



HOWARD COUNTY COUNCIL  
AFFIDAVIT OF AUTHORIZATION  
TO TESTIFY ON BEHALF OF AN ORGANIZATION

I, Kathleen Hetherington, have been duly authorized by  
*(name of individual)*

Howard Community College to deliver testimony to the  
*(name of nonprofit organization or government board, commission, or task force)*

County Council regarding Capital Budget Request to express the organization's  
*(bill or resolution number)*

support for / opposition to / request to amend this legislation.  
*(Please circle one.)*

Printed Name: Kathleen Hetherington

Signature: \_\_\_\_\_

Date: 4/15/20

Organization: Howard Community College

Organization Address: Columbia, MD 21044

Columbia, MD 21044

Number of Members: Seven Board Members

Name of Chair/President: Feli Sola-Carter/Kathleen Hetherington

*This form can be submitted electronically via email to [councilmail@howardcountymd.gov](mailto:councilmail@howardcountymd.gov) no later than 5pm the day of the Public Hearing or delivered in person the night of the Public Hearing before testifying.*



HOWARD COUNTY COUNCIL  
AFFIDAVIT OF AUTHORIZATION  
TO TESTIFY ON BEHALF OF AN ORGANIZATION

I, Tonya Aikens, have been duly authorized by  
*(name of individual)*

Howard County Library System Board of Trustees to deliver testimony to the  
*(name of nonprofit organization or government board, commission, or task force)*

County Council regarding FY2021 Capital Budget to express the organization's  
*(bill or resolution number)*

support for / opposition to / request to amend this legislation.

*(Please circle one.)*

Printed Name: Tonya Aikens

Signature: 

Date: April 16, 2021

Organization: Howard County Library System

Organization Address: 9411 Frederick Road, Ellicott City, MD 21042

Number of Members: 7

Name of Chair/President: Anne Markus

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HOWARD COUNTY COUNCIL  
AFFIDAVIT OF AUTHORIZATION  
TO TESTIFY ON BEHALF OF AN ORGANIZATION

I, Jonathan Eccelson have been duly authorized by  
*(name of individual)*

Oakland Mills Community Association to deliver testimony to the  
*(name of nonprofit organization or government board, commission, or task force)*

County Council regarding Capital Improvement Plan to express the organization's  
*(bill or resolution number)*

support for /  opposition to /  request to amend this legislation.  
*(Please circle one.)*

Printed Name: Jonathan L. Eccelson

Signature: 

Date: April 16, 2020

Organization: Oakland Mills Community Association

Organization Address: 5851 Robert Oliver Place

Columbia, MD 21045

Number of Members: ~10,000

Name of Chair/President: Jonathan Eccelson

*This form can be submitted electronically via email to [ocouncil@howardcountymd.gov](mailto:ocouncil@howardcountymd.gov) no later than 5pm the day of the Public Hearing or delivered in person the night of the Public Hearing before testifying.*



**Oakland Mills Community Association**  
**The Other Barn • 5851 Robert Oliver Place**  
**Columbia, MD 21045**

410-730-4610 • oaklandmills.org



April 14, 2020

Testimony from Oakland Mills Community Association

FOR: County Council FY 21 Capital Budget Hearing - Education

**In support of funding the complete rebuild of Talbott Springs Elementary School**

Good evening, my name is Jonathan Edelson, I am the Chairman of the Oakland Mills Community Association, and I am speaking on its behalf. We thank the County executive and those throughout the school system and the community who have continued to support the complete rebuild of Talbott Springs Elementary School. We are very pleased to see Talbott Springs included in the County Executive's Capital Improvement Plan and strongly encourage you to support this as a top capital priority for Howard County.

In the current Talbott Springs building, children and teachers are exposed to mold, failing systems, inadequate classrooms, and overcrowding on a daily basis. If our county is serious about equity and providing top-quality education to all children, this must be funded now. Except for additions to bring the facility up to minimum standards, Talbott Springs is largely the same as it was when it opened nearly 50 years ago. Its core systems are original, and it continues to use an outdated, noisy, and distracting open classroom environment because the building as currently constructed cannot accommodate construction of full walls. Additionally, two full grades are housed outside the main building, and with no other new capacity on the horizon for this part of the county, the larger Talbott Springs is the only hope to relieve overcrowding in an area that is otherwise built out with no new residential development planned.

