



HOWARD COUNTY
PUBLIC SCHOOL SYSTEM

CB1 #2

January 16, 2018

**Board of Education
of Howard County**

Cynthia L. Vaillancourt
Chairman

Mavis Ellis
Vice Chairman

Bess Altwerger, Ed.D.

Kirsten A. Coombs

Christina Delmont-Small

Sandra H. French

Ananta Hejeebu

Anna Selbrede
Student Member

Michael J. Martirano, Ed.D.
*Interim Superintendent
Secretary/Treasurer*

The Honorable Mary Kay Sigaty
Chairperson
Howard County Council
George Howard Building
1st Floor
3430 Courthouse Drive
Ellicott City, MD 21043

Dear Chairperson Sigaty:

Thank you for the opportunity to testify on the latest proposal to amend the County's Adequate Public Facilities Ordinance (CB1-2018). This testimony is submitted on behalf of the Board of Education of Howard County, which took the positions expressed in this testimony by unanimous vote. As you know, the Board of Education took a position on the previous CB 61-2017, and the Board's position remains unchanged on the major topics under consideration.

The following Board positions are provided in page-order sequence through CB1-2018:

1. Page 4, in lines 25-26, Section 16.156 – **Amend** to read “FAILURE TO CONSTRUCT ROAD IMPROVEMENTS AND PATHWAYS TO SCHOOLS IN ACCORDANCE WITH THE DEVELOPER AGREEMENT...”.

Rationale: The Board often must design and construct, at Board cost, pathways to enable students to safely walk from a development to school. This cost is more appropriately borne by the developer.

2. Page 6, in line 3, Section 16.1100 (b) (3) (iv) (C) – **Amend** to add “THIRTEEN APPOINTEES FROM THE BOARD OF EDUCATION”.

Rationale: Under CB1-2018, the County Council and County Executive have thirteen appointees to the APFO Review Committee, and the Board of Education only has one. This amendment will provide equal representation of the School Board to the proposed APFO Review Committee, which is appropriate considering the impact of the APFO on our public school system.

3. Page 9, Section 16.1103 (c) (1-2) – **Amend** to retain “enrollment” in line 17 and move “AND SHALL BE BASED ON THE DEFINITION OF PROGRAM CAPACITY DEFINED BY HCPSS POLICY” from lines 14-15 to the end of line 19.

Rationale: This will align the APFO with HCPSS terminology.

4. Page 9-10, Section 16.1103 (c) (3) (I – IV) – **Oppose**.

Rationale: This new section would impose a mandate on the Board, over whom the County Council does not have jurisdiction, usurping the Board’s authority to determine policy surrounding the open/closed chart, calculations and methodology. Additionally, the proposed reporting requirements would be extremely burdensome on HCPSS.

5. Page 10, Section 16.1103 (D) – **Support**.

Rationale: When CB 61-2017 was under discussion, the Board proposed adding a funding trigger. Although this new section does not contain the mechanism to automatically trigger the funding of needed schools, the Board welcomes the opportunity to discuss school capacity needs at a public work session with the County Council and County Executive.

6. Page 13-14, Section 16.1103 (c) (7) (I-III) – **Oppose**.

Rationale: All developments should pass the schools test. Using wait time as a substitute for passing the schools test undermines the purpose of the open/closed chart and creates a major loop hole in the APFO.

7. Page 14- 15, Section 16.1107 (b) (9) – **Oppose**.

Rationale: There should be no exemptions to the schools test, as these developments continue to impact capacity.

8. Page 15, **Strike** lines 28-29 and substitute (D-1) CAPACITY UTILIZATION MEANS THE COMPARISON OF A FACILITY’S PROGRAM CAPACITY AND ITS ENROLLMENT OR PROJECTED FUTURE ENROLLMENT.

Rationale: In the all-important section of the APFO that establishes the percentage threshold for open/closed development, CB1-2018 changes a key term from “program capacity” to “capacity utilization.” This substituted term should be defined consistent with Board policy, just as the previously used “program capacity” was. Our proposed amendment does that.

9. Page 22, Section 16.1110 (y) (2) – **Support with amendments** to make all open tests equivalent to “BELOW 100% OF THE PROGRAM CAPACITY”.

Rationale: The learning environment is compromised when student capacity exceeds 100% at a school. Therefore, development should be halted when a school reaches 100% capacity utilization. If development is allowed to proceed after a school is at 100% capacity utilization, the County is endorsing the worsening of a known constraint on quality education for many years, since it takes several years to acquire a school site and construct a school.

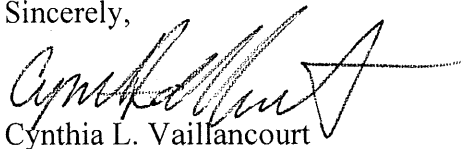
The Board supports the addition of a high school test.

10. Throughout bill – **Amend** to retain “open/closed” and strike “SCHOOL CAPACITY”.

Rationale: The “open/closed” terminology more accurately communicates the purpose and effect of the test/chart than “SCHOOL CAPACITY.”

Thank you for your consideration of these positions. We look forward to the opportunity to discuss the Board’s positions on CB1-2018 at a work session with the County Council. As always, the Board and staff are available to provide whatever further information may assist you in your deliberations.

Sincerely,



Cynthia L. Vaillancourt
Chairman
Board of Education of Howard County

CLV/kc

cc: Howard County Council
Board of Education Members
Dr. Michael Martirano
Mark C. Blom, Esquire
Anissa Brown Dennis
Bruce Gist
Renee Kamen
Danielle Lueking



**Adequate Public Facilities Ordinance
Council Bills 1-2018 and 2-2018
January 16, 2018**

Testimony

Good evening Council Chair Sigaty and Council members. The Association of Community Services respectfully requests Council consideration of what we understand will be a negative impact of Council Bills 1-2018 and 2-2018 on the development and redevelopment of affordable housing across the County. We believe strongly that we are a community of leaders in government, education, service, development and in our families, that can creatively ensure both quality education for the County's 57,000 public school students and affordable housing for the County's 24,000 families that have incomes of less than \$60,000.

There is a nexus between education and housing that should be acknowledged in policy considerations and actions that have the potential to affect both sectors. The proposed Adequate Public Facilities Ordinance (APFO), however, would create a disconnect in that nexus as it would stop creation of the very housing that the school system's 500 homeless students need to help them overcome one of the most visible barriers to raising their academic performance--the same goal to which our school system is committed.

Certainly the availability of new and/or redeveloped housing could bring new families into already crowded school districts. We would argue however that much of the new and/or redeveloped housing could have a neutral impact on capacity. With new affordable housing units, there is opportunity to shift students out of the living arrangements—which have them categorized by the school system as homeless—into their own stable and sustainable homes while keeping them in their current schools and communities.

We know that we have lost ⁴⁰~~25~~ family units of affordable housing as one developer, responding to the anticipated APFO affordable housing curtailment, has made the decision to shift those units to senior housing. We know that Enterprise Homes is poised to renovate 300 former Community Homes affordable housing units. Under this APFO proposal will Enterprise be able to proceed with adding market rate homes to subsidize the affordable units? If the new housing market is stagnant and increased rents result, will Heritage Housing Partners continue to be able to provide low rents to their current disabled and elderly residents? Where will Coordinated System of Homeless Services' nonprofits find housing for the 400 households currently receiving or waiting for services primarily because they are now over rent burdened? How will this legislation impact Downtown Columbia development? the County's MIHU program? Housing Commission projects?

And how can our County be closing a door on the development of affordable housing just as in the next round of applications for State Low Income Housing Tax Credits many areas in Howard County will be classified as "areas of opportunity" thereby affording our community a significant advantage in access to the major financing source for affordable housing?

Rather than simply shutting down new housing opportunities to control school capacity, should our community not be thinking more broadly to find short and long-term solutions to the overcrowding in

our schools that would also enable some level of housing development? To ameliorate over capacity can we not pursue options such as school expansions, limited redistricting, developer incentives to partner in increasing school capacities?

