

AGENDA ITEM #2D
November 17, 2009

Action

MEMORANDUM

November 13, 2009

TO: County Council

FROM: Susan J. Farag, Legislative Analyst 

SUBJECT: **Action:** *Executive Regulation No. 12-09AM Establishment of Annual Registration Fee for Common Ownership Communities*

PS COMMITTEE RECOMMENDATION: RECOMMENDED APPROVAL WITH AMENDMENTS.

COMMITTEE REVIEW

The Committee initially reviewed Executive Regulation No. 12-09 on July 23, 2009. As transmitted, the regulation would have increased the annual registration fee for a housing unit in a Common Ownership Community (COC) from \$2.25 to \$2.75. These fees are used to fund the Commission on Common Ownership Communities (CCOC). The Committee commented that it would like the CCOC to increase community educational outreach and recommended that the fee be further increased to \$3.00 in order to do so. The additional \$0.25 increase would generate an estimated \$30,000 in FY10. The Committee recommended approval with this amendment (Committee vote 3-0).

The Executive's transmittal memorandum is included on © 1. A bracketed and underlined copy of the regulation as submitted by the Executive is included on © 2-3; the clean copy is included on © 4-5. The fiscal impact statement is on © 6-7.

BACKGROUND

Executive Regulation No. 12-09 was received by the Council on June 22, 2009. The Public Safety Committee reviewed the regulation on July 23, 2009 and recommended approval with

amendment as described above. The Executive issued Temporary Regulation 12-09T on August 10, 2009, to accommodate the Committee's request to raise the fee to \$3.00, while also allowing the Department of Housing and Community Affairs (DHCA) to collect the fees in a prompt manner. This temporary regulation was made effective retroactively to July 1, 2009 to allow for fee collection and was set to expire on September 29, 2009. The Council approved a one-time extension of the temporary regulation on September 29, 2009, now set to expire on December 28, 2009.

The executive has transmitted Executive Regulation 12-09AM, which would make permanent the temporary \$3.00 fee. This proposed regulation was published in the September 1, 2009 *Montgomery County Register*. No comments were received in response to the advertisement.

Executive Regulation No. 12-09AM was received by the Council on November 3, 2009. Under method (2), the Council by resolution may approve or disapprove the proposed regulation within 60 days after receiving it. If the Council approves the regulation, the regulation takes effect upon adoption of the resolution approving it or on a later date specified in the regulation. If the Council does not approve or disapprove the proposed regulation within 60 days after receiving it, or by any later deadline set by resolution, the regulation is automatically approved.

When the Committee reviewed the proposed changes on July 23, 2009, discussion focused on the need to increase CCOC's community outreach in an effort to help minimize complaints made to homeowner associations and to the CCOC itself. It was estimated that an additional increase of \$0.25 would result in approximately \$30,000, which could be used to contract with an outside vendor to provide community education and outreach seminars and other activities.

This packet contains:

circle #

County Executive's Transmittal Memorandum	1
Bracketed Copy of Proposed Regulations	2-3
Clean Copy of Proposed Regulations	4-5
Fiscal Impact Statement from OMB	6-7



052309

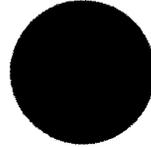
LAM
OC
S&F
LL
JB

Isiah Leggett
County Executive

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

MEMORANDUM

November 3, 2009



2009 NOV -3 PM 2:50

PROCESSED
MONTGOMERY COUNTY
COUNCIL

TO: Phil Andrews, President
Montgomery County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Executive Regulation 12-09AM Establishment of Annual Registration Fee Schedule for Common Ownership Communities

I am transmitting for your approval Executive Regulation 12-09AM to establish the annual fee schedule for registration of Common Ownership Communities. This regulation, promulgated by the Department of Housing and Community Affairs (DHCA) pursuant to Method 2 of Section 2A-15 of the County Code, would increase the per unit annual common ownership community registration fee from \$2.25 to \$3.00.

Regulation 12-09, which would have increased this fee to \$2.75, was considered by the Public Safety Committee on July 23, 2009. The Committee recommended increasing the fee to \$3.00 in order to provide more revenue for educational outreach by the Commission on Common Ownership Communities (CCOC). We issued Temporary Regulation 12-09T on August 10, 2009, to accommodate the Committee's request to raise the fee to \$3.00, while also allowing DHCA to collect the fees in a prompt manner.

Proposed Regulation 12-09AM, which would make permanent the temporary \$3.00 fee, was then published in the September 1, 2009, County Register. No comments were received.

If you have any questions or would like additional information about this amended regulation, please contact Richard Y. Nelson, Jr., Director, Department of Housing and Community Affairs, 240-777-3600.

IL:pb

Attachment



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Establishment of Annual Registration Fee for Common Ownership Communities	Number 12-09AM
Originating Department Department of Housing and Community Affairs	Effective Date

ESTABLISHMENT OF ANNUAL REGISTRATION FEE FOR COMMON OWNERSHIP COMMUNITIES

DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Issued By: County Executive
Regulation No. 12-09AM

Authority: Code Section 10B-7(b)
Supersedes: 9-02

Council Review: Method (2) under Code Section 2A-15
Register Vol.
Comment Deadline:

Effective Date:

SUMMARY: The proposed regulation establishes the annual registration fee for common ownership communities. The fee must be set at an amount sufficient to fund the provision of dispute resolution and technical assistance by the [Department of Housing and Community Affairs]Office of Consumer Protection.

