MEMORANDUM

February 10, 2017

TO:

County Council

FROM:

Robert H. Drummer, Senior Legislative Attorney

Glenn Orlin, Deputy Council Administrator

SUBJECT:

Action: Expedited Bill 51-16, Taxation – Development Impact Tax – Local Area

Transportation Review Mitigation Payment - Established

Expedited Bill 51-16, Taxation – Development Impact Tax – Local Area Transportation Review Mitigation Payment – Established, sponsored by Lead Sponsor Council President Berliner, was introduced on December 13, 2016. A public hearing was held on January 17 and a joint Government Operations and Fiscal Policy (GO)/Planning, Housing and Economic Development (PHED) Committee worksession was held on January 26. A PHED worksession was held on February 7.

Bill 51-16 would:

- establish a local area transportation review mitigation payment;
- authorize the Council to set the rates by resolution after a public hearing; and
- amend the law concerning the development impact tax for transportation improvements.

Background

When the Council replaced Policy Area Transportation Review (TPAR) payments in the 2016-2020 Subdivision Staging Policy (SSP) with a higher transportation impact tax, it concurrently deleted the Transportation Mitigation Payment section of the transportation impact tax law in Bill 37-16, believing it was no longer needed. However, Council staff now acknowledges that this assumption was incorrect: a Transportation Mitigation Payment section is still needed in the Code to continue to give authority for Local Area Transportation Review (LATR) payments, including the White Oak Local Area Transportation Improvements Program (LATIP) and rate recently proposed by the Department of Transportation, and for the rates to be set in the future for the Urban Mobility Programs (UMPs) in other areas.

Enacting this bill would provide the legal authority to impose these LATR payments. It is an expedited bill so that it could take effect on March 1, 2017, when Bill 37-16 takes effect. The LATR mitigation payments due in each local area would be established by the Council by resolution after a public hearing. The Office of the County Attorney found the Bill to be constitutional. See ©4.

Public Hearing

Raquel Montenegro, representing the Maryland Building Industry Association (©10-11), testified that a local area review transportation mitigation payment is reasonable and that, consequently, they do not oppose the Bill. Richard D. Wilder, representing Citizens to Save South Valley Park and Whetstone Run (©12) and Margaret Schoap, representing the Transit Alternatives to the Mid-County Highway Extended (TAME), expressed concern about a planned County road project known as M-83 without taking a position on the Bill.

GO/PHED Worksession – January 26

Deputy Council Administrator Glenn Orlin and Senior Legislative Attorney Robert Drummer represented the Council staff. The Committees recommended (4-0, Leventhal absent) approval of Bill 51-16 as introduced.

PHED Worksession - February 7

The PHED Committee reviewed the Resolution to approve the White Oak Local Area Transportation Improvements Program (White Oak UMP) on February 7. Draft Bill-E 5 at ©13-16 includes the amendments approved by the PHED Committee. The Committee approved the following changes to Bill 51-16:

- 1. authorize the Department to grant a credit against the local area review mitigation payment for the cost of a project in an Urban Mobility Program (UMP) or the White Oak Local Area Transportation Improvement Program (White Oak UMP) up to the listed cost of the improvement in that program (see lines 47-52 of Bill-E 5 at ©15);
- 2. clarify that the cost of a project (up to the listed cost of the improvement) in an UMP or the White Oak UMP cannot be used to receive a credit against the development impact tax in order to avoid a double credit for the same improvement (See lines 18-20 of Bill-E 5 at ©14);
- 3. authorize a credit for the cost of a project in an UMP or the White Oak UMP that exceeds the listed cost of the improvement against the development impact tax, even if the project is in a State right-of-way (See lines 7-10 and 26-29 of Bill-E 5 at ©14-15); and
- 4. require the applicant to pay the local area transportation review mitigation payment even if the project is exempted from the development impact tax (See lines 32-33 of Bill-E 5 at ©15).