There is an immense, well-documented gap in the need for and availability of affordable housing for this County's low and moderate income working families. Can we afford to shut down any opportunities that would help close that gap of 6600 rental housing units? Can we not work together to avoid further exacerbating one critical community social issue (affordable housing *undercapacity*) as we attempt to resolve another (school *overcapacity*)?

ACS supports an affordable housing exemption from the proposed APFO legislation and would welcome the opportunity to work with the Council, HCPSS School Board and Superintendent and County Administration to find common ground in a mutually acceptable exemption that avoids shutting down affordable housing development across the county.

Respectfully,



Joan Driessen
Executive Director

Cc: County Executive Allan Kittleman
HCPSS School Board President Vaillancourt
HCPSS Superintendent Martirano
ACS Board of Directors

Bruce A. Harvey
Testimony 01/16/18
Howard County Council
CB1-2018

My name is Bruce Harvey and I reside at 7792 Elmwood Road, Fulton, MD 20759. I have been a Howard County resident since 1978. I am also President and majority owner of Williamsburg Homes based here in Howard County. I was a member of the APFO task force that met from June 2015 through March 2016. Our report was issued on April 1, 2016. I am testifying against CB1-2018.

CB1 reduces the school capacity limitation for elementary schools from 115% to 105%, middle schools from 115% to 110% and also creates a high school capacity test at 115% that doesn't exist today. It ignores most of the recommendations of the APFO Task Force.

I am focusing my testimony on the proposed amendments to the Schools Open/Closed Chart to limit my time.

Based upon the approved Open/Closed chart approved last July, there are 9 elementary schools closed to future development. This new legislation will add 21 schools to that list, leaving only 11 schools open to development. The following elementary schools will be closed because of the Region Test even though they are below capacity:

1. Phieps Luck – 95.5%
2. Longfellow – 82.6%
3. Swansfield – 96.1%
4. Laurel Woods – 86.3%

For Middle Schools, there 6 middle schools that currently closed. This new legislation will close 6 additional schools based upon todays chart. In addition, in some cases projects that would attend Lisbon Elementary (87.5% capacity) would be closed because Glenwood Middle would be closed. The same thing happens for Dayton Oaks Elementary (74.5% capacity) because some Dayton Oaks students go to Lime Kiln Middle School which would be closed.

The new High School test would close 4 of the 12 high schools in the County. This again results in stopping projects that would attend Ilchester Elementary (91.1% capacity), Waterloo Elementary (86.3% Capacity) and Worthington Elementary (74.4% capacity).

The effect of this bill is to stop most subdivision activity in the County once it becomes effective which is approximately July 1, 2019. It has been stated by some that this gives the School Board time to initiate new school construction projects and to plan additional redistricting. This is very impractical considering the recent difficulty with the proposed redistricting and the current projections for County Revenue which show very modest growth which will limit our Capital Spending capacity.

I therefore am strongly against this bill. I believe it will have a significant negative impact on population and economic growth, school performance, County Revenue, and housing affordability. I also want to emphasize the impact of this legislation on small companies like mine. These new rules will cause substantial delays to contemplated development projects in the County. That increases the required capital investment by the purchaser. Large national companies have a huge capital advantage over private companies. So, these national companies, who already have a majority market share will have an even bigger advantage over private builders and developers. Land sellers will want certainty that they won't get stuck because a buyer doesn't have the financial capacity to wait out the process, so they will shy away from the small companies. I am passionate about protecting the small American business and this bill will make it much harder for private builders and developers to continue to do business in Howard County.

Thank you for hearing my testimony.

January 16, 2018

Lisa Markovitz

President, The People's Voice

3205 Corporate Court

Ellicott City MD 21042

CB-1 – 2018 Support

Good evening Chair Sigaty and Council Members,

We are in favor of this Bill passing as is, with maybe only minor technical fixes, because this was supposed to be only a technical fix, regardless of legally being new legislation.

Thus, we are going to concentrate testimony noting support, on why some intense reactions to the Bill, characterizing it as a moratorium on development seem unfounded and address reasons for alterations that have been discussed, as inappropriate, instead of trying to get further amendments.

Let's talk about how long this slowdown of development, in this Bill, actually is. APFO doesn't define school waits in years, it limits the numbers of tests taken. After a closed school region causes three failed tests, development proceeds regardless of capacity numbers. Developments take the school test after receiving allocations. The School test, test two, is taken for all, annually, at the same time, unassociated with when the allocations, test one, are received. Regular development that has not requested any legal or regulatory changes takes 3 + years to get through the process regardless of APFO affects. Thus, the maximum wait the school test can cause, depending on where in the process the halt has occurred, is actually not that long over the wait which was predictable and already expected.

Holding up a project for a few extra years, due to school tests, depending on when allocations were received, could certainly be considered difficult, but it isn't a lengthy County moratorium that would cause problematic financial repercussions. The pipeline of development is flowing with projects in various states of completion, waiting or not waiting for their schools to either open or be done with their max wait. This slow down is not going to be long enough to a large number of projects, at the same time, to make significant market price changes.

Even more importantly, the slow down will NOT have an affect on providing affordable housing. No project guarantees any affordable housing, since there are fees-in-lieu, and so the max would be 10-15% of a project, if that fee isn't chosen to be paid, and for moderate incomes, not low, so the notion that we have to not slow down things because we are then not providing affordable housing, something we have heard being bantered about, is not true. This Bill has Moderate Income Housing Units not having to wait for allocations, and affordable housing exemptions from school tests in renewal projects, so the housing concerns should be allayed.

We have heard many suggest that since the next high school is likely to take longer to be built than was previously believed, that the high school test should be altered in this Bill. On the night of the prior attempted vote, it must have been realized that the School System could make decisions in any direction regarding school construction and redistricting, and the Bill has APFO being reviewed after General Plan enactments, by DPZ staff, then five years later by citizens. That is a long schedule, during which an awful lot can change, surely something understood during the last vote. The possibilities of where and when the next high school will happen seem to change weekly, so using that excuse to alter these capacities, we believe, is not appropriate.

Lastly, please do not table this Bill, not even for one month. It has had more public input than any other legislation due to it having a Planning Board review, which was not required, a DPZ response, also not required, but understandably helpful, multiple hearing dates, and now reintroduction. The notion that having a lot of amendments warrants new public hearings, tablings and a whole reintroduction schedule as if it were a substantive amendments reintroduction is a slippery slope. I haven't seen that done before, regardless of how many amendments ever got passed. All the main arguments have already been heard, analyzed and publicized well beyond all the regular allowances. The notion that a stakeholder somehow hasn't been given a chance to weigh in yet, seems impossible. Please fix the honest mistake as several County Members have promised.

Any delay could jeopardize the State being able to address the surcharge Bill in front of them at this time, whether they technically would have the time left or not, delay would likely be a risk there.

Thank you.



6240 Old Dobbin Lane ■ Suite 110 ■ Columbia, MD 21045

January 16, 2018

Ms. Mary Kay Sigaty
Chair, Howard County Council
George Howard Building
3430 Court House Drive
Ellicott City, MD 21043

RE: Adequate Public Facilities Ordinance (APFO) – CB 1 & CB 2

Dear Chairperson Sigaty:

Like many in Howard County, the Chamber has watched the APFO debate intently, and recommendations from the APFO task force as part of Council Bill 61 (CB61). Since the submittal of the task force's recommendations, the County Council has elected to make several amendments which are now before you in CB 1 and CB 2. Upon review of the proposed legislation and proposed amendments, the Howard County Chamber would like to formally state our opposition to this legislation.

The Chamber has a number of concerns with the proposed APFO amendments. Of immediate concern, is the potential to lower school capacity and adding a high school test which, if passed, would effectively create an immediate moratorium on new home construction in most or all of the County. This building slowdown would more than likely have significant budget implications for the County. Should this hold true, Howard County businesses and residents may find themselves with higher taxes in efforts to provide the level of services we have become accustomed to having.

That aside, this legislation has significant economic development implications. If capacity tests are too strict, and large parts of the county are closed to new residential development, companies considering Howard County for business may see many of their employees seeking residency elsewhere, thus placing more stress on our roads and infrastructure.

The Chamber understands that school crowding is of major concern to many Howard County residents. But, stopping development will not solve those problems. In fact, a development moratorium will have greater impact on the County's coffers and ability to fund future education facilities. Only careful and thoughtful rebalancing of school seats and continued investment in new school construction will solve the problem of our over and under capacity school.

