
From: Ryan Powers <rpowerz115@gmail.com>
Sent: Friday, June 21, 2024 10:55 AM
To: CouncilMail
Cc: Gelwicks, Colette; Skalny, Cindy; Knight, Karen; Yungmann, David
Subject: CB37-2024 reduces fees by 82% and its impact on lost revenues cannot be estimated. It's a work-around APFO.

Follow Up Flag: Flag for follow up
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Dear Councilmembers,

I am writing today to state my opinion that CB37-2024 should not be approved as written. While I fully admit I don't have all the necessary background, I find the following things concerning:

- 1) According to a county auditor's report, the financial impact of the bill cannot be accessed. In my opinion, any bill for which there cannot be a reasonable estimate of its impact should not be passed.
- 2) This bill allows for families to build homes with a 82% reduction in school surcharge fees. Any children from these homes will potentially enter overcrowded schools in need of repairs. It is perfectly reasonable for people building homes to be assessed the school surcharge because in an unknown number of these cases their children will need school resources.
- 3) The language in the bill creates numerous loopholes, for example
 - a. The length of primary residency is not defined. Any person could use this loophole to live in the house a short time and then sell it for a substantial profit
 - b. A resident could potentially build a primary residence on their land and subdivide it[with their current house] in the future. I don't believe this is in the spirit of APFO.
- 4) Residents/contractors have been aware of the school surcharge schedule since 2019 and should have already accounted for it in any budget. School capital requirements will only increase in the future, and by passing this bill you will be reducing the ability of our school system to limit overcrowding.

I appreciate Councilwoman Rigby's office helping me understand this bill. However, I believe that testimony on June 18th supporting this bill because of the need of "thousands of families" inherently underscores that this bill does not limit beneficiaries to those aging-in-place as intended. I should also note that if 70k in fees account for 5% of your housing costs, you are building a \$1.4 million dollar home and should be able to absorb the school surcharge fee in favor of the great good.

Thank you,

Ryan Powers

Glenwood, MD

From: Brett Moore <brett.p.moore@gmail.com>
Sent: Monday, June 24, 2024 4:07 PM
To: CouncilMail
Subject: CB37-2024

Follow Up Flag: Follow up
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I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in County Bill 37-2024.

Brett Moore
11212 Chase Street Unit 1, Fulton, MD 20759

From: Chris Ehrich <chrisehrich1@gmail.com>
Sent: Monday, June 24, 2024 2:39 PM
To: CouncilMail
Subject: CB37-2024

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

I am writing to state support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in County Bill 37-2024

Christopher Ehrich
5545 Suffield Court
Columbia MD 21044

V/r

Chris Ehrich

Sent from my iPhone

From: David Park <davidpark4@gmail.com>
Sent: Monday, June 24, 2024 2:35 PM
To: CouncilMail
Subject: CB37-2024

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

Hello,

I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in County Bill 37-2024.

David Park
6826 Sanctuary Ct
Elkridge, MD 21075

From: Jim Horris <horrisj@hotmail.com>
Sent: Monday, June 24, 2024 2:13 PM
To: CouncilMail
Cc: Gelwicks, Colette; Rigby, Christiana
Subject: CB37-2024. New Res Construction Public School Surcharge
Attachments: CB37-2024_Testimony_HorrisJ.docx

Follow Up Flag: Follow up
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Howard County Council
Request you accept my written testimony in the matter of CB 37-2024.

With kind regards,
Jim Horris

James A. Horris
horrisj@hotmail.com
(443) 980-8993

CB37-2024

Testimony of James A. Horris, 8076 Savage Guilford Road, Jessup, MD 20794; (443) 980-8993

I wish to state up front that I am very much in favor of the proposed change to the legislation and the reduction in the School Surcharge Rate to \$1.32/sf.

Background

I am a senior (age 72), recently retired, a veteran, and a resident of Howard County for the past 26 years.

I wish to build a home on a lot nearby that I purchased 23 years ago, with the specific intent to downsize for retirement while remaining in my community and neighborhood.

Community is very important to me. My neighbors are an integral part of my life, and I do my best to return the favor. Our neighborhood is cohesive with an excellent cross-section spanning young families to retirees. The lot on which I wish to build is part of this same neighborhood. Additionally, I have immediate family both in Howard County and within convenient proximity, anchoring me further to this locale.

