

Amendment 49 to Council Bill No. 28 -2023

**BY: The Chairperson at the Request
of the County Executive**

**Legislative Day 11
Date: October 2, 2023**

Amendment No. 49

(This Amendment removes language that highlights the struggles of other communities.)

- 1 In the *HoCo By Design* General Plan, attached to this Act as Exhibit A, amend the following
- 2 pages as indicated in this Amendment:
- 3 • Chapter 9, Supporting Infrastructure – page 7
- 4
- 5 Correct all page numbers, numbering, and formatting within this Act to accommodate this
- 6 amendment.

SUSTAINABLE AND EQUITABLE INFRASTRUCTURE INVESTMENTS

Infrastructure investments require careful long-term fiscal planning and prioritization. ~~Some communities struggle with strategic planning or accounting for the full cost of infrastructure projects, which may include not only the cost of construction or acquisition of the facility or equipment, but also annual operating and maintenance costs. There may also be necessary expenses in the future to eventually rehabilitate or replace the asset once it has reached the end of its useful life. It is important to account for full long-term costs to avoid large unanticipated expenses.~~

SPENDING AFFORDABILITY ADVISORY COMMITTEE (SAAC)

The Spending Affordability Advisory Committee (SAAC) is tasked with making recommendations to the County Executive on revenue projections, General Obligation bond authorizations, long-term fiscal outlook, and county revenue and spending patterns. SAAC is directed to prepare and present a report to the County Executive, on or before March 1 annually, including:

- Projected General Fund revenues for the upcoming fiscal year.
- Recommended new county debt (General Obligation bonds) authorization.
- An analysis of the long-term fiscal outlook including multi-year projections.
- Other findings and/or recommendations that the Committee deems appropriate.

In March 2021, the Howard County Spending Affordability Advisory Committee (SAAC) released their report for Fiscal Year 2022, which identified the need to strengthen long-term strategic planning and fiscal discipline to ensure infrastructure investments are sustainable, with adequate prioritization and full cost accounting.

The SAAC noted that spending requests from all agencies significantly outpaced resources available and that the funding gap was projected to grow in coming years, as slower economic growth has been forecasted compared to prior decades. The magnitude of the funding gap was alarming: requested funds for capital projects by all agencies in Fiscal Years 2022-2027 were approximately double the projected debt capacity and other dedicated resources for the same fiscal years.

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Howard County will soon transition from a growing county with significant building and associated cost and revenue to a mature county with more stable population growth. Affordability will be even more challenging as little new housing is able to be built and the County will have to rely on different sources of revenue while attending to aging infrastructure. I am hopeful this process addresses this transition and provides for the discovery of solutions.
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- HoCo By Design process participant

