly adjustments by the county controller to keep up with inflation. County revenues from impact fees totaled \$10.5 million in fiscal 2006 and \$9.2 million in fiscal 2007.

Additional Information

Prior Introductions: None.

Cross File: HB 515 (Delegate Love) – Environmental Matters.

Information Source(s): Anne Arundel County, Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2008
mll/hlb

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Appendix 1
Impact Fees in Anne Arundel County
Fiscal 2008

<u>Land Use Type</u>	<u>Levy</u>	<u>School</u>	<u>Transportation</u>	<u>Public Safety</u>	<u>Total</u>
Residential					
One-family detached	per unit	\$3,810	\$969	\$125	\$4,904
One-family attached	per unit	2,407	882	96	3,385
Two family	per unit	3,382	773	119	4,274
Three and four family	per unit	2,254	756	87	3,097
Five or more family	per unit	1,727	693	72	2,492
Manufactured home	per unit	3,097	691	116	3,904
Hotel/Motel	per room	0	1,202	41	1,243
Amusement, rec., place of assembly	per parking space	0	196	10	206
Industrial and warehouse	per 1,000 gross sq. ft.	0	451	20	471
Self-storage	per 1,000 gross sq. ft.	0	394	27	421
Hospital	per bed	0	1,736	70	1,806
Nursing home	per bed	0	329	48	377
Office space					
Less than 100,000 sq. ft.	per 1,000 gross sq. ft.	0	2,015	141	2,156
100,000-199,999 sq. ft.	per 1,000 gross sq. ft.	0	1,628	118	1,746
200,000 sq. ft. or more	per 1,000 gross sq. ft.	0	1,241	93	1,334
Marinas (except community marinas)	per berth	0	378	18	396
Mercantile	per 1,000 gross sq. ft.	0	2,568	453	3,021

Source: Anne Arundel County