



Senate Bill 536 – Montgomery County – Stormwater Charges – Organization Offering Agricultural Exhibitions

February 24, 2021

Mr. Chairman and Members of the Education, Health and Environmental Affairs Committee

The Montgomery County Agricultural Fairgrounds is owned by a non-profit, volunteer driven, 501(c) 3 corporation named the Montgomery County Agricultural Center Inc. (MCAC). Our mission is to coordinate the efforts of our volunteers to present the annual Montgomery County Agricultural Fair, provide support to 4-H and Future Farmers of America and promote agricultural education. We annually award over \$50,000 to deserving applicants for educational scholarships. Operations began in June 1949 on 62 acres of land that has been used for the past 71 years during nine days in August to produce the annual Montgomery County Agricultural Fair.

	Stormwater Fee assessment 2020	5 year assessment total
The Great Frederick Fair	\$1.00	\$5.00
Howard County Fair	\$0.00	\$0.00
Maryland State Fair	\$0.00	\$0.00
St. Mary's County Fair	\$0.00	\$0.00
Montgomery County Fair	\$79,380.00	\$394,000.00

These are only a few examples of Stormwater fees paid by Fairgrounds throughout the State. To the best of our knowledge, we are the only Fair in Maryland that is being assessed more than \$1.00 per year on their tax bill for a Stormwater fee.

1. The MCAC relies on no government funding. The Fair is our primary revenue generator. The net after expenses is needed for continued upkeep of the land, roads and walkways, as well as over 50 buildings that include barns, restrooms, food booths, kitchens and auxiliary buildings. The money that we spend on this fee has negatively impacted our ability to make improvements, repairs, and provide needed maintenance to the Fairgrounds.
2. We have pursued the recommendation of the City of Gaithersburg to engage an engineering firm to complete an assessment of our Fairgrounds to determine potential ways to mitigate storm water runoff and take advantage of the potential discount to our fee that would result from installing stormwater systems. The following information has been learned from Soltesz Inc., Professional Engineers.
 - a. “Based on the simple formula, for every device installed, it will treat a certain amount of impervious area. If you install the device, the impervious area treated would then be deducted from your stormwater impact fee. As discussed, a device which might cost \$30k or \$50k and treats roughly 20,000 square feet of impervious surface would reduce the

impact fee for Rain Tax by the 20,000 square feet. The return on this investment, I think, will be disappointing to you. The cost to install these devices compared to the decrease in the stormwater impact fee will be minimal. I really am not certain that this approach will be feasible”.

- b. Communication with the City of Gaithersburg during the past 4 weeks confirms that the programs that they provide, and the nature of stormwater engineering do not present an effective way to install stormwater management systems without the significant loss of land that is needed for use during Fair operations as no activity can occur in areas where stormwater structures are placed. Our Fair is the largest annual event in Montgomery County and the popularity and attendance is such that every square foot of space is utilized to maintain the animals, exhibits, attractions and parking needs.
- c. Our need for space is compounded by the imminent loss of our satellite parking at Lake Forest Mall due to the approved rezoning to mixed use development. In 2019 over 54,000 patrons arrived at the Fairgrounds on busses from the mall after making use of the free parking that we have been able to provide for over 25 years. We have not found a solution to the loss of this asset and anticipate a reduction in revenue due to the finite number of parking spaces that are available on the Fairgrounds.

Conclusion: There is no viable way that we can meet the requirements for stormwater management using the options that have been offered by the City of Gaithersburg without compromising Fair operations in a negative and irretrievable way.

3. We work very hard to keep the cost for admission into the Fair low so that persons of all economic backgrounds can attend and benefit from the agricultural education and family entertainment we offer. Our commitment to this goal is such that we have consciously avoided increasing the Fair entry fee and parking costs to pay the stormwater fee.
4. Construction of the Fairgrounds started in 1949 and the foot-print has changed very little since that time. This fee unfairly taxes us for what was done decades ago to provide dry barns for animals, buildings for our displays and safe walkways and roads for our patrons.
5. The stormwater fee represents approximately 7% of our annual expense budget.

The information provided above and the inequity that exists across Maryland regarding how this fee is being imposed on Fairgrounds property, visibly illustrates the need for passage of SB 536.

I respectfully request a favorable report on Senate Bill 536 with amendments.

Martin E. Svrcek
Executive Director
Montgomery County Agricultural Center