Discussion

Surcharge Rate

I think the current Surcharge rate is very appropriate for **commercial developers** who will profit from the building and selling of a home. In my opinion, the elevated rate rightly harvests a share of those profits to support the school system ahead of the building process.

However, I think the current rate is inappropriate and untenably high for **individuals** seeking to build a primary residence without profit. Additionally, my understanding is that the funding need that existed at the time the rate was instituted is now largely mitigated.

Personal Impact

The example below illustrates in dollars the magnitude of the impact of the current Surcharge rate. My partner and I wish to build a house of modest size, on one level to facilitate living in our senior years.

Living space	2000sf
Basement	2000sf
Garage	580sf
<u>Porch Open</u>	<u>400sf</u>
Total Gross SF	4980sf

Using the aggregate Excise Tax and School Surcharge rate of \$10/sf, I would have a tax bill of **\$49,800**, of which **\$39,840** is the SurchargeTax.

This will not be eligible for bundling into a construction loan, necessitating an unrecoverably large cash withdrawal from a retirement account.

Conclusion

Given the above, my partner and I will likely not be able to build this house, and that means leaving my community, the county and possibly leaving the state. Retirees are already leaving Howard County in significant numbers.

Impact on the County and School Support

I've spoken with Mr. Jeff Bronow in DPZ to determine if they had data indicating how many of the approximately 700 single-family dwellings built last year in HoCo were built by commercial developers and how many were built by individuals for their primary residence. DPZ does not have a breakout of that

specific metric; however, Mr. Bronow stated that to his knowledge, the “vast majority” were built by commercial developers. I think it reasonable to conclude that reducing the surcharge rate for individuals will not cause a shortfall in school funding.

I am a firm advocate of quality education and the resources it takes to maintain good schools. The HoCo school system is reputed to be one of the finest, if not the finest, public school system in the country and this is a direct result of being richly resourced with some of the highest taxes in the state and country.

Recommendation

With the reduced rate proposed by Ms. Rigby, the school system would still be supported, the majority of the surcharge tax burden of new residential construction is still shouldered by those who should (i.e., commercial developers) and individuals wishing to remain in the county can do so.

Request the County Council vote to **pass** the proposed change to the legislation contained in CB37-2024.

From: Lydia Joyce <ljoyce005@gmail.com>
Sent: Monday, June 24, 2024 2:27 PM
To: CouncilMail
Subject: CB37-2024

Follow Up Flag: Follow up
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I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in County Bill 37-2024.

Respectfully,

Lydia Joyce
5918 Cedar Fern Court
Columbia, MD 21044

Council District 4

From: Meghen Ehrich <mkobli14@gmail.com>
Sent: Monday, June 24, 2024 7:57 PM
To: CouncilMail
Subject: CB37-2024

Follow Up Flag: Follow up
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Good evening

I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in County Bill 37-2024.

Meghen Ehrich
5545 Suffield Ct, Columbia, MD 21044

Sent from Gmail Mobile

From: Janette <janettewilson@comcast.net>
Sent: Friday, June 28, 2024 8:35 AM
To: CouncilMail
Subject: CB37-2024

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> I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in Council Bill 37-2024.

Janette Wilson
7107 moorland drive
Clarksville, Md 21029
Sent from my iPhone

From: Beth Yeckley <bethyeckley@comcast.net>
Sent: Sunday, June 30, 2024 2:45 PM
To: CouncilMail
Subject: CB37-2024

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I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in Council Bill 37-2024.

Elizabeth Yeckley
8080 Savage Guilford Road
Jessup, MD. 20794

From: Yeckley, Robert <Robert.Yeckley@spirent.com>
Sent: Sunday, June 30, 2024 11:57 AM
To: CouncilMail
Subject: CB37-2024

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I am writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax rate for individuals, as stated in Council Bill 37-2024.