I could go on, but the story of Talbott Springs has been told many times by not just our community association, but by its PTA, its staff, and concerned members of our community. After years of delay and false starts, this testimony will be short and sweet – please build Talbott Springs Elementary School now.



HOWARD COUNTY COUNCIL  
AFFIDAVIT OF AUTHORIZATION  
TO TESTIFY ON BEHALF OF AN ORGANIZATION

I, Lisa May, have been duly authorized by  
*(name of individual)*

Howard County Association of REALTORS to deliver testimony to the  
*(name of nonprofit organization or government board, commission, or task force)*

County Council regarding FY 2021 Capital Budget to express the organization's  
*(bill or resolution number)*

support for / opposition to request to amend this legislation.  
*(Please circle one.)*

Printed Name: Lisa V. May

Signature: [Handwritten Signature]

Date: 4/14/2020

Organization: HCAR

Organization Address: 8600 Snowden River Parkway, Suite 104

Columbia, MD 21045

Number of Members: 2000

Name of Chair/President: Lisa Wissel, President

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## Sayers, Margery

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**From:** Lisa May <lisavm78@vt.edu>  
**Sent:** Wednesday, April 15, 2020 10:43 AM  
**To:** CouncilMail  
**Subject:** HCAR Comments on FY 2021 Capital Budget  
**Attachments:** HCAR Comments on FY21 Capital Budget.pdf

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Good morning Council Members,

Attached you will find comments from the Howard County Association of REALTORS on the proposed Capital Budget, which will be heard tomorrow evening. If you have any questions which we can answer before that time, please feel free to contact us.

Thank you for all of the work you are doing on behalf of Howard County during this challenging time.

Best,  
Lisa May  
HCAR



Main 410-715-1437  
Fax 410-715-1489  
Web www.hcar.org

April 14, 2020

The Honorable Deb Jung, Chairperson  
Howard County Council  
George Howard Building  
3430 Court House Drive  
Ellicott City, MD 21043

RE: Howard County Capital Budget and Transfer Tax Rate

Chairperson Jung and Members of the Council,

The Howard County Association of REALTORS® (HCAR) writes to offer our comments on the proposed FY 2021 Capital Budget and the suggested real estate transfer tax increase. At this time, HCAR must express our concern with the amount of the proposed increase, the impacts on housing affordability, and its timing given current economic conditions.

**This Increase Places Howard out of Step with Similar Jurisdictions**

A 0.5% increase in the real estate transfer tax exceeds what HCAR believes is reasonable. Unlike other County fees, such as the recently increased school facilities surcharge on new construction, our transfer tax has kept pace with that of surrounding jurisdictions. The November 2019 Sage Policy Group report on real estate transaction taxes, which HCAR previously provided to the Council and Administration, noted that Howard County's existing transfer taxes produced the second-highest out of pocket cost of any jurisdiction in Maryland due to our high housing costs. If this increase were approved, Howard County would charge the highest dollar amount on real estate transactions anywhere in the state, exceeding that of even Montgomery County.

Further, this increase would put our total transaction tax percentage above that of comparable jurisdictions. Currently, Anne Arundel County charges a total of 1.7% in total taxes on real estate sales, with Montgomery charging 1.89% and Prince George's charging 1.95%. Howard County would jump ahead of all these Counties, moving to a total of 2.0% in local taxes and fees.

The only local jurisdictions in Maryland who charge a full 1.5% in transfer taxes are the City of Baltimore and Baltimore County. HCAR must point out that those jurisdictions have housing prices which are a fraction of Howard's at \$140,000 and \$250,000 respectively. As a result, the costs to their home buyers remain thousands of dollars below those of Howard's buyers.