ADDRESSES: Additional information and copies of the regulation are available from Cynthia Gaffney, Division of [Consumer Affairs]Housing and Code Enforcement, 100 Maryland Avenue, Room [330]260, Rockville, Maryland 20850 (240-777-[3636]3799).

The County Executive may establish reasonable annual fees in amounts sufficient to fund the provision of, dispute resolution and technical assistance by the [Department of Housing and Community Affairs]Office of Consumer Protection.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Establishment of Annual Registration Fee for Common Ownership Communities	Number 12-09AM
Originating Department Department of Housing and Community Affairs	Effective Date

An annual registration fee of \$~~2.25~~ ~~2.75~~ 3.00 per unit is hereby established.

A unit shall be assessed only one registration fee, regardless of the number of common ownership communities that govern that unit.

Registration fees shall not be pro-rated and must be made payable to Montgomery County, Maryland.

Failure to register is a Class A violation under Section 1-19 of the Montgomery County Code and also makes the community ineligible to file a dispute under Chapter 10B of the Code.

Approved:

Isiah Leggett
County Executive

Nov 3, 2009

Date

Approved as to Form and Legality
Office of the County Attorney

By:

Date: 8/13/09



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Establishment of Annual Registration Fee for Common Ownership Communities	Number 12-09AM
Originating Department Department of Housing and Community Affairs	Effective Date

ESTABLISHMENT OF ANNUAL REGISTRATION FEE FOR COMMON OWNERSHIP COMMUNITIES

DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Issued By: County Executive
Regulation No. 12-09AM

Authority: Code Section 10B-7(b)
Supersedes: 9-02

Council Review: Method (2) under Code Section 2A-15
Register Vol. 26 Issue 9

Comment Deadline: October 1, 2009

Effective Date:

SUMMARY: The proposed regulation establishes the annual registration fee for common ownership communities. The fee must be set at an amount sufficient to fund the provision of dispute resolution and technical assistance by the Office of Consumer Protection.

ADDRESSES: Additional information and copies of the regulation are available from Cynthia Gaffney, Division of Housing and Code Enforcement, 100 Maryland Avenue, Room 260, Rockville, Maryland 20850 (240-777-3799).

The County Executive may establish reasonable annual fees in amounts sufficient to fund the provision of dispute resolution and technical assistance by the Office of Consumer Protection.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Establishment of Annual Registration Fee for Common Ownership Communities	Number 12-09AM
Originating Department Department of Housing and Community Affairs	Effective Date

An annual registration fee of \$3.00 per unit is hereby established.

A unit shall be assessed only one registration fee, regardless of the number of common ownership communities that govern that unit.

Registration fees shall not be pre-rated and must be made payable to Montgomery County, Maryland.

Failure to register is a Class A violation under Section 1-19 of the Montgomery County Code and also makes the community ineligible to file a dispute under Chapter 10B of the Code.

Approved:


Isiah Leggett
County Executive

Nov 3, 2009
Date

Approved as to Form and Legality
Office of the County Attorney

By: 

Date: 8/13/09



OFFICE OF MANAGEMENT AND BUDGET

Isiah Leggett
County Executive

Joseph F. Beach
Director

MEMORANDUM

September 17, 2009

TO: Joseph F. Beach, Director
Office of Management and Budget

VIA: Angela Dizelos, Management and Budget Manager *AD*

FROM: Jennifer R. Bryant, Management and Budget Specialist *JRB*

SUBJECT: Executive Regulation No. 12-09, Establish Registration Fee for Common Ownership Communities

REGULATION SUMMARY

On June 22, 2009, the Executive transmitted a proposed regulation to increase the registration fee from \$2.25 to \$2.75. The Council extended the deadline for Council action to December 31, 2009 and proposed a fee increase to \$3.00 per unit.

This regulation supersedes regulation 9-02 by authority of County Code Section 10B-7(b). The proposed executive regulation is to establish the annual registration fee for Common Ownership communities effective July 1, 2009. The regulation proposes a registration fee increase from \$2.25 to \$3.00 per unit. This is the first increase since July 1, 2002. The \$0.75 increase is needed to fund the cost of the administration of Montgomery County's Office of Common Ownership Communities.

FISCAL SUMMARY

The proposed regulation establishes a \$.75 increase per unit in the annual registration fee for common ownership communities. This increase is retroactive to July 1, 2009 and will result in increased revenues of \$97,050; there is no other fiscal impact on the County.

The following contributed to and concurred with this analysis: Fred Wilcox, Department of Housing and Community Affairs and Jennifer Bryant, Office of Management and Budget.

JFB:jb

Attachment

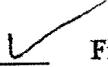
c: Kathleen Boucher, Assistant Chief Administrative Officer
Richard Y. Nelson, Jr., Director, Department of Housing and Community Affairs
Caroline Darden, Office of the County Executive
John Cuff, Office of Management and Budget

Office of the Director

101 Monroe Street, 14th Floor • Rockville, Maryland 20850 • 240-777-2800
www.montgomerycountymd.gov

6

OMB REVIEW



Fiscal Impact Statement approved

Joseph F. M.
OMB Director

Fiscal Impact Statement not approved, OMB will contact department to remedy.