Issues

1. Should the Bill be amended to authorize a credit for an applicant's construction of a local transportation improvement?

The availability of a credit against the local area transportation review mitigation payment (Mitigation Payment) is a reasonable method of encouraging applicants to build the transportation improvement projects that are necessary for development of the local area. An applicant who builds a required improvement project should receive a credit against the Mitigation Payment because the Mitigation Payment is a *pro rata* share of the funds necessary for the County to

construct the improvement. In order to set the rate for the Mitigation Payment in a local area, the County must estimate the cost to construct each transportation improvement. Providing the applicant with a credit up to the cost listed in that program is reasonable. **PHED Committee recommendation (3-0):** amend the Bill to authorize a credit against the Mitigation Payment for the cost of the improvement constructed by the applicant up to the cost listed in the program. See lines 47-52 of Bill-E 5 at ©15.

2. Should the cost to construct a local area transportation improvement provide a credit against the development impact tax?

An applicant should not receive a credit against both the Mitigation Payment and the impact tax for the same costs. However, providing a credit against the development impact tax for the cost of a local area transportation impact tax to the extent the applicant's costs exceed the cost of the improvement listed in the program would not be giving the applicant two credits for the same costs because the costs incurred above the cost listed in the program cannot be used as a credit against the Mitigation Payment. **PHED Committee recommendation (3-0):** prohibit the credit against the impact tax up to the cost listed in that program, but permit the credit for cost exceeding the cost listed in the program. See lines 7-10 and 26-29 of Bill-E 5 at ©14-15.

3. Should the applicant receive a credit for the cost of an improvement in excess of the cost listed in that program if the work is in a State right-of-way?

Current law does not permit an applicant to receive credit against the transportation impact tax for constructing an improvement in a State right-of-way unless it is a transit program included in a memorandum between the County and either Gaithersburg or Rockville. However, the PHED Committee recommended amending the Bill to permit a credit for cost in excess of the cost listed in that program even if the work is done to improve a State right-of-way. **PHED Committee recommendation (3-0):** amend the Bill to permit a credit against the impact tax for the cost of a project that exceeds the cost listed in that program. See lines 7-10 and 26-29 of Bill-E 5 at ©14-15.

4. Should the applicant pay the local area transportation review mitigation payment even if the project is exempt from the development impact tax?

The Bill, as introduced, would carry over an applicant's exemption from the development impact tax to the Mitigation Payment. The PHED Committee approved requiring a Mitigation Payment even if the project is exempt from the development impact tax for transportation. **PHED Committee recommendation (3-0):** amend the Bill to require a Mitigation payment even if the project is exempt from the development impact transportation tax. See lines 32-33 of Bill-E 5 at ©15.

5. Should the Bill be enacted?

A local area transportation mitigation payment would require property owners to pay a prorata share of the costs of transportation improvements necessary because of development on their property. It is a reasonable method of imposing these costs on the people benefitting the most by these improvements. It becomes a cost of doing business that may be passed on to the final purchasers of the property after development. Bill 37-16 mistakenly omitted the authority to

impose these costs. Bill 51-16 would reinstate this authority. It is also reasonable to provide a credit against this Mitigation Payment for the cost incurred to construct an improvement required by the local area transportation program, at least up to the cost listed in the local area program. **PHED Committee recommendation (3-0):** approve the Bill with the amendments described above and shown in Bill-E 5 at ©13-16.

This packet contains:	Circle #
Expedited Bill 51-16	1
Legislative Request Report	3
County Attorney Bill Review Memorandum	4
Fiscal and Economic Impact statement	5
Public Hearing Testimony	
Raquel Montenegro	10
Richard D. Wilder	12
Bill-E 5	13

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Expedited Bill	No		<u>51-</u>	<u> 16</u>	
Concerning: _	Taxatio	n –	De	evelo	omen
Impact	Tax		Lo	cal	Area
Transport	ation	Revi	ew	Miti	gation
Payment	- Estab	lished			
Revised: De	ecembe	er 8, 2	016	Draft	No. 3
Introduced:	Dece	mber	13,	2016	
Expires:	June	13, 2	018		
Enacted:					
Executive:			-		
Effective:	Marc	h 1, 2	017		
Sunset Date:	None)	•	•	·
Ch. La	ws of I	Mont.	Co.		