It is out of our concern for a potential development moratorium that the Chamber has drafted a set of legislation amendments for your consideration. The modest adjustments as reflected on the following page would enable you to address development and education concerns without severely impacting economic development. It is our hope that you will strongly consider these ideas and concepts.

In the event that CB 1 and CB 2 remain in their current forms, the Chamber is opposed and would request an unfavorable vote. Should there be any questions concerning the Chamber's position, I can be reached at 410-730-4111.

Respectfully,

A handwritten signature in black ink that reads "Leonardo McClarty". The signature is written in a cursive, flowing style.

Leonardo McClarty, CCE
President/CEO, Howard County Chamber

Enclosure: Proposed Amendments to Council Bill No. 1-2018

CC: Howard County Council
Howard County Chamber Board of Directors
Howard County Chamber Legislative Affairs Committee

Proposed Amendments to Council Bill No. 1-2018

1. Section 16.1100 (b) (3) (iv) B. and C. page 6– Sections B and C should be combined to clarify that one review committee should be made up of technical experts, such as Howard County DPW and DPZ staff (Section A), and the second review committee (Section B) should be made up of appointed county citizens. Sections A seems to state this intent, but Section C confuses the issue by stating that each review committee is to be made up of appointed citizens.
2. Section 16.1110 (q) (1) page 19 – Change the peak hour trip table to the following:

Net Peak Hour Trips	Intersections in Each Direction
5-250	1
251-500	2
501-750	3
>750	4

(2) page 20 – change the standard Impact Area from two miles to one and one-half miles.

(3) page 20 – Limit DPZ's discretion to increase the Impact Area to projects which generate more than 1,500 peak hour trips.

3. Section 16.1110 (y) (2) (I) and (II) page 22– change 105 percent to 110 percent for the capacity tests for regions and elementary schools.

4. Section 16.1110 (y) (2) (IV) page 22 – delay implementation of a high school test until the 13th high school can be included in the capacity.

Change the proposed State Enabling Legislation to only allow for doubling of school facility fee to proceed up to 5% above the applicable capacity limit, and eliminate the proposed ability to pay a triple fee to proceed up to 10% above the capacity limit.

Testimony on behalf of Bridges to Housing Stability – January 16, 2018

Good evening Council Members. My name is Russ Snyder and I have lived in Howard County for over 25 years. I am a current Member of the Bridges to Housing Stability's Board of Directors and am the immediate past president.

Bridges is a Howard County based non-profit that is providing affordable housing for low income households and also providing case management and housing location services to over 130 households annually. The households we serve are typically making less than \$60,000 per year and are barely scrapping by to live in Howard County where the AMI in 2016 was over \$110,000 per family of four.

In a 2016 report by the United Way – titled with the acronym ALICE says that over 22% of the households in the Howard County cannot make ends meet due to the high cost of housing.

The highest cost to live in the County is housing – there is simply not enough affordable housing to meet the demand for low-income families. Thirty-four percent (34%) of the households in the county are paying more than 30% of their income to live in houses or apartments, whether they own or rent them. Limiting the possibility of development and access to new affordable housing throughout the County to correct the overcrowding of schools will not help those families that are struggling to survive due to their income levels.

The families we are serving in Bridges to Housing Stability programs and housing units deserve the opportunity to live in Howard County where affordable housing is part of the long-range plan. The current APFO legislation, without an amendment to exempt affordable housing development, would severely restrict if not eliminate the possibility for low-income households to live in the County. The price of housing would accelerate rapidly due to demand and supply would diminish. Our families cannot afford an increase in housing costs.

We ask the Council to consider an amendment to exempt low-income housing development from meeting the threshold requirements. If not an exemption, we would request consideration about strategically allocating capital resources on the priorities of the school board to renovate or build new schools to meet the growth in the County. This could go a long way to allowing future development of low-income housing. Thank you for your work on behalf of our County and thank you for the opportunity to testify tonight.

Respectfully submitted,

Russell K. Snyder
10432 White Court
Laurel, MD 20723



HOWARD COUNTY AUTISM SOCIETY

**Pamela Beck
Testimony on CB1 and CB2
Howard County Council Public Hearing
Tuesday, January 16, 2018**

Good evening members of the Council. My name is Pam Beck and I am here to urge that affordable housing be exempted from any amendments to the Appropriate Public Facilities Ordinance. I am an active member of the Howard County Autism Society and I speak from the perspective of a parent of an adult son with autism.

My son Brandon is 33 years old. For Brandon and adults like him with disabilities in Howard County, the affordable housing crisis is real. And it has certainly been real for our family. From the time Brandon was 20 years old and a high school graduate, our primary focus has been to encourage him to become as independent as possible. With no family nearby, we had to prepare him for living without us – and considering that he has autism and insulin-dependent diabetes and is on limited income, we knew this was going to be a challenge.

However, to our surprise, Brandon expressed to us that he wanted to “be an adult” and live in his own apartment by the time he was 30. Well, he’s now in the fourth year of living in his own apartment five nights per week, with the supports necessary to do so, but this was only possible because he received a Housing Choice voucher after being on a seven-year waiting list.

Brandon was fortunate but what about the hundreds of disabled young adults behind him who will transition into adulthood in Howard County over the next several years? We must ensure that development of a range of affordable housing options for them is expanded and not brought to a standstill, which is what would effectively happen under the proposed APFO amendments.

Brandon was educated in Howard County public schools and I certainly appreciate the quality services and supports he received from the school system. None of us want to see the schools become so overcrowded that the experience for our kids, disabled and non-disabled, is diminished. We have terrific schools and we need to ensure that their quality is maintained.

But the education that my son and other individuals with disabilities received in our schools can only go so far. It cannot provide them an affordable home in which to live or a community in which to thrive. It cannot assure them the shelter and long-term stability that most of us take for granted. At the age of 21, the services and supports stop. And there simply isn't a sufficient supply of affordable housing available for them to live independently and in the community. This shortfall would be exacerbated if the APFO amendments are approved as proposed.

For several years now, members of the Howard County Autism Society have dedicated themselves to addressing the affordable housing crisis facing our sons and daughters. And I'm excited to say that we're on to something. As most of you on the Council are aware, we are working to assemble the partners and plans needed to develop a very innovative, even groundbreaking housing initiative here in Howard County.

Our vision is for an inclusive, intergenerational housing development that would bring together people of different ages, abilities and incomes in a mutually supportive environment. It would be fully integrated into the larger community while being thoughtfully planned to meet the unique needs of its residents. And it would expand affordable housing options not only for adults with disabilities but also for older adults and families.

Development of affordable housing isn't easy. But if the proposed APFO amendments are approved, initiatives like ours would be made much harder, perhaps even impossible, in Howard County. We must find a balance.

For our sons and daughters, affordable housing is not simply good to have, it is essential to their safety and wellbeing. What kind of signal does it send to them, when we effectively stop development of the only viable housing option they have to live independently, here in the community where they were raised and educated? The consequences they will face if the proposed amendments to APFO are approved without an exemption for affordable housing are dire and should be a concern for all of us.

On behalf of Brandon and my family and all the citizens of Howard County with disabilities for whom independence and affordable housing are so vitally linked, I urge you to exempt affordable housing from any amendments to APFO.

Thank you. .

Pamela Beck

Testimony on Howard County Council Bill No. 1-2018

January 16, 2018

Good evening Council Chair Sigaty and members of the County Council. My name is Cole Schnorf, and I reside at 4912 Valley View Overlook, Ellicott City.

Thank you for the time and effort the five of you and many others have put into APFO over the past year. I am testifying dressed in yellow tonight to symbolize my hope we can all work toward the same goal of making Howard County the best place to live, work, and play in the state of Maryland. The rhetoric surrounding APFO over the last year has often been heated, and I hope that we can put politics and emotion aside and work together to pass a bill that is in the best overall interests of Howard County.

