

March 21, 2016

Testimony on Council Resolution 37-2016 to Repeal the Watershed Protection and Restoration Fee

Good evening County Council Chair Ball and Council members.

My name is Cole Schnorf. I reside at 4912 Valley View Overlook, Ellicott City, MD 21042.

I am here to testify on behalf of the Howard County Chamber of Commerce in favor of Council Resolution 37-2016 to amend certain aspects of the Watershed Protection and Restoration Fee. Before commenting on the resolution, I would like to first express our support for the intent of the Fee, which is to provide a funding source for Howard County's contribution toward cleaning up the Chesapeake Bay.

When the Howard County Chamber of Commerce and several of its members testified in January in favor of CB 52-2015 to repeal of the Fee, we raised the following concerns, many of which have been addressed in CR 37-2016:

1. Our first concern was that the Fee as currently structured places a disproportionate burden on commercial property owners. By reducing the maximum fee from 20% of the property tax bill to 5% over a three year period, the most egregious cases of disproportionality will be addressed.
2. Another concern was that the fee can result in a loss in property value. Again, by reducing the maximum fee as a % of property tax, the most extreme cases of potential loss of value have been addressed.
3. Our final concern was that by capping the credit for remediation at 50% of the fee, there is a lack of incentive to remediate the storm water runoff from a property, and a potential legal issue. By allowing credits up to 100% as proposed in CR 37-2016, this potential legal issue is eliminated and the incentive increased.

The one area of concern not addressed by CR 37-2016 is the competitive disadvantage Howard County is in competing for corporate relocations. Most of the surrounding jurisdictions have eliminated their Watershed Protection fee, giving them a potential argument in favor of a business locating in their jurisdiction instead of Howard County. The actual financial advantage of the surrounding jurisdictions would be reduced by CR 37, but the subjective argument would persist.

In summary, we ask that you vote in favor of CR 37-2016 to amend the Watershed Protection and Restoration Fee because this resolution helps alleviate the inequitable burden on employers, reduces the fee's impact on a potential loss in value for commercial properties, and increases the incentive for some properties to mitigate its storm water runoff. We look forward to working with the council and administration in finding ways to further incentivize commercial property owners to mitigate their runoff and help Howard County achieve its mandated reduction in storm water runoff.

Thank you

Cole Schnorf