Robert Yeckley
8080 Savage Guilford Road
Jessup, MD. 20794

ROBERT YECKLEY III

Technical Assistance Center

Support CSC: <http://support.spirent.com>

Support Email: support@spirent.com

Support Phone: 1-800-SPIRENT



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From: Corinne Edwards <sheelysmom@gmail.com>
Sent: Wednesday, July 3, 2024 7:11 PM
To: CouncilMail
Subject: CB37-2024

Follow Up Flag: Follow up
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Good evening. I'm writing to state my support for Councilwoman Rigby's proposed reduction to the School Facilities Surcharge Tax Rate for individuals, as stated in Council Bill 37-2024

Thank you
Corinne Edwards
8070 Savage Guilford Rd, Jessup, MD 20794

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the littlest birds sing the prettiest songs

From: Alexa H. Chestnut <Alexa_Chestnut@hcpss.org>
Sent: Friday, July 19, 2024 2:08 PM
To: CouncilMail
Subject: Bill CB37-2024

Follow Up Flag: Follow up
Flag Status: Flagged

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Dear members of the County Council,

I'm writing to encourage you to vote against Bill [CB37-2024](#). Any attempt, no matter how limited, to reduce the school facility surcharge is not in the best interest of Howard County students and staff. Our surcharges are already lower than surrounding counties. With the continual building of new homes the majority of our schools are overcrowded which has severely impacted the school system's ability to address a growing list of deferred maintenance concerns. The recent budget cuts that will directly impact students at all levels as well as staff highlights that we need more funds to meet our students' needs. Any attempt at limiting school facilities surcharges is not best for students or staff.

Thank you,
Alexa Chestnut
HCPSS staff, resident, and parent

From: Lisa Arbaugh <lisaarbaugh@gmail.com>
Sent: Friday, July 19, 2024 2:43 PM
To: CouncilMail
Cc: lwalsh@howardcountymd.gov; Jones, Opel; Rigby, Christiana; Jung, Debra; Yungmann, David
Subject: Vote NO to Bill CB37-2024

Follow Up Flag: Follow up
Flag Status: Flagged

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

Dear Mr. Jones, Ms. Walsh, Ms. Rigby, Ms. Jung, and Mr. Yungmann,

I am a long-time Howard County resident and an HCPSS educator.

Any attempt at limiting school facilities surcharges is not good for the county residents, particularly our students, or HCPSS.

Elizabeth Arbaugh
Ellicott City, MD

From: Casey Retterer <casey.retterer@gmail.com>
Sent: Saturday, July 20, 2024 8:06 PM
To: CouncilMail
Cc: lwalsh@howardcountymd.gov; Jones, Opel; Rigby, Christiana; Jung, Debra; Yungmann, David
Subject: Bill CB37-2024

Follow Up Flag: Follow up
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Hello,

I'm writing to ask that the County Council vote down Bill CB37-2024. I understand that there are relatively limited circumstances to which the effects of the bill would apply, but the fact of the matter is any attempts at limiting school facilities surcharges for developers when our school system has numerous schools over capacity and hundreds of millions of dollars in deferred maintenance is a dereliction of duty. We are in this situation because we have prioritized developer profits over adequate investment in our infrastructure. I urge you to earnestly consider whether the developers or the schools need the money more, and to do some serious soul searching as you walk through our overcrowded and neglected schools if somehow you come to the conclusion that it is the former rather than the latter.

Thank you for your consideration,
- Casey Retterer
(Councilmanic District 4)

From: Lenes, Josh [MD] <jlenes@mseanea.org>
Sent: Tuesday, July 23, 2024 12:04 PM
To: CouncilMail
Cc: Schmitt, Benjamin [MD]
Subject: CB37-2024 -- HCEA Testimony (Oppose)
Attachments: CB37-2024 Oppose -- HCEA.pdf

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Good afternoon,


Please find the attached testimony in opposition to Council Bill 37-2024 on behalf of the Howard County Education Association.

Josh

Joshua Lenes

UniServ Director

Howard County Education Association
t 410.997.3440

 [Schedule an appointment](#)
jlenes@mseanea.org

**MARYLAND STATE
EDUCATION ASSOCIATION**
marylandeducators.org
EDUCATORSTOGETHER

Testimony in Opposition of Council Bill 37-2024

School facilities surcharge amendment for single family detached dwellings and Amendments

Howard County Council
July 23, 2024

Benjamin Schmitt
HCEA President

The Howard County Education Association **opposes** Council Bill 37-2024. CB37 applies a lower rate for the School Facilities Surcharge (Surcharge) for new construction of a single family detached dwelling when it is built by an individual who previously owned the lot on which the dwelling is to be built. Under the Bill, a qualifying individual who would ordinarily pay a Surcharge at the rate of \$7.50 per square foot will now pay \$1.32 per square foot – resulting in foregone revenue of \$6.18/sqft. The lower rate currently applies to 1) senior housing under 42 U.S.C. § 3607(b) and 2) certain residential new construction in the Downtown Columbia Development District classified as affordable housing.

