

MEMORANDUM

November 10, 2016

TO: County Council

FROM: Robert Drummer, Senior Legislative Attorney

Go Glenn Orlin, Deputy Council Administrator



SUBJECT: **Action:** Resolution to establish Development Impact Tax Rates for Transportation and Public School Improvements

Currently, the impact tax tables are adopted in the law and then revised by resolution every 2 years. The result is that after the first revision of the tax rates by resolution, the tax tables contained in the law are out of date. Bill 37-16 would delete the tax tables from the law and require the Council to establish the tax rates by resolution.

The attached Resolution to establish the new development impact tax rates for both transportation and school improvements was introduced on September 27 and a public hearing was held on October 18. Government Operations and Fiscal Policy Committee worksessions were held on September 22, October 6, October 20, and October 27. Council worksessions were held on October 25, November 1, November 3, and November 8. The Resolution, as amended by the Council, is at ©1. The Resolution shows the rates proposed by the Planning Board in the Subdivision Staging Policy in brackets and the rates to be adopted by the Council with double underlining.

This Packet Contains:

Resolution to Adopt Impact Tax Rates

Circle #

1

Resolution No.: _____
Introduced: September 27, 2016
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the request of the Planning Board

SUBJECT: Development Impact Tax Rates for Transportation and Public School Improvements.

Background

1. Under County Code [[§52-57(f)]] §52-49(e), the County Council may, by resolution, after a public hearing advertised at least 15 days in advance, increase or decrease the development impact tax rates for transportation.
2. Under County Code [[§52-90(e)]] §52-55(d), the County Council may, by resolution, after a public hearing advertised at least 15 days in advance, increase or decrease the development impact tax rates for public school improvements.
2. A public hearing was held on this resolution on October 18, 2016.
3. This amendment is necessary to update the impact tax rates necessary for transportation and public school improvements.

Action

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

1. The development impact tax rates for transportation, effective for any application for a building permit filed on or after [[January 1, 2017]] March 1, 2017 are:

Tax per Dwelling Unit or per Square Foot of Gross Floor Area (GFA)				
Land Use	Red Policy Areas (Metro Stations)	Orange Policy Areas	Yellow Policy Areas	Green Policy Areas
Residential Uses				
SF Detached	[[<u>\$3,653</u>]] <u>\$6,984</u>	[[<u>\$10,959</u>]] <u>\$17,458</u>	[[<u>\$18,266</u>]] <u>\$21,822</u>	[[<u>\$29,225</u>]] <u>\$21,822</u>
SF Attached	[[<u>\$2,552</u>]] <u>\$5,714</u>	[[<u>\$7,656</u>]] <u>\$14,284</u>	[[<u>\$12,759</u>]] <u>\$17,855</u>	[[<u>\$20,415</u>]] <u>\$17,855</u>
[[Garden Apartments]] <u>Multi-Family: Low-Rise</u>	[[<u>\$2,312</u>]] <u>\$4,443</u>	[[<u>\$6,937</u>]] <u>\$11,108</u>	[[<u>\$11,562</u>]] <u>\$13,884</u>	[[<u>\$18,499</u>]] <u>\$13,884</u>
<u>Multi-Family: High-Rise Apartments</u>	[[<u>\$1,652</u>]] <u>\$3,174</u>	[[<u>\$4,955</u>]] <u>\$7,934</u>	[[<u>\$8,259</u>]] <u>\$9,917</u>	[[<u>\$13,214</u>]] <u>\$9,917</u>
Multi-Family Senior	[[<u>\$661</u>]] <u>\$1,269</u>	[[<u>\$1,982</u>]] <u>\$3,174</u>	[[<u>\$3,303</u>]] <u>\$3,967</u>	[[<u>\$5,286</u>]] <u>\$3,967</u>
Commercial Uses				
Office	[[<u>\$6.72</u>]] <u>\$6.35</u>	[[<u>\$13.45</u>]] <u>\$15.95</u>	[[<u>\$16.81</u>]] <u>\$19.95</u>	[[<u>\$16.81</u>]] <u>\$19.95</u>
Industrial	[[<u>\$3.34</u>]] <u>\$3.20</u>	[[<u>\$6.69</u>]] <u>\$7.95</u>	[[<u>\$8.36</u>]] <u>\$9.95</u>	[[<u>\$8.36</u>]] <u>\$9.95</u>
Bioscience	\$0.00	\$0.00	\$0.00	\$0.00
Retail	[[<u>\$5.98</u>]] <u>\$5.70</u>	[[<u>\$11.96</u>]] <u>\$14.25</u>	[[<u>\$14.95</u>]] <u>\$17.80</u>	[[<u>\$14.95</u>]] <u>\$17.80</u>
Place of Worship	[[<u>\$0.35</u>]] <u>\$0.00</u>	[[<u>\$0.70</u>]] <u>\$0.00</u>	[[<u>\$0.88</u>]] <u>\$0.00</u>	[[<u>\$0.88</u>]] <u>\$0.00</u>
Private School	[[<u>\$0.53</u>]] <u>\$0.50</u>	[[<u>\$1.06</u>]] <u>\$1.30</u>	[[<u>\$1.33</u>]] <u>\$1.65</u>	[[<u>\$1.33</u>]] <u>\$1.65</u>
Hospital	\$0.00	\$0.00	\$0.00	\$0.00
Social Service Agencies	\$0.00	\$0.00	\$0.00	\$0.00
Charitable, Philanthropic Institution	\$0.00	\$0.00	\$0.00	\$0.00
Other Non-Residential	[[<u>\$3.35</u>]] <u>\$3.20</u>	[[<u>\$6.69</u>]] <u>\$7.95</u>	[[<u>\$8.36</u>]] <u>\$9.95</u>	[[<u>\$8.36</u>]] <u>\$9.95</u>

2. The development impact tax rates for public school improvements, effective for any application for a building permit filed on or after [[January 1, 2017]] March 1, 2017 are:

<i>Dwelling type</i>	<i>Tax per dwelling unit</i>
Single-family detached	[[\$18,878]] <u>\$22,654</u>
Single-family attached	[[\$19,643]] <u>\$23,572</u>
[[Multifamily (except high-rise)]] <u>Multi-Family: Low-Rise</u>	[[\$15,507]] <u>\$18,608</u>
[[High-rise]] <u>Multi-Family: High-Rise</u>	[[\$5,570]] <u>\$6,684</u>
Multifamily senior	\$ 0

3. The development impact tax for public school improvements on any single-family detached or single-family attached dwelling unit must be increased by \$2 for each square foot of gross floor area that exceeds 3,500 square feet, to a maximum of 8,500 square feet.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

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