



## FREDERICK COUNTY COUNCIL

### Local Government Fiscal Estimate of Legislation

#### CONTACT INFORMATION AND GENERAL INSTRUCTIONS

<b>Bill Number/Reference:</b>	Bill No. 17-07
<b>Bill Title:</b>	Solar Facilities and Floating Zone
<b>Local Government Agency:</b>	Frederick County Divisions of Finance, Planning & Permitting
<b>Prepared By:</b>	Erin White and Steve Horn
<b>Title:</b>	Deputy Director and Director
<b>Phone Number:</b>	301-600-1193, 301-600-1151
<b>E-Mail Address:</b>	<a href="mailto:ewhite@frederickcountymd.gov">ewhite@frederickcountymd.gov</a> <a href="mailto:shorn@frederickcountymd.gov">shorn@frederickcountymd.gov</a>
<b>Due Date:</b>	April 11, 2017
<b>Date Submitted:</b>	April 11, 2017

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<b>Date:</b>						
<p><b>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 <a href="mailto:rcherney@frederickcountymd.gov">rcherney@frederickcountymd.gov</a> with the bill number/reference in the subject line.</b></p>						
<b>1.</b>	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 proposed legislation would increase revenue to the County if the solar energy systems are constructed and taxed under the County's limited business personal property tax. County real property tax revenue could also increase depending on the previous assessment of the property. For example, if the property previously had an agricultural assessment and the solar collection system causes the State Department of Assessments and Taxation to revise the assessment to commercial, then an increase to property tax revenue could result. The legislation would have no impact on the operations on Finance Division since any additional work can be absorbed by current staff. The Planning and Permitting Division expect that current or future staffing levels would be expanded to accommodate any potential activity generated by the passage of this bill. As described below, staff is unable to provide an estimate on the amount of any revenue increase.</p>						
<b>2.</b>	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 could have a positive economic impact to a small business if the small business was involved in the installation or maintenance of solar energy systems. A property within the Agricultural zone could also receive a positive economic impact from the legislation if the property owner receives approval of their floating zone application. Staff is unable to provide an estimate of the actual economic impact.</p>						
<b>FISCAL IMPACT SUMMARY – SHOW (DECREASE) IN PARENTHESES</b>						
<b><u>REVENUES</u></b>						
<b>3.</b>	Analysis of <b>estimated increase (or decrease) in government revenues.</b> 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.					
<b>Source</b>		<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
N/A						
<b>TOTAL \$</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<p><b>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.</b></p>						
<p>Currently the County's limited business personal property tax rate for fiscal year 2017 is no more than \$2.65 per \$100 of assessment. The County's real property tax rate is \$1.06 per \$100 of assessment. Because of the difficulty in estimating the number of acres involved, the number of agricultural or commercial properties involved, any potential assessment increases, and the subsequent taxes on solar energy systems, staff is unable to provide a revenue estimate for the proposed legislation.</p> <p>Also, the unpredictability of the number of applications is a factor. The combined zoning/plan review fee would range between \$5,000 and \$7,500 per application, depending on the size of the property. One application per year would yield revenue in this range. More than one would increase revenue accordingly.</p>						

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<u>EXPENDITURES</u>						
<b>4.</b>	Analysis of <b>estimated increase (or decrease) in government expenditures.</b> 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.					
<b>A. Salaries &amp; Wages</b>		<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
FTE Employees - _____ # of positions						
Fringe Benefits						
<b>TOTAL (Salaries, wages &amp; benefits)</b>		\$	\$	\$	\$	\$
<b>N/A</b>	<b>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.</b>					
<b>B. Other Operating Expenses</b>		<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
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))						
<b>TOTAL (Expenditures)</b>		\$	\$	\$	\$	\$
<b>N/A</b>	<b>On the next page, please provide brief descriptions/breakdowns of the above "Other Operating Expenses."</b>					
<b>N/A</b>	<b>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.</b>					

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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 2017 Expenditures

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

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