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President Berliner

AN EXPEDITED ACT to:

- (1) establish a local area transportation review mitigation payment;
- (2) authorize the Council to set the rates by resolution after a public hearing; and
- (3) amend the law concerning the development impact tax for transportation improvements.

By amending

Montgomery County Code Chapter 52, Taxation Section 52-51

Boldface
Underlining
Added to existing law by original bill.

[Single boldface brackets]
Double underlining
Added by amendment.

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1	Sec.	1. Section 52-51 is amended as follo	ows:
2	52-51. [Res	erved] <u>Local Area Transportation</u>	Review Mitigation Payment.
3	<u>(a)</u>	In addition to the tax due under thi	s Article, an applicant for a building
4		permit for any building on which	an impact tax is imposed under this
5		Article must pay to the Department	t of Finance a Mitigation Payment if
6		this payment is required for a build	ing included in a preliminary plan of
7		subdivision that was approved ur	nder the Local Area Transportation
8		Review provisions in the County Su	ubdivision Staging Policy.
9	<u>(b)</u>	The Council, by resolution after a	public hearing advertised at least 15
10		days in advance, must establish the	ne rates for the Mitigation Payment
11		required in this Section.	
12	<u>(c)</u>	The Payment must be paid at the sa	ame time and in the same manner as
13		the tax under this Article, and is su	bject to all provisions of this Article
14		for administering and collecting the	tax.
15	<u>(d)</u>	The Department of Finance must ret	ain funds collected under this Section
16		in an account to be appropriated f	or transportation improvements that
17		result in added transportation capacitation	city or improved mobility in the area
18		where the development for which the	ne funds were paid is located.
19	Sec.	2. Expedited Effective Date.	
20	The	Council declares that this legislation	on is necessary for the immediate
21	protection of	of the public interest. This Act takes e	effect on March 1, 2017.
22	Approved:		
22			
23	Roger Rerline	er, President, County Council	Date

LEGISLATIVE REQUEST REPORT

Expedited Bill 51-16

Taxation – Development Impact Tax – Local Area Transportation Review Mitigation Payment -Established

DESCRIPTION:

The Bill would establish a local area transportation review mitigation

payment and authorize the Council to set the rates by resolution after

a public hearing.

PROBLEM:

Bill 37-16 deleted the Transportation Mitigation Payment section of the transportation impact tax law, but a version of that section is needed to provide the authority for Local Area Transportation Review (LATR) mitigation payments, including for the White Oak Local Area Transportation Improvements Program and future Urban Mobility

Programs.

GOALS AND OBJECTIVES:

To establish a local area transportation review mitigation payment, and to authorize the Council to set the rates by resolution after a public

hearing.

COORDINATION:

Departments of Permitting Services, Finance, County Attorney,

Transportation

FISCAL IMPACT:

To be requested.

ECONOMIC IMPACT:

To be requested.

EVALUATION:

To be requested.

EXPERIENCE

To be researched.

ELSEWHERE:

SOURCE OF

INFORMATION:

Glenn Orlin, Montgomery County Council staff

APPLICATION

WITHIN

MUNICIPALITIES:

To be researched.