I have sensed an unwillingness by some of you to consider changes to the bill you passed late last year, but I believe changes should be considered, even expected, for the following reasons:

1. Because of the magnitude of the amendments to the original bill, the bill you passed was not the bill on which you held hearings.
2. The School Board passed redistricting since you passed the bill, providing new information you did not have when you passed the bill.
3. The fiscal and economic study commissioned by the EDA was just released today and provides new information for consideration in deciding the details of this bill.

I suggest the following amendments to the proposed legislation:

1. Clarify that the two review committees convened in each General Plan cycle have different membership-one comprised of county staff and one comprised of appointed members.
2. (a) Amend the net peak hour trip counts as follows to make Howard County more similar to neighboring counties who have similar tests:

Net Peak Hour Trips	Intersections in Each Direction
5-250	1
251-500	2
501-750	3
>750	4

(b) Reduce the standard Impact Area to 1.5 miles

(c) Limit DPZ's discretion to alter the Impact Area only to larger projects which generate over 1,500 net peak hour trips.

3. Change the Regions Test and Elementary School Test to 110% as was recommended by the APFO Review Committee. These tests were established in the early 1990s at 120% and were changed to 115% in the early 2000s. A dramatic drop of 10% from 115% to 105% as proposed in the pending legislation is not warranted by the overall capacity utilization in the HCPSS which is currently less than 100%. The Regions Test should be considered for elimination since allocations are no longer tied to regions as they were when the Regions Test was originally enacted. The proposed Regions Test results in several schools under 105%, including some under 100% of capacity being closed.

4. Delay the proposed High School Test until the 13th high school can be considered in the test. The overcrowding in several Howard County high schools did not occur overnight, and the immediate institution of a new high school test has dramatic negative consequences on residential development. Yields from new development are small for high school students.

The stricter the school capacity testing, the more the County Council is ceding growth management to the Board of Education, and the School Board has demonstrated over the last decade that they are not up to the task.

A healthy commercial development environment is dependent on a healthy residential development environment. To encourage companies to move to and grow in Howard County, we need housing options, including new homes, to be available for our companies' employees. Strict school capacity tests which limit residential development could have the unintended consequence of also limiting commercial development.

I urge you to consider the above amendments to CB 1-2018.

Thank you.

A handwritten signature in black ink, appearing to be the name 'C. Cole' or similar, written in a cursive style.



HOWARD COUNTY AUTISM SOCIETY

Deborah Clutts Testimony on CB1 and CB2 Howard County Council Public Hearing Tuesday, January 16, 2018

Good evening members of the Council. My name is Deborah Clutts. I am testifying as a member of the Howard County Autism Society in support of exempting affordable housing from the proposed amendments to the Appropriate Public Facilities Ordinance (APFO).

I am also here as the proud mother of a son with autism. My son, Matt, is 19 years old. He is a smart, passionate young man with a wide range of interests. When I think of Matt's future, I want for him what any parent wants for their child. I want Matt to be happy and have a full life with friends and family. I want Matt to be a contributing member of society, and, of significance to tonight's discussion, I want Matt to have a place to live in our community that is safe, secure and affordable, with access to public transportation, shopping, jobs and recreational activities. A place he can call home.

Unfortunately, the housing scenarios parents envision for a typical child transitioning to adulthood are much harder to realize for a young man with autism like Matt. Matt's expected income means he will likely qualify for and require affordable housing throughout his adult life. As we all know, such housing is in short supply in Howard County. And it will become even harder to acquire if new affordable housing development is stopped, which would be the effective result of the proposed amendments to APFO.

Some 600 young adults with disabilities are expected to transition out of Howard County schools in the next five years, fueling the demand for affordable housing. This measure would not only severely limit their housing options but would negatively impact another important population: the direct support professionals that work with and assist many adults with disabilities, and older adults, with activities of daily living.

This critical workforce of support professionals is chronically underpaid. While desperately needed in Howard County, it is increasingly hard for these professionals to find the affordable housing they need to live here. Restricting development of affordable housing would compound the housing challenges they already face. And the ripple effect would be felt by the disabled and older adults in Howard County that they serve.

The Howard County Autism Society is currently assembling partners to help tackle the affordable housing crisis with a unique and promising solution. Our goal is to help foster development of an inclusive, mixed income community that will provide affordable housing. This will be a supportive, inclusive housing community for adults with disabilities along with families and older adults. Our project represents the kind of creative, innovative strategies we must adopt if we are to keep Howard County truly accessible and available for all. It's an exciting initiative and we hope to work with you and others in the community to make this a reality. But it will be seriously curtailed, maybe even derailed, if the proposed amendments are passed as currently written.

As a long-time county resident of 35 + years, I fully support the objectives of APFO and the important protections it provides. It's essential that we not overburden our schools and other public facilities. But we can and must arrive at a **balance** that ensures both good schools and affordable housing.

My son Matt wants what all of us want – a place to call home that he can afford. I want it for him, too. But that goal, already hard to achieve, will be even further out of reach for him and so many adults like him in Howard County if this measure passes without an exemption for affordable housing from the school's test. I urge your support for such an exemption.

Thank you.

Deborah Clutts

Good evening. To keep within time limits, I'm going to read my testimony.

I am Bill Salganik. I've lived in Columbia for more than 30 years. I am the volunteer treasurer of Bridges to Housing Stability, a non-profit which works to prevent and end homelessness in Howard County. Bridges receives substantial financial support from the county, for which we are grateful. And to give the county the most for its money, we leverage county funds with foundation grants, corporate support, individual gifts and fundraising events.

We recognize the county is grappling with difficult decisions regarding school crowding and boundary changes. Our concern, is the unintended consequences of sharply reducing development – solving one problem but making the lack of affordable housing an even-more-serious problem. Affordable housing is needed so that the people who teach our children, protect our community, and take care of us in the hospital can enjoy living in the county they serve.

Bridges works with about 130 families a year who are homeless or within 14 days of homelessness. We counsel them and refer them to services. About two thirds of the time, they exit our program with stable, sustainable housing. One of the greatest barriers we encounter, however, is the lack of affordable options. As a consequence, we began to lease or acquire units which we offer at sliding-scale rents to households making between 30 and 60 percent of the county median.

Unfortunately, our efforts don't go very far in meeting the need. According to a county-sponsored study in 2014, there was a shortage of 6,653 units affordable to county families with incomes under \$50,000. Bridges has reduced that by 27. We're proud of what we've done, but, clearly, there's a long way to go.

A tightening of Adequate Public Facilities guidelines will restrict the supply of affordable housing. First, developers are currently required to provide a percentage of new units at affordable rates, or pay a fee which is used to develop affordable housing. The equation is quite simple: Fewer new units means fewer new affordable units.

Second, the County Council can't amend or repeal the Law of Supply and Demand. People want to live in Howard County. If there is a limited supply of new housing to meet that demand, the price of existing housing will go up. There will be even fewer affordable units. And those of us trying to address the problem, such as Bridges, will find that our county and foundation and donor dollars don't go as far in leasing or buying or subsidizing units.

So, in revising the Adequate Public Facilities Ordinance, please consider amendments or follow-up actions that will help increase the availability of affordable housing.

Bill Salganik, 10386 Eclipse Way, Columbia 21044, billsalganik@gmail.com

January 16, 2018

Re: BUILDING INDUSTRY CB1 OPPOSITION TESTIMONY

Dear Chairwoman Sigaty and Members of the Howard Council,

The Maryland Building Industry Association (MBIA), representing over 1,000 business members and 100,000 employees in Howard County and across the State, writes in the strongest possible opposition to Council Bill 1. The MBIA supports the compromise recommendations of the 23 member APFO task force who represented a broad cross-section of Howard County and conducted one year of study on this extremely complicated issue. Despite claims to the contrary, this legislation in no way represents a compromise.

This legislation is likely to create devastating consequences. It will significantly lower the County's budget, its ability to provide public services, strain the existing tax structure, require cuts to public and private work forces, lower the County's bond rating, decrease availability of affordable housing, and will destroy the County's previous reputation for business friendliness. More importantly, it fails to address school crowding in any way.

As clearly shown by the County's own data, **APFO is working** (see attached chart). There is existing capacity in the school system for all current students while new student generation is virtually non-existent in closed school attendance areas - yet school capacity continues to be strained in some schools. This means school crowding at these schools is driven exclusively by existing home re-sales combined with the failure of the Board of Education to conduct significant redistricting for over decade, including again in November 2017. As such, creating a building moratorium throughout the County will have no impact on school crowding.

