

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council of Howard County, Maryland

2021 Legislative Session

Legislative Day No. 17

Bill No. 86-2021

Introduced by: The Chairperson at the request of the County Executive

AN ACT providing that the Fee-in-Lieu for Moderate Income Housing Units and the Building Excise Tax shall be paid at the time of building permit issuance in order to align with the timing of payment of the School Facilities Surcharge; and generally related to fees collected by the Department of Inspections, Licenses and Permits.

Introduced and read first time _____, 2021. Ordered posted and hearing scheduled.

By order _____
Michelle Harrod, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to the Charter, the Bill was read for a second time at a public hearing on _____, 2021.

By order _____
Michelle Harrod, Administrator

This Bill was read the third time on _____, 2021 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ___ day of _____, 2021 at ___ a.m./p.m.

By order _____
Michelle Harrod, Administrator

Approved/Vetoed by the County Executive _____, 2021

Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment

1 **Section 1. Be It Enacted** by the County Council of Howard County, Maryland that the Howard
2 County Code is amended as follows:

3
4 *By amending:*

5 *Title 13, Housing and Community Development*

6 *Subsection (e) of Section 13.402C.*

7
8 *Title 20, Taxes, Charges and Fees.*

9 *Subsection (a) of Section 20.505.*

10
11 **Title 13. Housing and Community Development.**

12 **Subtitle 4. Moderate Income Housing Units.**

13
14 **Section 13.402C. Alternatives to moderate income housing unit obligation in certain zones.**

15 (e) *Fee-In-Lieu.* The developer may pay a fee-in-lieu to the Department for each unit in the
16 development or portion of the development that is not providing MIHUs onsite:

17 (1) The fee-in-lieu shall be based on the square footage calculated by the County for
18 purposes of determining a unit's building excise tax when applying for a building permit
19 for the development;

20 (2) The fee-in-lieu shall be set yearly by Council resolution based upon the percentage of
21 increase in the ENR Construction Cost Index for the Baltimore Region as reported in
22 ENR, Engineering News Record;

23 (3) The fee-in-lieu shall be published on the County's website together with the base sales
24 prices and rents for moderate income housing units;

25 (4) If the developer chooses to provide a portion of the required MIHUs on site, the fee shall
26 be prorated accordingly.

27 (5) Except as provided in paragraph (a) of this section, a developer may not pay a fee in lieu
28 of a single-family attached or apartment moderate income housing unit except in an age-
29 restricted adult housing or planned senior community;

30 (6) A developer shall pay the fee-in-lieu for each unit *[[when]] AT THE TIME* a building permit
31 *[[application]] is [[submitted]]ISSUED;*

- 1 (7) The fee-in-lieu collected by the Department shall be used for the following:
- 2 (i) The Settlement Downpayment Loan Program;
- 3 (ii) The Rehabilitation Loan Program;
- 4 (iii) Grants to other County entities, the Howard County Housing Commission or local
- 5 non-profits for rental housing subsidies, the purchase and rehabilitation of existing
- 6 properties for sale or rent to low or moderate income households, emergency eviction
- 7 support, or other housing opportunities for low and moderate income households; and
- 8 (8) By February 1 of each year, the Department shall provide a detailed annual report to the
- 9 Council of each collection and expenditure of all fee-in-lieu funds for the prior calendar
- 10 year.
- 11 (9) In census tract block group where the poverty level is ten percent or greater according to
- 12 the most recent census, the fee-in-lieu collected by the Department shall be used only for
- 13 the Settlement Downpayment Loan Program and the Rehabilitation Loan Program.
- 14

15 **Title 20. Taxes, Charges and Fees.**

16 **Subtitle 5. Building Excise Tax.**

17

18 **Section 20.505. Payment of tax.**

19 (a) *Building Excise Tax Paid When Paying for Building Permit.* An Applicant for a building

20 permit for addition construction or new construction shall pay the building excise tax to the

21 Director of Finance of Howard County at the [[same]] time the [[Applicant pays for the]]

22 building permit IS ISSUED.

23

24 **Section 2. And Be It Further Enacted** by the County Council of Howard County, Maryland that

25 *this Act shall become effective 61 days after its enactment.*