Howard County Education Association is the union of over 6,000 educators and school employees who work in Howard County's public schools, teaching and serving over 57,000 students and their families. HCEA opposes CB37 for the following reasons:

1. HCEA believes every child has the right to learn in a safe, healthy, well-maintained school building. Deferred maintenance projects in Howard County Schools currently total over half a billion dollars. By expanding eligibility for the reduced Surcharge, maintenance projects will be even further delayed.
2. The excellence of Howard County's schools underpins the County's high property values, and school surcharge fees are intended to support the construction, renovation, and maintenance of new and existing schools. It is unclear to us why an individual who owns land prior to building a residence should be assessed at the same rate as senior housing and certain affordable housing.
3. The vague language of the bill creates potential loopholes through which developers could sell individuals a lot and enter into a contract with the individual to construct the residence at a reduced Surcharge. It is additionally unclear if the surcharge would apply to subdivisions of the same lot.
4. The Department of Licenses, Inspections, and Permits should conduct a careful analysis of eligibility for the reduced surcharge and provide a report to the Council prior to considering this legislation. Data from DILP provided to the County Auditor did not differentiate between eligible and ineligible Single Family Dwellings, therefore the County



Auditor was unable to provide a specific impact assessment. Additionally, before such legislation is considered, the Council should request a report on the impact of the proposed legislation on school capital projects from HCPSS.

HCEA encourages Councilmembers to promote sound fiscal policies that increase revenues dedicated to school construction, renovation, and maintenance. Therefore, we strongly urge Councilmembers to oppose CB37.

Thank you,

Benjamin Schmitt
President, Howard County Education Association

From: Terri Marcus, President <president@ptachc.org>
Sent: Tuesday, July 23, 2024 12:26 PM
To: CouncilMail
Subject: Testimony Opposing CB 37-2024
Attachments: CB37 Testimony.docx

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

Dear Council Members,

Thank you for the invitation to attend today's work session. It is important we all understand each other's positions. I appreciated the insights provided by your past experiences on the Council.

I am attaching testimony opposing CB 37-2024 . It appears you may be well aware of some of our concerns already. PTACHC looks forward to working with your representatives on the Capital Budget Task Force (which I hear could be starting as early as next week).

Thank you,

Terri Marcus
President, PTA Council of Howard County

JULY 23, 2024

PTACHC TESTIMONY OPPOSING CB37-2024

Howard County PTAs are never going to support a bill that results in less money going to the school system's capital budget. CB 37-2024 does this by carving out exceptions to the school facilities surcharge, under the guise that it is individuals adding the density, not developers. This bill has been introduced at a time when the capital needs of the school system are more overwhelming than ever and are well known to this Council, as demonstrated by the work session held on June 25, 2024.

The state knows Howard County has a capital budget problem. That is why it passed HB 1450 in May this year. HB 1450 creates a task force to: (1) identify the capital needs, including deferred maintenance, of Howard County Public Schools through 2035; (2) determine the projected funding expected to be allocated to Howard County Public Schools capital projects through 2035; (3) identify the anticipated funding gaps for Howard County Public Schools capital projections under current revenue projections through 2035; and (4) study options for closing any identified funding gaps for Howard County Public Schools capital projects under current revenue projections through 2035, including: (iii) exercising existing authority the County may use to generate additional revenue; and (iv) any other potential revenue sources the Task Force determines appropriate.

As shown in the Auditor's Analysis of the bill, the amount of the potential lost revenue created by this bill is unknown, but could be huge, especially in light of the fact that the Auditor's Analysis only examined potential losses from single family detached construction and this bill is not limited to single family detached construction.

Passage of this bill would significantly interfere with the Task Force's ability to complete the tasks assigned it by the state. The Task Force needs to know how much revenue this bill could cost the school system in order to determine projected funding and identify the anticipated funding gaps. It would also limit the tools available to the Task Force to try to close the funding gaps. Before this Council would even consider passing this bill, it should know how much revenue would be lost and have a plan in place for how to make up for the lost revenue. This Council

has a perpetual duty to fund the needs of its school system and comply with state law.