With this legislation, the County substitutes sound, long range, and professional planning – long a staple in Howard County – for a growth policy governed by NIMBYism and an open/closed school chart that doesn't address underlying challenges related to school capacity. Under this bill, only a small piece of the County, mostly in the rural West, will have future growth potential, and the majority of new growth will be pushed there. This is the opposite of “smartgrowth” and before long; this will result in insufficient public facilities in all areas of the County, even in the West. In short, the unintended consequence of these amendments is that they will cause exactly the harm they seek to prevent while failing to relieve school crowding in a significant way.

With the County's budget already constrained, including recent multi-million dollar budget shortfalls and a newly implemented conditional hiring freeze, slashing revenues from building and related fees and taxes will cost the County millions of dollars each year. This will result in difficult decisions including the potential layoff of County and school system staff, cuts to police and fire services, limiting important public services such as libraries and waste removal and will likely necessitate increases to property, transfer or income taxes to make up for the shortfall. Meanwhile, funding for new school construction, paid in part by developer impact fees, will diminish and school crowding will increase.

If the Council does pass this bill, it must include a grandfathering clause longer than the clause currently included to protect existing investments. The bill must also remove the outdated and unjustifiable “regions test” and an adjacency test for schools allowing the County to efficiently utilize its school capacity without wasting tax payer

dollars and compelling the Board of Education to do its part by redistricting. Finally, any high school test must not be implemented until High School #13 is opened.

The MBIA is disappointed the Council appears willing to implement school capacity changes prior to obtaining State authorization to alter impact fees but hopes the Council will continue to support State enabling legislation for enhanced double and triple school impact fees as proposed by the APFO task force in the 2018 Maryland General Assembly session.

In conclusion, closing more schools will not solve challenges related to school crowding, only rebalancing of school seats and continued investment in new school construction will do that. However, a development moratorium will cripple the economy of Howard County, make financing school construction more challenging, open the County to costly lawsuits, result in cuts to County staff and services and likely result in future tax increases to the detriment of every County resident.

For these reasons, the MBIA is opposed to Council Bill 1, and asks you please vote against this countywide building moratorium.

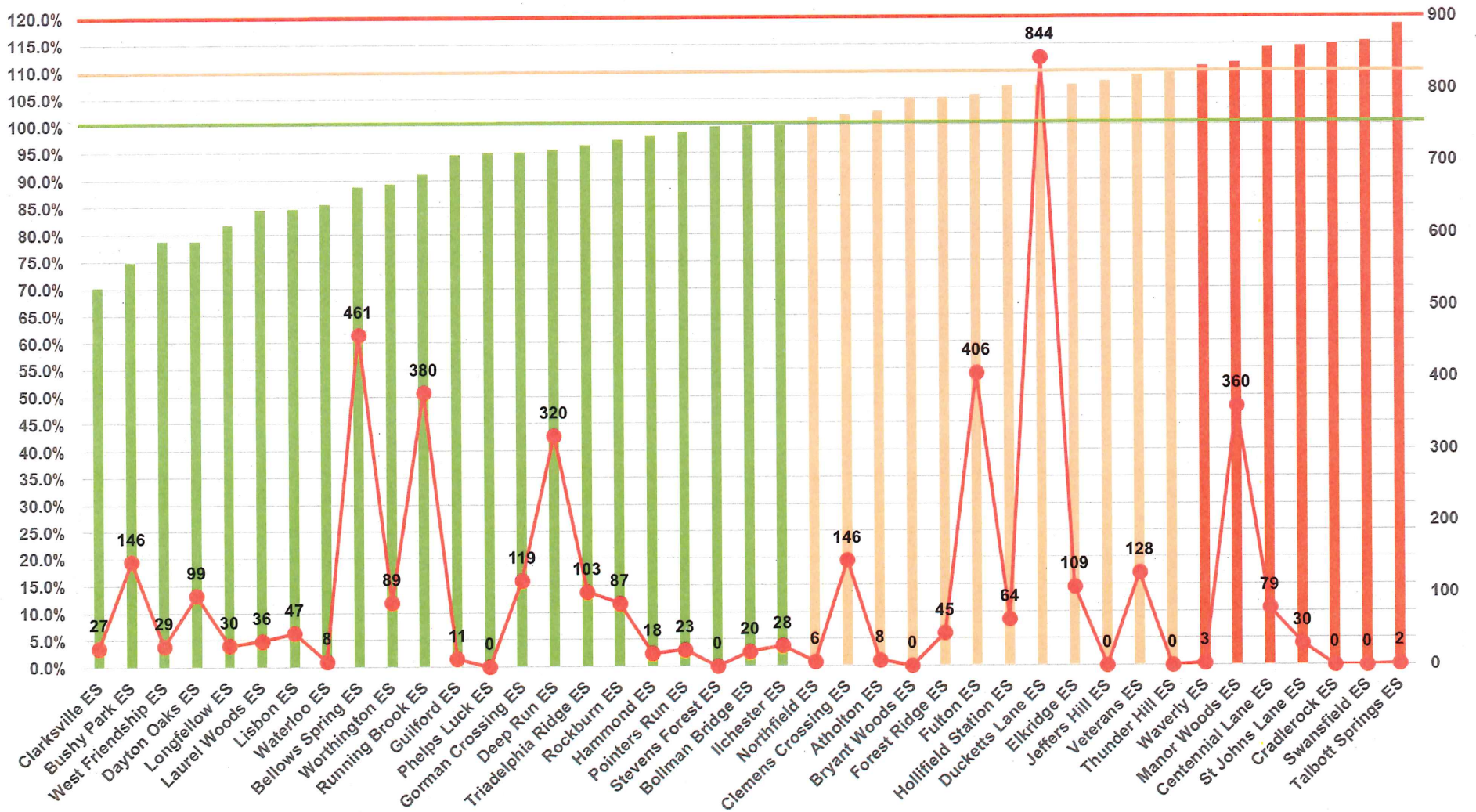
Thank you for consideration of this important bill and for your service to the County. If you have questions about the MBIA's positions, please contact Josh Greenfeld at jgreenfeld@marylandbuilders.org or [443.515.0025](tel:443.515.0025).

Best regards,

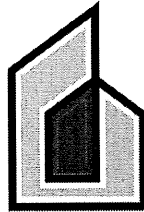
Josh Greenfeld, Vice President of Government Affairs

Cc: County Executive Allan Kittleman
Councilmember Greg Fox

2016 Actual Elementary School Capacity Utilization & Number of Residential Units Built in Previous 3 Years (Oct. '13 through Sept. '16)



Sources: School capacities from HCPSS 2017 Feasibility Study (pre-measure chart). Enrollments from September, 2016 HCPSS Official Enrollments. Residential units built from DPZ Research Division.



HHPCorp
Heritage Housing Partners

Adequate Public Facilities Ordinance
Council Bills 1-2018 and 2-2018
January 16, 2018
Testimony

Good evening. My name is Grace Morris. I live at 5980 Avalon Drive in Elkridge. I have lived in the County for over 20 years. I am the Director of Heritage Housing Partners Corporation, a position I have held for the past nine years. Heritage Housing Partners has been developing, owning and managing affordable housing in our community for 50 years.

This evening, I am respectfully requesting the Council to please consider the significant impact Council Bills 1-2018 and 2-2018 will have on affordable housing in our community.

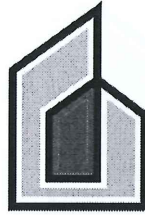
I understand many feel this legislation should just be passed since it would have been passed previously but for a technicality. However, I think sometimes things happen for a reason. And so we must take advantage of that delay to address the unintended consequences that this legislation will have on affordable housing.

While our organization focuses on housing for the elderly and disabled, any legislation which in effect prohibits new housing development will only serve to further drive up already high housing costs in our community, and put opportunities for affordable housing farther and farther out of reach for these and other vulnerable populations. Limiting the construction of new units may even encourage landlords to raise the rents on their now more valuable assets, possibly displacing less wealthy residents in our community.