PENALTIES:

None

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OFFICE OF THE COUNTY ATTORNEY

Isiah Leggett
County Executive

Marc P. Hansen County Attorney

MEMORANDUM

TO:

Chris Conklin, Deputy Director

Office of Transportation Policy

Department of Transporation

FROM:

Scott R. Foncannon

Associate County Attorney

VIA:

Edward B. Lattner, Chief &

Division of Government Operations

DATE:

December 16, 2016

RE:

Expedited Bill 51-16, Taxation - Development Impact Tax - Local Area

Transportation Review Mitigation Payment - Established

I have reviewed Expedited Bill 51-16, Taxation – Development Impact Tax – Local Area Transportation Review Mitigation Payment – Established. This bill re-establishes a local area transportation review mitigation payment which was deleted by Bill 37-16. This bill is not vague, it will not increase or decrease the County's the liability exposure and is constitutional. In order to make it clear that this is a tax I recommend that the Bill be amended to add an uncodified provision that states, this Section is authorized by the County's general taxing authority in Section 52-17 of the County Code. The bill is within the authority of the County Council and is legally sufficient.

I have no further comments on this bill.

cc: Bonnie A. Kirkland, Assistant Chief Administrative Officer

Marc P. Hansen, County Attorney

16-010373 - Bill Review



MEMORANDUM

January 13, 2017

TO:

Roger Berliner, President, County Council

FROM:

Jennifer A. Hughes, Director, Office of Management and Alexandre A. Espinosa, Director, Department of Finance and Budget

SUBJECT:

FEIS for Bill 51-16, Taxation - Development Impact Tax - Local Area

Transportation Review Mitigation Payment - Established

Please find attached the fiscal and economic impact statements for the abovereferenced legislations.

JAH:fz

cc: Bonnie Kirkland, Assistant Chief Administrative Officer Lisa Austin, Offices of the County Executive Joy Nurmi, Special Assistant to the County Executive Patrick Lacefield, Director, Public Information Office Al Roshdieh, Director, Department of Transportation David Platt, Department of Finance Dennis Hetman, Department of Finance Naeem Mia, Office of Management and Budget

Fiscal Impact Statement Expedited Bill 51-16, Taxation - Development Impact Tax — Local Area Transportation Review Mitigation Payment — Established

1. Legislative Summary

The proposed bill establishes a local area transportation review (LATR) mitigation payment and authorizes the County Council to set the rates and fees by resolution after a public hearing.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

The proposed bill itself has no impact on County revenues or expenditures. The proposed bill authorizes Council to adopt specific rates; subsequent resolutions adopting these rates will impact County revenues.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

Not applicable.

4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.

Not applicable.

5. An estimate of expenditures related to County's information technology (IT) systems, including Enterprise Resource Planning (ERP) systems.

Not applicable.

6. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.

The proposed bill authorizes Council to set the LATR rate by resolution after a public hearing. The rates adopted by Council will affect County revenues.

7. An estimate of the staff time needed to implement the bill.

The Department of Finance and Department of Transportation do not report any additional staff time needed to implement the proposed bill.

8. An explanation of how the addition of new staff responsibilities would affect other duties.

9. An estimate of costs when an additional appropriation is needed.

Not applicable.

10. A description of any variable that could affect revenue and cost estimates.

Revenue estimates are affected by the specific rates adopted by Council as authorized under the proposed bill.

11. Ranges of revenue or expenditures that are uncertain or difficult to project.

Revenue estimates are difficult to project at this time without additional information on the specific rates adopted by Council.

12. If a bill is likely to have no fiscal impact, why that is the case.

The proposed bill merely authorizes the Council to establish a LATR payment and rate.

13. Other fiscal impacts or comments.

None.

14. The following contributed to and concurred with this analysis:

Christopher Conklin, Department of Transportation

Dennis Hetman, Department of Finance

Nacem Mia, Office of Management and Budget

Jennifer Al Hughes, Director

Office of Management and Budget

 $\frac{1/12/17}{\text{Date}}$

Economic Impact Statement Expedited Bill 51-16, Taxation – Development Impact Tax – Local Area Transportation Review Mitigation Payment – Established

Background:

Expedited Bill 51-16 would:

- establish a local area transportation review mitigation payment;
- authorize the Council to set the rates by resolution after a public hearing; and
- amend the law concerning the development impact tax for transportation improvements.

