

MEMORANDUM

October 24, 2016

TO: County Council

FROM: ^{GO} Glenn Orlin, Deputy Council Administrator
Robert Drummer, Senior Legislative Attorney 

SUBJECT: **Addendum** –resolution to adopt the 2016-2020 Subdivision Staging Policy;
Bill 37-16, Taxation – Development Impact Tax – Transportation and Public School
Improvement – Amendments;
Resolution to establish Development Impact Tax rates for transportation and public
school improvements

This addendum lists the issues on which the Council will take straw votes. Under each issue the option in *italics* represents the existing rule. An option that is **bolded** is a Committee recommendation. An option in ***bold italics***, therefore, is an existing rule that a Committee recommends retaining. Support is shown (in parentheses).

SCHOOL TEST

1. Threshold for moratorium in a cluster
 - a. ***120% of program capacity at any level*** (Planning Bd., Exec, Council staff, MCCC, developers)
 - b. 115% of program capacity at any level (Council staff's secondary recommendation)
 - c. 110% of program capacity at any level (BOE, MCCPTA, civic groups)
 - d. Other

2. Threshold for school facility payment in a cluster-level
 - a. *105% of program capacity at any cluster-level* (Planning Bd., MCCC, developers)
 - b. 100% of program capacity at any cluster-level (Exec, BOE, MCCPTA¹, Council staff², civic groups)
 - c. **Eliminate school facility payment test and payment** (CP Floreen, MCCPTA, Council staff)
 - d. Other

¹ Unless the school facility payment and its test are eliminated in return for raising school impact taxes 20% over the Planning Board's recommendations.

² Unless the school facility payment and its test are eliminated.

3.
 - A. Threshold for moratorium in an individual school service area
 - a. *No individual school test* (Exec, Council staff, GBCC, developers)
 - b. **120% of program capacity and a deficit exceeding 110 seats at an ES or 180 seats at a MS** (Planning Bd., BOE, MCCPTA, MCCF, CBAR, Chevy Chase, CCCFH)
 - c. Other
 - B. Threshold for school facility payment in an individual school service area
 - a. *Not applicable*, if the Council selects (c) under Issue 2
 - b. At any ES with a deficit of 92-110 seats or any MS with a deficit of 150-180 seats
 - c. Other
4. Limits on placeholder (“solution”) projects in the CIP
 - a. *Continue the Council’s practice to program a placeholder project when a cluster-level will exceed 120% of program capacity and a solution is being prepared by MCPS* (Exec, MCCPTA, GBCC, Council staff)
 - b. Limit the Council’s use of placeholder projects to 2 years (Planning Bd., BOE, MCCF, GCCA, CCCFH)
 - c. Other

Note: If the Council votes for (c) under Issue 2, then skip Issues 5-6.

5. School facility payment rates
 - a. *Current rates - see Table 22 on p. 50 of the SSP Report*
 - b. Planning Board’s proposed rates - see Table 22 (Planning Bd., BOE, Exec, Council staff, developers)
 - c. 50% higher than the Planning Board’s proposed rates (MCCPTA, several individuals)
6. Where school facility payment revenue may be spent
 - a. *In the same cluster that generated the fee requirement, unless a project in a neighboring cluster solves the problem that generated the fee requirement* (Planning Bd., MCCC, GBCC, Council staff)
 - b. Anywhere in the county (BOE, Exec)
 - c. Other
7. Regular updates to the school facility payment rates
 - a. *No regular update.*
 - b. **Biennially in July of odd-numbered years, based on changes reported by MCPS in construction cost/student and the student generation rate by type of household** (Planning Bd., Exec, BOE, Council staff)
 - c. Other
8. Limit on regular updates to the school facility payment rates
 - a. **No limit to the change due to the biennial update** (MCCPTA, Council staff)
 - b. Limit any increase or decrease to 5% (Planning Bd., BOE, GCCA, developers)
 - c. Other

SCHOOL IMPACT TAX

1. Dedicate a portion of school impact tax revenue to land acquisition
 - a. *No* (BOE, Council staff)
 - b. 10% (Planning Board, MCCPTA)
 - c. Other

2. Base school impact tax rates (see ©53-54)
 - a. *Current rates*
 - b. Scenario #1A (Planning Bd.)
 - c. Scenario #1B (Council staff)
 - d. Scenario #1C (MCCPTA)
 - e. Scenario #2A
 - f. **Scenario #2B**
 - g. Scenario #2C
 - h. Other

3. Surcharge for single-family homes
 - a. **\$2.00/sf for each sf between 3,500-8,500sf** (Exec)
 - b. \$6.00/sf for each sf between 3,500-8,500sf (Superintendent, Council staff)
 - c. Other

4. Charge for teardowns and expansions
 - a. *None* (Exec)
 - b. \$6.00/sf for each sf between 3,500-8,500sf (Superintendent, Council staff)
 - c. Other

5. Add an additional impact tax for land acquisition
 - a. *No* (Exec, Council staff)
 - b. Yes (BOE, MCCPTA)

6. Biennial adjustment to school impact tax rates
 - a. *July 1 in odd-numbered years based on change in regional construction cost index*
 - b. **July 1 in odd-numbered years based on changes in construction cost/seat and student generation rates** (Planning Board, BOE, MCCPTA)
 - c. Other

7. Should there be a cap on the biennial rate adjustment?
 - a. *No* (MCCPTA, Council staff)
 - b. Do not increase or decrease by more than 5% (Planning Bd., BOE)
 - c. Other

8. Credits for land dedications
 - a. *No credit for dedication*
 - b. **Credit for dedication if density for the dedicated area is excluded from the density calculation for the site, and if the BOE concurs to the dedication**
(Planning Bd., Council staff)
 - c. Other

9. Transferability of school credits
 - a. No provision in the law
 - b. **Credit can be applied by the developer or his successor in interest, but only to the property for which the credit was originally certified by MCPS** (Council staff)
 - c. Other

10. Credit for providing a better accessibility standard
 - a. *100% of the credit applied against the school impact tax*
 - b. **Split the credit equally between the school and transportation impact taxes**
(Council staff)
 - c. Other