And, if you think your children cannot afford to live here now think about the impact that will be felt on housing prices for years to come, if we freeze our already insufficient affordable housing stock at the current levels. It has been well documented that a gap of over 6,600 rental units already exist in the County today for persons earning \$50,000 or less. How much larger will this gap become? There are hundreds on waiting lists for affordable units who have already been waiting for years and years. How much longer will these families be made to wait?

Please consider that stopping new developments does not solve the overcrowding issues since we have no control over resales. This is especially true in the case of empty nesters who are downsizing. You may freeze new development but, houses being resold will continue to add families to our communities and children to our schools. For example in 2015, there were 3,897 single family detached and attached houses sold. In that same year, permits were issued to build just 846 units of similar housing.

OWNER|MANAGER|DEVELOPER
9770 Patuxent Woods Drive #305
Columbia, MD 21044
410.730.9554
www.hhpcorp.org



HHP Corp
Heritage Housing Partners

In addition, we should all have serious concerns about how our community may be viewed by funders, especially HUD. We have to attest that there are no policies in place that could be considered impediments to fair housing. Any legislation that prohibits the construction of affordable housing and artificially drives up housing cost making home ownership and rental opportunities harder for low and moderate income families, could certainly be seen as such.

Let us put our energies instead in to options and solutions that could actually address the school capacity concerns such as fast tracking already planned school expansions, limited redistricting, or working with our state delegation to secure the authority to impose developer fees.

In the next round of applications for State Low Income Housing Tax Credits expected in March, many areas in Howard County will, for the first time, be classified as areas of opportunity. This means applications from our community will receive extra points thus having the chance to score higher than other applications. This is a significant opportunity that could help to address our affordable housing crisis. Now is not the time to close the door on these much needed homes. How wonderful it would be if we were actually here tonight working as a community to find affordable housing solutions for the nearly 500 children identified as homeless who are already in our school system.

I saw a video today made by Caroline Kennedy and her children discussing the legacy of her father, their grandfather, John F. Kennedy, and his call to service. Caroline concluded the video with the following, “I hope that as you look at challenges in your own corner of the world, you will seek solutions that heal, lift up the forgotten, and make a difference in the lives of others.”

Thank you.

Sincerely,

Grace

Grace A. Morris
Executive Director

OWNER|MANAGER|DEVELOPER
9770 Patuxent Woods Drive #305
Columbia, MD 21044
410.730.9554
www.hhpcorp.org



Statement to the Howard County Council

Re: CB1 and CB2

Tuesday, January 16, 2018

Undeclared

Accessible Resources for Independence is a resource and advocacy organization by and for people with disabilities. We proudly serve Howard County residents, nearly 400 per year, by providing services that maximize independence.

One area we continue to find lacking within the county for people with disabilities is availability of affordable as well as accessible housing. Of all of the calls we receive, housing assistance is at the top of the list. Most callers are seeking one bedroom or efficiency apartments which are also accessible. Affordability brings on a new meaning when applying it to people who rely on Social Security benefits to provide for their daily living expenses. Some people make as little as \$733 and cannot possibly find a unit in Howard County, or likely the rest of the state, that would fit their budget.

The legislation, as proposed, will severely impact the affordable and newer accessible housing stock within the County. A few such examples are as follows:

- A new construction development called Dorsey Overlook, which is planned for Ellicott City just off of Rte. 29 and Rte. 108, has decided to move forward as senior housing instead of family because of the expected impact of CB1 and CB2. This development had been considered for two housing programs specifically for people with disabilities- Weinberg and Section 811. Now, as a senior development, these units can't be included. The great thing about the Weinberg and Section 811 units is that they are built to be accessible which is sorely needed.
- Moderate Income Housing Units (MIHU) in new construction also won't get built if new developments can't move forward, so MIHU cannot increase and conversations that the State of Maryland is having with the County about finding a way to encourage lower targeted rents for people with disabilities under MIHU legislation are likely to stall because of the curtailment of development.

Adding an exemption to this legislation to allow for affordable housing development would help remedy the growing problem of a lack of affordable and accessible housing stock within the County. We urge the Council to consider adopting such an amendment the proposed legislation.

Testimony to the Howard County Council
CB1-2018, CB2-2018
Adequate Public Facilities Ordinance

The Howard County Housing Commission appreciates the opportunity to submit testimony in connection with CB1-2018 and CB2-2018. Planned growth, increasing population, the County's Schools, and affordable housing are clearly very important, intertwined issues in the County. The Commission applauds the Council's willingness to consider different points of view.

In our view, the choice being presented by this bill, between less crowded schools and affordable housing, is a false one. We can, and indeed must, have both top performing schools and additional affordable housing for County residents. Legislation that addresses overcrowding by simply stopping development is inadequate. And legislation that is actually harmful to other important County needs is misguided. To remedy this situation, we ask that the County pass an exception to the schools' test for certain developments that provide a guaranteed level of affordable housing.

Over the last several years the County, and this Council, have been part of extensive discussions over the need for more affordable housing in Howard County. While the means of creating more affordable housing may not always have been agreed upon, the need itself is broadly accepted. This need has not suddenly gone away. The near moratorium on new construction that will result from the APFO legislation will harm affordable housing in two ways. First, it will stop a number of developments that are intended to provide high-quality homes to families with limited incomes. One such development, which would have included 75 new affordable homes, has already been converted to a senior-only project in order to avoid the APFO schools' test. Second, given the reduced supply of housing, the prices for existing apartments and homes is almost certainly going to go up. More and more of our first responders, teachers, medical technicians, and others at the lower end of the pay scale will be priced out of the County. When our children begin their careers, and look to settle down, APFO will contribute to their inability to live in Howard County.

In case we have lost site of the statistics that drove the earlier affordable housing debate, it is important to recall the desperate need for housing in the County. One heart-breaking fact – in the 2015-2016 school year, 522 Howard County Public School students identified as homeless. Don't these children, who already live in Howard County, deserve a place to call home as well as a school that can accommodate them? Aren't both of these needs urgent?

- As of 2014, for every 100 extremely low-income households there were only 26 affordable units, down from 50 units in 2000. An extremely low-income household is a family of four earning less than \$25,050 annually.
- As of 2014, there was a rental housing gap – a shortage - of 6,653 units for families earning \$50,000 or less. There were only 3,247 affordable units in the County while there were 9,900 renters with incomes below \$50,000.

- 22% of Howard County households, which is 24,000 households, have an annual income that is less than \$60,000. About 6,300 households have an annual income of less than \$20,000.
- In 2016, The Coordinated System of Homeless Services received 99 calls per month (1,188 annually) from persons seeking help for being at risk of homelessness.
- In 2015 there were 4,371 eviction filings and 777 foreclosure filings. Eviction prevention grants increased 47% in 2016 and averaged \$900.
- In Maryland, a person earning minimum wage must work 101 hours per week to afford the rent for a one-bedroom unit. The average renter earns \$16.88. The hourly wage needed to afford a one-bedroom unit is \$23.44. This is equivalent to \$46,880 per year, working 40 hours per week and 50 weeks per year.
- Affordable housing is more difficult to secure for disabled Howard County residents, of whom 9.8% live in poverty as compared to 3.1% of non-disabled residents. Approximately 23% of the applicants on the Housing Commission's waiting lists are persons with disabilities.
- In 2016, a person with a disability received SSI benefits of \$733 monthly. The rent for a one-bedroom unit would be 167% of their income.
- There are over 5,000 families on the Housing Choice Voucher Program waiting list and fewer than 800 households currently being assisted due to shrinking funds from the federal government.

While there is no one step that can be taken to assist the thousands of County residents who are struggling to pay their mortgage or rent, the limitations in development caused by the proposed stringent schools' test will severely harm efforts that are underway. Instead of reducing the crises, we will be increasing it. A number of developments that were intended to provide affordable homes for some of the County's lower income workers will be stopped or shelved with the passage of the APFO legislation. Some examples include:

- Dorsey Overlook, as noted above, would have produced 75 units of affordable family housing along with 75 market rate units. The project, which had received all necessary funding, including LIHTCs, has been converted to senior housing because of the pending legislation.
- Enterprise Homes, which has plans to redevelop its recent acquisition of Community Homes (an early Columbia affordable housing development supported by Jim Rouse), may not be able to produce the new market rate units

that are needed to help with the renovation of this aged portfolio of 300 units in five locations.