This bill provides authority for Local Area Transportation Review (LATR) mitigation payments, including the White Oak Local Area Transportation Improvements Program and future Urban Mobility Programs, that were incorrectly deleted in Bill 37-16. The bill would take effect on March 1, 2017, when Bill 37-16 takes effect.

1. The sources of information, assumptions, and methodologies used.

 Montgomery County Planning Department's Local Area Transportation Review and Transportation Policy Area Review Guidelines January 2013

Expedited Bill 51-16 addresses an oversight in the adopted version of the SSP and Development Impact Taxes without changing the basic policy or intent of the items adopted with Bill 37-16. This legislation does not have an economic impact since it only authorizes Finance to collect LATR payments from developers and establishes the process for when developers are to make the payments. LATR rates are established in a separate resolution that is not covered by this legislation.

2. A description of any variable that could affect the economic impact estimates.

There are two tests for determining transportation adequacy that include the variables that could affect economic impact estimates when a separate resolution specifying rates is enacted—the Local Area Transportation Review (LATR) test and the policy area test called Transportation Policy Area Review (TPAR).

LATR determines the adequacy of local roads by measuring congestion at roadway intersections based on critical lane volume (CLV) and volume to capacity ratio (v/c). The estimated vehicle trips generated by a proposed development are compared to the applicable policy area standard to evaluate likely future congestion. The development's trips that contribute to nearby intersections exceeding the standard must be mitigated in some fashion. The TPAR test first considers whether a policy area is considered inadequate for transit or roadways (or both). If the area is inadequate, a development in the area must make a Traffic Mitigation Payment based on the number of dwelling units or square footage of nonresidential space, or make improvements that increase capacity in the policy area to address identified specific roadway and transit inadequacies.

Economic Impact Statement Expedited Bill 51-16, Taxation – Development Impact Tax – Local Area Transportation Review Mitigation Payment – Established

Given this bill does not set rates but instead simply authorizes the Council to establish LATR payments, there is not an economic impact to estimate until rates are ultimately formulated in a separate resolution.

3. The Bill's positive or negative effect, if any on employment, spending, savings, investment, incomes, and property values in the County.

The proposed bill authorizes the Council to establish a LATR payment and rate. LATR guidelines are intended to ensure that development in Montgomery County is accompanied by appropriate and sufficient transportation facilities. They are used by the Planning Board and staff to estimate the impacts of development on the transportation network and determine effective ways to mitigate that impact. Quantifying the economic impact to the County and development will require specific rate structures to be determined in a separate resolution from this bill.

4. If a Bill is likely to have no economic impact, why is that the case?

Please see the answer to question 3.

5. The following contributed to or concurred with this analysis:

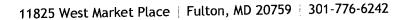
David Platt, Dennis Hetman, and Robert Hagedoom, Finance.

Alexandre A. Espinosa, Director

Department of Finance

2 of 2

1/11/2017





Testimony on Expedited Bill 51-16

Taxation - Development Impact Tax -

Local Area Transportation Review Mitigation Payment - Established

Presented by Raquel Montenegro

On Behalf of the Maryland Building Industry Association (MBIA)

January 17, 2017

Good afternoon President Berliner and members of the County Council. My name is Raquel Montenegro and I am testifying as a representative of the Maryland Building Industry Association. The MBIA represents over 1000 companies dedicated to developing and building communities in more than 20 Counties in Maryland; over 300 member companies work and live in Montgomery County, creating the fabric for neighborhoods, communities, and jobs. Thank you for the opportunity to present comments on this Bill

The Building Industry has over the years consistently recognized that new developments have an impact on the existing infrastructure, and that new development should be assessed the proportional impact it has on the county. The building industry has consistently attempted to work with the County to realistically assess its impact on schools and transportation, and has frequently disagreed with both the dollar evaluation and the percentage that is attributed to the new development. This was the case with the recently-approved Subdivision Staging Policy which eliminated the Transportation Policy Area Review (TPAR) and increased the over-all transportation Impact Tax, generating more revenue for the County, and increasing the cost for development anywhere from 20% to 123%.