This bill, if passed with its Amendment, would drastically reduce the amount of dollars generated by the school surcharge fee. The bill is not narrowly tailored to address just the circumstances of people like Mr. Mosman and Mr. Horris. Rather, it is an open door to anyone who wants to circumvent paying the school surcharge fee by:

- Not being limited to construction of single family homes (Amendment 1 to the bill changed the wording of section 3 from “a single-family detached dwelling” to “residential dwellings on single lots”)
- Permitting lot owners to build apartments, condos, townhomes, anything a lot is zoned for - zoning changes in the near future could easily increase density in a currently unknown number of areas (Section 3 (A)(II) of Amendment I)
- Not limiting the number of dwellings than can be built on a single lot, as long as the owner lives in one of the units
- Not requiring the owner to live in one of the units for any mandated length of time
- Not requiring the owner to live in the primary residence on a lot (an individual’s primary residence could be a smaller dwelling on the lot)
- Not limiting the size of the lot an individual owner can purchase
- Not limiting the number of lots an individual can buy (and consecutively occupy)
- Not limiting eligible buyers to current residents of Howard County
- Not providing safeguards that an individual buyer is not acting as a proxy for a developer, builder, group, or anyone else acting on behalf of a developer

In support of her bill, Ms. Rigby referenced a Supreme Court case that came out in April of this year. That case is *Sheetz v. County of El Dorado, California*. The Supreme Court’s ruling does not jeopardize the legality of Howard County’s school surcharge fee. It was a “narrow decision that does not prevent local governments from enacting reasonable permitting conditions (including impact fees) via legislation.” <https://www.naco.org/news/us-supreme-court-issues-narrow-ruling-case-concerning-impact-fees>

When the Supreme Court decision was analyzed for its potential implications in Maryland, it's been written that:

So, the *Sheetz* case may change political processes, and legal dockets, in California and other states that may have allowed the creation of similar fees through administrative agencies, who may have blurred the lines between fees and taxes. Still, in Maryland – most of these matters have been settled for years, in the same direction as the current Supreme Court has generally deemed appropriate.”

In Maryland, a “fee” must already bear “a demonstrable relationship to the actual costs triggered by the building and development.”

<https://conduitstreet.mdcountries.org/2024/04/17/scotus-rules-on-local-impact-fees-any-md-fallout/>. Howard County’s school surcharge fee meets the

“demonstrable relationship” test by being progressive – people who live in bigger houses because they have school-aged children already pay more than people who live in 1 bedroom apartments who presumably do not have children because the fee is charged according to square footage. If Howard County’s school surcharge fees are ever legally challenged, it wouldn’t be hard to show that the laws already in place in Maryland satisfy the conditions required for setting fees set forth in *Sheetz*.

For all these reasons, the Council should vote against CB37-2024.

From: Christina Held <gerroovy@gmail.com>
Sent: Thursday, July 25, 2024 6:12 AM
To: CouncilMail
Subject: School Facilities Surcharge

Follow Up Flag: Follow up
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Any attempt at limiting school facilities surcharges isn't good for students or staff.

From: Katharine Murdza <katiemurdza@gmail.com>
Sent: Thursday, July 25, 2024 10:46 AM
To: CouncilMail
Subject: Don't reduce school facilities surcharges

Follow Up Flag: Follow up
Flag Status: Flagged

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

Council Persons,

Please don't vote to reduce school facilities surcharges. Developers in Howard County pay less towards are schools than other counties and that needs to change. Our students, teachers, and schools need MORE, not less. If this past school year hasn't proven that to you already, it should have. If you need more examples of how our schools need more take a visit to Dunloggin Middle, Oakland Mills Middle and High and see the buildings our students are learning in and the staff that are working tirelessly and spending their own money to make the best of a bad environment. Then tell me you can still vote to take money away from our schools.

Please do not vote for CB37-2024 and reduce school facilities surcharges.

Respectfully,
Katie Murdza
Howard County Resident

Sent from my iPhone

From: Katherine Hodge <Katherine_Hodge@hcpss.org>
Sent: Monday, July 29, 2024 5:33 PM
To: CouncilMail
Subject: Regarding Bill CB37-2024

Follow Up Flag: Follow up
Flag Status: Flagged

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

Please say **NO** to Bill [CB37-2024](#) sponsored by Councilwoman Rigby.

This bill aims to reduce the school facilities surcharge. It has taken a very long time to get where we are now, with developers paying more, but we still lag behind other counties.

Any attempt at limiting school facilities surcharges isn't good for students or staff!

Katie Hodge
Teacher, 3rd Grade
Clemens Crossing Elementary School
(410) 313-6866

Elementary Science Teacher Leader