- Heritage Housing Partners (HHP) ability to provide housing affordability to the disabled and elderly through a portfolio of 148 units may be threatened by increased housing costs. HHP has a portfolio of units dating back to the 1970s which illustrates the legacy of the creation of affordable housing in the County.
- There would be no sites available to create permanent, affordable housing opportunities for the County's homeless, similar to the 35 units located at the Leola Dorsey Community Resource Center
- Two of the mixed-income projects planned for downtown Columbia, the Transit Center and the Main Library site, could not proceed. The Columbia Downtown Housing Corporation has expressed its concerns about the APFO legislation in writing.
- The Columbia Flyer building could not be redeveloped as mixed income housing.
- A potential 60-unit development being explored by HCHC in an area with little affordable housing would likely fail the new schools' test.
- No new rental or homeownership MIHU units would be produced, unless permitted in the small remaining "open" area of the County, and projects that can afford to wait the 4-year period required by the legislation.
- The Howard County Autism Society would likely not be able to fulfill their goal of creating inclusive, affordable housing for adults with autism and other disabilities.
- The redevelopment of multiple existing, aged rental properties into new communities, along the lines of Burgess Mill Station and Monarch Mills, could not occur since additional market rate units, are almost always necessary to help pay for the redevelopment costs.

There are also concerns about the legality of the APFO legislation under the federal Fair Housing Act (FHA). The FHA makes discrimination in the provision of housing unlawful. It additionally obligates jurisdictions that receive certain federal funds, such as Howard County, to "affirmatively further" fair housing. The new APFO legislation, especially when viewed in light of the School Board's failure to pass meaningful redistricting, could be in some cases, be a violation of the FHA.

On its face, the schools' test makes it substantially more difficult to develop housing for families with children – one of the protected classes under the FHA. Since housing for seniors does not need to meet the schools' test, it can be built in many areas where family housing cannot. While the outcome of any specific case cannot be predicted, it is clear that the County is discouraging housing for families with children. In connection with affordable housing, there is a potential for discrimination against racial minorities and people with disabilities, two other protected classes. An individual affordable development that failed to advance due to the schools' test could allege a disproportionate impact since racial minorities and people with disabilities are disproportional users of affordable housing.

The problem is heightened when the County's schools are not being used efficiently. A test that is based on the over-capacity of school facilities loses its credibility when there is no effort to more efficiently use the existing school capacity. School overcrowding could be reduced by redistricting – there are schools today that are well under capacity.

Taken together, the current APFO legislation, without an amendment that allows for affordable housing development, may disproportionately harm County residents in protected classes. Areas of the County where development would be allowed present zoning, cost and transportation challenges that tend to exclude residents of low, moderate and even some middle incomes. Though this harm may not be intentional, the impact may still be considered a violation of the County's obligation to affirmatively further fair housing.

Like all local governments, Howard County must balance a collection of sometimes competing goals. Economic development, excellent schools, quality of life, and caring for those in great need are just some of the County's goals. The current APFO proposal is not balanced. It elevates the school over-crowding issue above all others. At the same time, it creates no solutions to the problem, but rather just stops development. An amendment that excepts bona fide affordable housing from the schools' test would go a long way to making the APFO legislation fair for all County residents, consistent with County goals, and the right thing to do.

Testimony – Howard County Council - Legislative Public Hearing - Tuesday, January 16, 2018
The Economic and Fiscal Impacts of the Proposed Adequate Public Facilities Ordinance on Howard County Report

Testimony by:

**Richard Clinch, PhD, Director of the Jacob France Institute, and
Edward M. Steere, AICP, Managing Director, Valbridge Property Advisors**

Introduction

The Howard County Economic Development Authority retained the team of the Jacob France Institute and Valbridge Property Advisors to prepare an analysis of the potential economic and fiscal impacts of the proposed APFO legislation on Howard County, Maryland. We analyzed two things:

- The impacts on the Howard County economy of the APFO induced restrictions on economic growth and employment in the County; and
- The net fiscal impacts of the APFO induced restrictions on County government revenues and expenses.

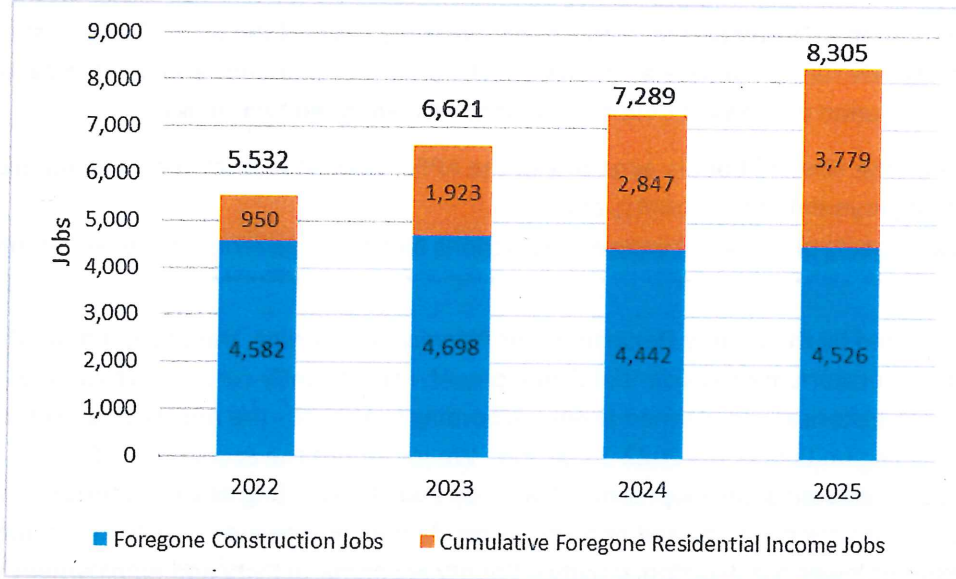
According to data provided by the County Department of Planning and Zoning, the proposed APFO legislation will act as a moratorium on residential development – significantly curtailing residential development from both historical and planned levels. According to HCDPZ - the APFO could lead to reduction of 6,854 housing units over the 2022-25 period. We measured the economic and fiscal impacts of this foregone residential development activity. By essentially acting as a moratorium on development – both construction activity and population/residential income growth will be curtailed in the County. As a result of lower construction activity – County economic activity and employment will be reduced. As a result of reductions in the supply of housing – population and residential income growth will be reduced – leading to lower levels of economic activity and employment in the County. Using economic and fiscal modeling – we estimated the economic and fiscal impacts associated with these reductions.

Key Findings – Economic Impact Analysis

- As a result of the projected reduction in development activity occurring in the County as a result of the proposed APFO legislation, construction activity in Howard County will decline by more than \$460 million per year for the 2022-2025 period.
- This will reduce economic activity by more than \$700 million per year and reduce County employment by more than 4,500 jobs per year, including an estimated 2,800 direct jobs annually in the construction sector. These potential job losses are important. They represent 19% of current construction industry employment in the County – and the Construction sector represents 6% of total County employment. Based on the IMPLAN model, County government revenues could decline by as much as \$14 million per year as a result of this “lost” construction activity.
- As a result of the reduction in housing development, County household income potential could fall by \$184.2 million starting in 2022 and grow cumulatively through 2025 to \$732.9 million by 2025 as the residents of these foregone residential units are diverted to neighboring jurisdictions.

- This decline in household income growth potential will lead a reduction in potential County economic activity of \$145.4 million and 950 jobs in 2022, with the cumulative losses growing to \$578.7 million and reducing employment by 3,779 jobs in 2025 as a result of the foregone development activity in the County resulting from the APFO legislation.
- Combined – the reduction in construction activity and household income growth could reduce County employment by 5,532 jobs in 2022, growing to 8,305 jobs in 2025, representing 3.5% of all current jobs in the County.