Continued next page

Page 2/Bill 51-16/Montenegro Testimony

Given Council's action and the recent increase, the initial read of this Bill created a negative response among industry members. Upon closer reading of the Bill, it became clear that the intent of Bill 51-16 is to restore the legislative authority to exact LATR payments which was mistakenly eliminated in Bill 37-16. Given that the Local Area Transportation Review more equitably assesses the impact on an individual development, as was specifically done for the development of White Oak, resulting in a more predictable mitigation fee and avoiding having the cost burden fall on the latest applicants, the MBIA does not oppose Bill 51-16.

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1/17/2017

Testimony on Expedited Bill 51-16 Transportation Development Mitigation Tax by Richard D. Wilder representing Citizens to Save South Valley Park and Whetstone Run

While we applaud the Council on adding transit to the Sub-division Staging Policy we have the following comments about this bill:

- (1) Is this transportation development tax to be used for transit and/or roads?
- (2) What is the necessity for a transportation mitigation tax?
- (3) What will the transportation mitigation tax funds be used for?
- (4) How will the designated funds be protected to ensure that they will be used for the desired purpose?
- (5) How will development near transit be given priority over development near roads?

These important questions need to be answered before we can support this bill.

We are also members of Transit Alternatives to Midcounty Highway Extended (TAME) and are concerned about the delayed MCDOT M-83 Alternatives Study which has been presented to the County Executive but not the Council or public. The original study has been compromised by allowing an additional 2-lane reversible parkway alternative, which is not a parkway but another attempt to keep this pre Clean Air and Clean Water Acts alignment alive. This alignment will never be the Least Environmentally Damaging Practicable Alternative (LEDPA). We are concerned that if the Council does not act upon this issue immediately then County Budget priorities will further delay any Council action.

In respect to Senator Edmund Muskie and Leon Billings who gave us the Clean Air and Clean Water Acts and Aldo Leopold who gave us a Land Ethic "which reflects a conviction of individual responsibility for the health of the land. Health is the capacity of the land for self-renewal. Conservation is our effort to understand and preserve this capacity", this M-83 #9 damaging alternative alignment needs to be removed from our master plans.

Richard D. Wilder and
Jane Ann S. Wilder (co-chairs and founders of Citizens to Save South Valley Park and
Whetstone Run)
9969 Lake Landing Rd.
Montgomery Village, MD 20886
(301) 208-1828
RWi3206724@aol.com

Expedited Bill	No		<u>51-1</u>	6	
Concerning: _	Taxatio	on –	De	velo	oment
Impact	Tax	_	Loc	al	Area
Transport	ation	Revi	ew	Miti	gation
Payment -	- Estat	olished			
Revised: Fe	bruary	9, 20	17 Di	raft N	lo. <u>5</u>
Introduced:		ember			
Expires:	June	13, 20	018		
Enacted:					
Executive:					
Effective:	Marc	h 1, 2	017		
Sunset Date:	None	9			
Ch. La	ws of	Mont.	Co.		

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President Berliner

AN EXPEDITED ACT to:

- (1) establish a local area transportation review mitigation payment;
- (2) authorize the Council to set the rates by resolution after a public hearing;
- <u>authorize a credit against the local area transportation review mitigation payment for the cost of certain improvements;</u> and
- [[(3)]] (4) amend the law concerning the development impact tax for transportation improvements.

By amending

Montgomery County Code Chapter 52, Taxation [[Section]] <u>Sections 52-47 and 52-51</u>

Boldface
Underlining
Added to existing law by original bill.

[Single boldface brackets]
Double underlining
Added by amendment.

