



FREDERICK COUNTY COUNCIL

Local Government Fiscal Estimate of Legislation

CONTACT INFORMATION AND GENERAL INSTRUCTIONS

Bill Number/Reference:	16-05
Bill Title:	Revisions to APFO School Construction Fees and Annual Adjustments
Local Government Agency:	Frederick County – County Executive Office
Prepared By:	Kelly Weaver and Janice Spiegel
Title:	Acting Budget Officer and Education Liaison
Phone Number:	301-600-1185
E-Mail Address:	kweaver@frederickcountymd.gov
Due Date:	February 16, 2016
Date Submitted:	February 11, 2016

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Date:	
Please respond to the questions below. If you prefer to provide responses or additional information in a separate file or document, send the file or document in a separate e-mail to rcherney@frederickcountymd.gov with the bill number/reference in the subject line.	
1.	Describe the impact of this proposed legislation on your agency (operations, revenues, expenditures, etc). If there is no impact, <u>please explain why.</u>
<p>The fiscal impact is that the county’s mitigation fee revenue would increase. The rate of increase is dependent on the number of plats that are recorded each year; the rate is subject to market conditions and business decisions and is not easily predicted.</p> <ul style="list-style-type: none"> • The fees have only been in existence for three years; staff cannot predict with any certainty the amount which will be collected annually. • The total increase anticipated for the total number of dwelling units approved and required to pay the mitigation fee, is approximately \$42M. • The total amount collected will span between 20-30 years, depending on the number of years approved in the DRRAs. <p>Expenditures would increase for capital school projects by the amount of revenue generated, assuming there is a project in the CIP where the increased revenue could be applied. Otherwise, the revenue would carry over to the next eligible project. There is no impact to operations.</p>	
2.	Please indicate whether the proposed legislation will affect small businesses in Frederick County, and if it will, please provide any information you may have which could be useful in determining the economic impact on small businesses.
<p>The proposed legislation does not apply to commercial properties. The mitigation fee option may only be used after a residential development fails to meet the adequacy requirement in the county’s Adequate Public Facilities Ordinance.</p> <ul style="list-style-type: none"> • The mitigation fee is calculated based on the type of dwelling units (single family, townhouse or multi-family) and the school level in which a proposed development failed to meet the county’s adequacy standards. • The fee may only be used as a third option for developers which fail the APFO schools test in the county or within Frederick City; other municipalities in Frederick County did not adopt the legislation. • Small developments pay the same rate as larger developments. Theoretically, the fees are applied the same, although the ability to pay the fee may vary from builder to builder. • Minor residential subdivisions (those with 5 or fewer residential lots) are not subject to APFO testing and therefore would not be required to pay mitigation fees. 	

FISCAL IMPACT SUMMARY – SHOW (DECREASE) IN PARENTHESES

REVENUES

3. Analysis of **estimated increase (or decrease) in government revenues**. Please estimate below any anticipated increase (or decrease) in revenues resulting from this legislation. Please be aware of any delayed effective dates in the bill or other factors that may cause revenue increases/decreases to begin in later years.

<u>Source</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
	N/A See below	N/A See below	N/A See below	N/A See below	N/A See below
TOTAL \$	\$	\$	\$	\$	\$

Please explain how the above estimated increase(s) or decrease(s) were arrived at, including any calculations and/or assumptions made. Please also explain any variation if the revenue increase(s)/decrease(s) are not constant.

Approx. \$42 million over the life of the development/DRRAs

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<u>EXPENDITURES</u>						
4.	Analysis of estimated increase (or decrease) in government expenditures. Please estimate below any anticipated increase (or decrease) in expenditures resulting from this legislation. Please be aware of any delayed effective dates in the bill or other factors that may cause expenditure increases/decreases to begin in later years. N/A					
<u>A. Salaries & Wages</u>		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
FTE Employees - _____ # of positions						
Fringe Benefits						
N/A						
TOTAL (Salaries, wages & benefits)		\$	\$	\$	\$	\$
		Please provide an explanation of the need for the number and type of any personnel listed above, including (1) what specific provision(s) of the bill necessitate additional staff; (2) what the duties of each type employee will be; and (3) why existing personnel cannot absorb the additional work. Please also certify the wage/salary rate and % fringe rate (if differing rates apply) for each personnel classification.				
<u>B. Other Operating Expenses</u>		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
Technical/Special Fees, Grants/Subsidies						
Communications-Phone, Postage						
Travel, Food, Auto, Fuel & Utilities						
Contractual Services						
Supplies						
Equipment-Replacement						
Equipment-Additional						
Land & Structures, Fixed Charges						
Other (Please Specify on Extra Page(s))						
N/A						
TOTAL (Expenditures)		\$	\$	\$	\$	\$
		On the next page, please provide brief descriptions/breakdowns of the above "Other Operating Expenses."				
		Please explain below any additional calculations or assumptions made in estimating the "Other Operating Expenses" that will help us to understand the amounts and timing of the expenses.				

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4. (cont'd)

C. Operating Expense Descriptions/Breakdowns

Please provide below a short description of the specific purpose of each expense listed under 4B. If any amount(s) listed under 4B represent(s) a total of multiple expenses, provide a breakdown of the fiscal 2016 amount with a short description of each expense (for example, if \$2,500 is listed for Communications – Phone, Postage, a statement such as “\$1,500 for cellphone charges for two new inspectors and \$1,000 for postage for mailings to permittees to notify them of changes to inspection requirements.”)

Fiscal 2016 Expenditures

Technical/Special Fees, Grants & Subsidies description/breakdown	\$
Communications – Phone, Postage description/breakdown	\$
Travel, Food, Auto Operations, Fuel & Utilities description/breakdown	\$
Contractual Services description/breakdown	\$
Supplies description/breakdown	\$
Equipment-Replacement description/breakdown	\$
Equipment-Additional description/breakdown	\$
Land & Structures, Fixed Charges description/breakdown	\$
Other (Please Specify) description/breakdown	\$

Please submit BY E-MAIL to: Ragen Cherney, Legislative Director/Chief of Staff
Frederick County Council • E-Mail: RCherney@FrederickCountyMD.gov