Figure ES-1: Total Job Impacts of Proposed APFO Legislation



- In addition to these economic impacts, it is also important to note that there are a host of other potential impacts of the APFO legislation induced growth moratorium in the County, including reductions in housing affordability and diversity; development process effects, as well as impacts on local economic development to consider as well.

Key Findings – Fiscal Impact Analysis

VPA prepared a high level analysis of the fiscal impacts of the APFO induced reduction in housing development in the County. This analysis was based on average relationships of general fund revenues and expenses to housing development and focused on three main sources of general fund revenues – income, property and fire taxes. Because these three sources of revenues account for the majority of County revenues – about 90% - they do not include all revenues associated with these units. Moreover, general fund revenues represent the majority – but not the total expenditures of the County. Due to time and budget considerations, a complete analysis of the fiscal impacts that takes into account all sources of revenues and expenses was not feasible. As a result, this analysis is by necessity, a high level analysis that could benefit from more refinement. Still, it provides an initial assessment of the potential fiscal impacts of the APFO legislation, with the main findings being:

- The development that would not be built if the legislation passes would have generated approximately \$14.4 million in total tax revenue (property, income and fire) in 2022. The overall weighted average revenue per dwelling unit is \$8,396;

- The County General Fund was scaled to allocate funds at a rate of \$9,689 per household, whereas the computed average estimated contribution to the budget by full development would be short by approximately \$1,300 per household in 2022.
- These per unit short falls are likely to be at least partially recovered by some one-time fees and VPA prepared a rough estimate of the fees associated with recordation and transfer taxes, school surcharge and road excise taxes which equates to a weighted average of \$12,872 per housing unit, indicating that the net fiscal impacts of this development activity is likely to be positive during the 2022-2025 impact period.

Summary and Conclusion

The combined economic and fiscal impact analyses prepared by the Jacob France Institute and Valbridge Property Advisors attempts to quantify the potential economic and fiscal impacts of the proposed APFO legislation. By severely curtailing residential development activity in the County, the proposed APFO will divert economic activity to neighboring Maryland jurisdictions that will reduce both construction activity and residential incomes and spending in the County. This would have economic and fiscal consequences in the County: including reducing County employment – by between 5,532 jobs in 2022 growing to 8,305 jobs in 2025; as well as reducing County revenue potential. In addition to these economic and fiscal impacts, the legislation has the potential to also impact the County’s housing affordability and economic development goals.

Notes on Methodology

The JFI-VPA Team analyzed data from the Howard County Department of Planning and Zoning and economic and fiscal modeling techniques to prepare this economic and fiscal impact analysis. The following data were used:

1. The HCDPZ provided data on the foregone construction by unit type, by planning area based on its assessment of impacted units;
2. Because future construction levels in the 2022-2025 period were not known at this time – the impact analysis was based on current units sales and rent data: with the HCDPZ providing data on new home sales, by unit type and planning area for for-sales housing; and rents estimated for rental units based on Census data;
3. The foregone construction activity was estimated based on standard relationships of construction cost to sales price for for-sale units with rental housing construction costs based on national construction cost data;
4. The foregone residential income were estimated using standard “rules of thumb” for both for-sale (28% of income on PITI with a 20% down payment) and rental units (30% of income on rent);
5. The IMPLAN model for Howard was used to estimate the economic and job impacts of foregone construction activity and residential incomes; and
6. VPA created a high level revenue-expense model for the County to estimate the potential fiscal impacts – in terms of both County revenues and expenses.

It is important to note that these estimates were based on simplifying assumptions and the data available at the time of the analysis. Both analyses would benefit from both more granular data and a more detailed fiscal impact assessment. Never-the-less, these analyses provide an initial high level assessment of the potential economic, employment and fiscal impacts on the County.

January 16th, 2018

Steve Breeden 587 Gaither Road

I am Steve Breeden. As you know, I was a member of the APFO taskforce.

This is just a bad bill, caused by bad timing on the revised APFO during the prior proposed redistricting, which, by the way was the right thing to do. You guys know it. This is not a place to compromise, as the county will suffer terribly, and home prices will sky rocket due to the reduced supply.

If the school board had been redistricting for the last 10 years, such as they did for the first 15 years of apfo, we would not be here tonight. Despite what some of the uninformed suggest, apfo did work very well until the proper redistricting stopped.

As long as the school board finds it easier to ask for Millions and millions of dollars for new schools, rather than redistrict, this problem will continue. As mentioned, we are not fixing anything here, only appeasing some no growth advocates who will feel better if they stop progress.

I can't imagine how this county of more than 300,000 people could have been built over the last 50 years, with this type of leadership. I do understand that there is a group of citizens who are not happy. They don't want to be redistricted, ever. There have and always will be people not happy about how the county grows. That's how a democracy works.

However, with about 1/3rd of the families in the county having children in the schools, my guess is the other 2/3rds, the vast majority, would rather use our schools more efficiently, than suffer the economic harm this bill will cause them.

Since you hold the purse strings for the school board, but can't compel them to efficiently use the seats we have, maybe we need our state not to give funding for schools in counties that have the capacity, yet don't use it as well as it should be?

Howard County has excellent schools, even at 115%. When people move here, and have to be redistricted, they should know that their children will be in an excellent school, no matter which one they are in. Do these same people who argue against redistricting also expect the best teachers in each grade, or do they take the luck of the draw, which is how life works and is something children, and maybe their parents, need to learn.

You get to make the hard decisions. Maybe if I had to make it I would feel differently, but at this point I believe that I would do what is right for ALL of the county and also represent the silent majority, who are also taxpayers and voters.

The other part of this bill that is very bad is the revised traffic test. The one that we currently have does work, and we should not make these drastic changes due to one bad situation that this bill also will not fix.

I am testifying as a member of the most recent APFO committee. Unlike some of our committee members, I believe after so much time spent negotiating the various aspects of what is good and what could be tweaked, that we all agree on what has been presented to you.

There is one minor change where the language inadvertently could be interpreted to suggest that a project could be held up for off-site improvements which the project can't control. This was not the intent, and should be clarified.

As for the rest of the recommendations, I am in favor, like most of the committee that agreed to them.

I have lived here my whole life and been working in this county doing land development for 37 years. I remember the first and second APFO committees and the processes they went through. Both required unanimous agreement for any and all recommendations that were made to the administration. They were composed of knowledgeable people, many from within the government, who were trying to serve the greater good of the county, and not individual concerns.

They tried to avoid the unintended consequences of picking and choosing popular adjustments. In fact, the first group said that if the council were not able to adopt the plan as

negotiated by them, as experts, they should not adopt anything at all. The 100% agreement made sure bad ideas were not suggested. That was not the case with this committee. The majority of this group did not work for the county or with development regulations daily, or for the most part ever. Only a few of us really understood how APFO works. Instead of a 100% agreement, just 7 of 23 members could stop any proposed change and 16 could pass any change. Most of the 20 plus meeting date time was spent with those of us who work with APFO daily, educating those with less experience. Despite this lack of balance, the committee agreed on the changes included in council Bill 61.

I am appalled that some of the committee members have chosen to go rogue and not support the efforts of the committee, after agreeing early on that we would all support the report.

The suggestion that the schools be tested for 100% capacity makes no sense. The first APFO said to test for 120% capacity, as that (on average) is 25 children per classroom x 1.20 which equals 30 children, which also equals the state rated capacity of the school, and what is required to get state funding. With the capacity dropped to 115%, we are now building for 30 kids per class, and only putting in on average 28.75. With the new recommendations, we will only be including 27.5. It doesn't

sound like much but over the 41,000 students in Elementary and Middle schools, the State Rated Capacity actually exists for almost 10% more.

Most of these students will be here regardless of APFO as most new students come from the sale of existing homes, not new homes, particularly when most of the new homes built in the county these days are apartments.

I think we live in a very good county with a very high quality of living. That's why people want to live here. I don't understand why others are so negative and think everything that the county does is wrong. UNFORTUNATELY, SOME PEOPLE ARE JUST NOT HAPPY PEOPLE. I am pretty sure they live in homes that we created for them, yet would deny future residents of the opportunity to live here as well.

Please do the right thing and adopt the APFO Ordinance that the committee worked hard to agreed to.

Thank you.

Steve Breeden