[[Double boldface brackets]]
Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1	Sec. 1	l. [[Section]] Sections 52	<u>-47 and</u> 52-	51 [[is]] <u>are</u> amende	ed as follows:
2	52-47. Cred	lits					
3			*	*	*		
4	(b)	Except as p	rovided in sub	osection (1),	<u>a</u> [[A]]	property own	er must receive
5		a credit for	constructing	or contribu	ting to	an improvem	ent of the type
6		listed in Se	ection <u>52-50</u> i	if the impro	ovemen	nt reduces traf	fic demand or
7		provides ac	dditional tran	sportation o	capacit	y <u>, including 1</u>	the cost of an
8		improveme	nt in an Urban	Mobility P	rogram	or the White (Dak Local Area
9		Transportat	ion Improven	nent Program	m to th	e extent it exc	eeds the listed
10		cost of the	improvement	in that pro	<u>ogram</u>	[[However, t]	he Department
11		must not ce	ertify a credit	for any im	proven	nent in the rig	ht-of-way of a
12		State road,	except a trans	sit or trip red	duction	program that	operates on or
13		relieves trat	ffic on a State	road or an	improv	ement to a St	ate road that is
14		included in	a memorand	um of unde	rstandi	ng between tl	ne County and
15		either Rock	ville or Gaith	ersburg]].			
16			*	*	*		
17	<u>(1)</u>	the Departn	nent must not	certify a cre	edit for	• <u>•</u>	
18		(1) the c	ost of a proje	ct in an Url	oan Mo	bility Progran	n or the White
19		<u>Oak</u>	Local Area T	ransportatio	on Imp	rovement Prog	gram up to the
20		listed	l cost of the in	nprovement	in that	program; or	
21		(2) any i	mprovement i	n the right-	of-way	of a State road	d, except:
22		<u>(A)</u>	a transit pro	gram that o	operate	s on or reliev	es traffic on a
23			State road or	an improve	ement t	o a State road	that is included
24			in a memor	randum of u	<u>underst</u>	anding betwe	en the County
25			and either R	ockville or	<u>Gaithe</u>	sburg; or	
26		<u>(B)</u>	the cost of a	ın improven	nent in	an Urban Mo	bility Program

27

or the White Oak Local Area Transportation Improvement

28		Program to the extent it exceeds the listed cost of the
29		improvement in that program.
30	52-51. [Res	erved] Local Area Transportation Review Mitigation Payment.
31	<u>(a)</u>	In addition to the tax due under this Article, an applicant for a building
32		permit for any building [[on which an impact tax is imposed under this
33		Article]] must pay to the Department of Finance a Mitigation Payment if
34		this payment is required for a building included in a preliminary plan of
35		subdivision that was approved under the Local Area Transportation
36		Review provisions in the County Subdivision Staging Policy.
37	<u>(b)</u>	The Council, by resolution after a public hearing advertised at least 15
38		days in advance, must establish the rates for the Mitigation Payment
39		required in this Section.
40	<u>(c)</u>	The Payment must be paid at the same time and in the same manner as
41		the tax under this Article, and is subject to all provisions of this Article
42		for administering and collecting the tax.
43	<u>(d)</u>	The Department of Finance must retain funds collected under this Section
44		in an account to be appropriated for transportation improvements that
45		result in added transportation capacity or improved mobility in the area
46		where the development for which the funds were paid is located.
47	<u>(e)</u>	A property owner must receive a credit against the Local Area
48		Transportation Review Mitigation Payment authorized by this Section for
49		the cost of constructing or contributing to an improvement listed in a
50		Unified Mobility Program for that area or for the White Oak Local Area
51		Transportation Improvement Program up to the cost of the improvement
52		listed in that program.
53	Sec. 2	Expedited Effective Date.
54	The (Council declares that this legislation is necessary for the immediate

protection of the public interest. This Act takes effect on March 1, 2017.		
Approved:		
Roger Berliner, President, County Council	Date	
Approved:		
Isiah Leggett, County Executive	Date	
This is a correct copy of Council action.		
Linda M. Lauer, Clerk of the Council	Date	