BILL

AN ORDINANCE concerning: Public Works – Utilities – Allocation of Water and Wastewater Capacity

FOR the purpose of requiring payment of certain interest and penalty charges and allocation reservation charges upon a reduction of an allocation in certain situations; clarifying the time for accumulation of certain interest charges on the capital facility connection charge; requiring payment of certain interest and penalties on the capital facility connection charge upon a lapse of allocation; and generally relating to charges and fees for the allocation of water and wastewater capacity.

BY repealing and reenacting, with amendments: §§ 13-5-403(e)(2), (e)(3), and (f); and 13-5-405(a) and (b)

Anne Arundel County Code (2005, as amended)

SECTION 1. Be it enacted by the County Council of Anne Arundel County, Maryland, That Section of the Anne Arundel County Code (2005, as amended) reads as follows:

ARTICLE 13. PUBLIC WORKS

TITLE 5. UTILITIES

13-5-403. Charges and fees for property subject to adequate public facilities.

(e) Additional charges and refunds.

EXPLANATION: CAPITALS indicate new matter added to existing law. [Brackets] indicate matter stricken from existing law. Captions and taglines in bold in this bill are catchwords and are not law.
(2) If an allocation is reduced after payment of the capital facility connection charge because of a recalculation of the allocation required to serve the property, the owner may obtain a refund of [the difference between] the capital facility connection charge paid [and the amount of the charge due as a result of the recalculation] FOR EACH EQUIVALENT DWELLING UNIT BY WHICH THE ALLOCATION IS REDUCED, LESS ANY ACCUMULATED INTEREST AND PENALTIES CALCULATED IN ACCORDANCE WITH SUBSECTIONS (F) AND (H). ADDITIONALLY, FOR EACH EQUIVALENT DWELLING UNIT BY WHICH THE ALLOCATION IS REDUCED, [The] THE owner shall pay any unpaid allocation reservation charges, INCLUDING ANY INTEREST AND PENALTIES ACCUMULATED IN ACCORDANCE WITH SUBSECTION (H), DEFERRED ALLOCATION RESERVATION CHARGES AND ANY INTEREST ON DEFERRED ALLOCATION RESERVATION CHARGES.

(3) If an allocation is reduced before payment of the capital facility connection charge because of a recalculation of the allocation required to serve the property, FOR EACH EQUIVALENT DWELLING UNIT BY WHICH THE ALLOCATION IS REDUCED, the owner shall pay:

(I) all UNPAID allocation reservation charges, INCLUDING ANY INTEREST AND PENALTIES ACCUMULATED IN ACCORDANCE WITH SUBSECTION (H), DEFERRED ALLOCATION RESERVATION CHARGES AND ANY INTEREST ON DEFERRED ALLOCATION RESERVATION CHARGES; AND

(II) ANY ACCUMULATED INTEREST OR PENALTIES ON THE CAPITAL FACILITY CONNECTION CHARGES CALCULATED IN ACCORDANCE WITH SUBSECTIONS (F) AND (H).

(f) Capital facility connection charge; interest rate. The outstanding principal balance of the capital facility connection charge shall be subject to an annual interest rate equal to the applicable prime rate plus an additional 2%, calculated and [assessed] ACCUMULATED annually[, beginning] on the first of the month of the sixth, SEVENTH, AND EIGHTH anniversary of the date of allocation. The accumulated interest charges, and late interest in accordance with subsection (h)(2), if any, shall be due within the earlier of eight years after the date of allocation, or prior to or in conjunction with the issuance of a building permit.

13-5-405. Lapse.

(a) Lapse by operation of law. An allocation lapses by operation of law if:

(1) any development application for which the County has granted an allocation becomes void, expires, or is revoked;

(2) there is a default on the requirement to pay fees and charges as described in § 13-5-403(f)(2)] 13-5-403(1)(1); or

(3) the property is sold at tax sale.

(b) Amount due upon lapse; collection. If an allocation lapses by operation of law, all allocation reservation charges that have been paid are forfeited and the following fees and charges, along with any interest AND PENALTIES that [has accrued] HAVE ACCUMULATED on the fees and charges, immediately [become] BECOMES due and payable and shall be collected as provided in § 1-8-101 of this Code:
(1) any unpaid allocation reservation charges, including deferred allocation reservation charges AND ANY INTEREST ON DEFERRED ALLOCATION RESERVATION CHARGES; [and]

(2) ANY ACCUMULATED INTEREST AND PENALTIES ON THE CAPITAL FACILITY CONNECTION CHARGES CALCULATED IN ACCORDANCE WITH § 13-5-403(F) AND (H); AND

[(2)] (3) a lapsing fee in the amount of the sum of the applicable prime rate plus 5% multiplied by the capital facility connection charge in effect as of the date of the lapse, except that if an allocation lapses by operation of law under subsection (a)(2) because of unpaid allocation reservation charges and an allocation may be restored in accordance with subsection (d), a lapsing fee in the amount of the applicable prime rate plus an additional 5% of the unpaid allocation reservation charges that caused the lapse, if paid in accordance with subsection (d)(3).

SECTION 2. And be it further enacted, That this Ordinance shall take effect 45 days from the date it becomes law.

READ AND PASSED this 15th day of April, 2019

By Order:

JoAnne Gray
Administrative Officer

PRESENTED to the County Executive for his approval this 16th day of April, 2019

JoAnne Gray
Administrative Officer

APPROVED AND ENACTED this 2nd day of April, 2019

Stuart Pittman
County Executive

EFFECTIVE DATE: JUN 7 2019

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO. 17-19, THE ORIGINAL OF WHICH IS RETAINED IN THE FILES OF THE COUNTY COUNCIL.

JoAnne Gray
Administrative Officer