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The proposed increase also conflicts with advice given by the County's own budget advisory group. The most recent recommendation from the Howard County Spending Affordability Committee regarding real estate transaction taxes suggested amounts lower than 0.5%. Though the FY 2021 Committee did not elaborate on real estate tax increases, the FY 2020 report specifically noted that "the County's [transfer] tax rate is on par with most of the jurisdictions in the state." That group outlined just a 0.1% increase to the transfer tax and a 0.25% increase to the recordation tax, both of which are charged on home sales. Even taken together, those amounts are less than just the transfer tax increase proposed in this budget.

Finally, there are those who have argued that since the County's transaction tax rates have not been changed in many years they should be adjusted upward. HCAR could be sympathetic to that argument had the housing prices on which those taxes were levied remained stagnant. They have not. In 1999, Howard County's median home sales price was just under \$174,000; as of February 2020, it now stands at \$430,000. That has resulted in an increase in local transaction taxes from \$2,600 up to \$6,450 over that same time period, without changing the rate charged.

#### **Housing Affordability will Decline Further**

As noted above, Howard County's housing costs are significant. We now trail Montgomery County by just a few thousand dollars for the most expensive housing prices in the state. As a result, it takes both a significant income and a significant amount of savings to contemplate homeownership in Howard.

When thinking about the issue of affordability, it is tempting to focus solely on the cost of the home itself without considering other taxes and fees. However, this does not provide the complete picture. Often, buyers are currently paying rents which are comparable to what their ultimate mortgage payment would be. What is missing, and where many lower-income and first-time buyers need assistance, is with their required closing costs and down payment.

Unlike purchase prices which can be financed over the life of a mortgage, transfer taxes and other fees are due upfront at the settlement table, making them a particularly difficult hurdle for those who are not using equity from a prior sale. Once the existing local transfer tax, local recordation tax, state transfer tax and this transfer tax increase are charged on a median price home sale, nearly \$11,000 in taxation alone would be owed by the buyer and seller.

We must also mention that this increase comes on top of other actions taken by the County which negatively impact housing affordability. Reducing school capacity percentages under APFO, proposed increases to new construction wait times, reductions in setbacks and lot yields in new developments, and significant increases to school construction impact fees have all contributed to reductions in housing inventory and higher home costs. HCAR questions how many more of these actions our County's buyers can absorb before homeownership is placed completely out of reach.





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### **Current Economic Conditions Complicate Revenues and Impacts**

As with most sectors of the economy, the real estate market is currently experiencing an uncertain future. Up until just a few weeks ago, Howard County was experiencing strong housing demand which was expected to continue throughout 2020. The spread of COVID-19 has changed that forecast.

The most recent update from Bright MLS, which includes information on Howard County listing activity, shows a 39.1% decrease in active listings and a 31% decrease in pending sales. Whether this is a short-term pause in housing market activity or part of a larger downward trend is too early to tell. But the significant change in these numbers is enough to give us pause on both the ability of the housing market to absorb this increase and the wisdom of relying on this revenue source to issue nearly \$20M in County bonds based upon its anticipated revenues.

In addition, this increase has the potential to most affect those already undergoing financial hardship. We have all heard of the rapidly growing number of unemployment claims and worker furloughs in Maryland. There will also be those who are facing medical conditions, whether related to the pandemic or not. While REALTORS® and others are promoting programs to assist those individuals in remaining in their homes during the length of the current emergency, there will inevitably be those who must sell due to financial or medical issues. Under this increase, those sellers will pay more at the settlement table, and have fewer resources with which to begin their economic or physical recovery.

HCAR is sympathetic to both the capital needs of our County and to the limited number of funding options available to the Council and Administration to fund those needs. However, our members have a unique window into the experiences of Howard County's home buyers and how our housing prices and transaction costs impact their ability to achieve the goal of homeownership. Before the Council adopts the FY 2021 budget, we ask that you consider whether these individuals will be able to afford yet another real estate transaction tax, and if our real estate market will continue to produce the same level of County revenue given the challenging times in which we find ourselves.

If we can be of further assistance to the County on this or another issue, we will be happy to provide it. Thank you for your consideration of our comments on the FY 2021 budget.

Sincerely,

Lisa Wissel, President  
Howard County Association of REALTORS®