

MEMORANDUM

TO: Planning, Housing and Economic Development Committee

FROM: *MF* Michael Faden, Senior Legislative Attorney

SUBJECT: **Worksession:** Expedited Bill 5-09, Permit Fees – New Construction - Deferral

Expedited Bill 5-09, Permit Fees – New Construction - Deferral, sponsored by the Council President at the request of the County Executive, was introduced on February 10, 2009.

Summary Bill 5-09 would allow applicants to defer payment of certain Department of Permitting Services (DPS) permit, inspection, license, and engineering fees for 12 months. It also extends the time limit before a building permit is treated as abandoned from 6 to 12 months after the permit was issued and the deadline to record the initial building inspection with DPS from 12 to 18 months and the second inspection from 14 to 20 months after the permit was issued. The fee deferral authority would apply starting 60 days after this Bill becomes law until the Bill sunsets on April 1, 2010 -- that is, anyone obligated to pay a covered fee during that period could defer payment for 12 months, even if the deferral would extend after April 1, 2010. The fee ultimately paid would be calculated, we presume, at the rate and terms which applied when it was originally due.¹ For examples of the fees that would be deferred, see the fee regulation excerpts on ©30-55.

Fiscal impact Assuming, as OMB does, that 75% of the covered fees would be deferred, the County's cost in lost interest would be about \$200,000, with an estimated added administrative cost of about \$37,000, which DPS is expected to absorb (see fiscal impact statement, ©9-10).

Hearing A public hearing was held on March 3 (see testimony, ©11-29), along with Bills 3-09 and 4-09. The testimony provided by Executive staff and business interests unanimously supported this Bill, but no civic or taxpayer representative appeared at the hearing and the County Civic Federation submitted testimony (see ©23-24) which raised several salient questions. The Civic Federation noted the irony that, while the Executive's 11-point Economic Assistance Plan (see ©13) calls for "an economic and fiscal analysis as part of any legislative or regulatory change", this Bill was not accompanied by any economic analysis.²

¹If this Bill moves forward, Council staff will propose a technical amendment to make this conclusion clear.

²The Hillandale Citizens Association submitted testimony (see ©25-29) which technically may fall within the Bill's scope of advertising but raises a non-fee issue (construction fencing). The Civic Federation also mentioned this issue (see ©24). Council staff recommends that the construction fencing issue be considered in another context

Issues

1) Cost/benefit analysis: What difference would deferring these fees make?

Council staff can think of two valid public interests that could be served by deferring development fees in a severe economic recession:

- Send a signal of sympathy and support to hard-pressed development firms and their owners and employees.
- Stimulate, to some degree, a revival of development in the County.

The first reason (the need to “do something” to show that government understands how dire the situation is) presents a pure policy choice: would the symbolic value of this public gesture outweigh the attendant loss of revenue? This is a value judgment that is made first by County policy-makers, and eventually by the taxpayers who foot the bill.

The second reason (to stimulate more development) allows a more reasoned cost/benefit analysis, albeit in a general way since precise data on development decision-making in recessions has not been provided and the ultimate answer may be equal parts fact and conjecture. Much of the testimony on this Bill documents the severity of the current construction recession, which no one disputes. However, while supporters of this Bill assume, without demonstrating, that deferring County permit fees, alone or in combination with other stimulative measures, will cause some number of developers or builders to take actions that are not now economically feasible, they have not offered any evidence that such a result would follow.³ As recent news reports underscore, the building industry recession appears to be caused primarily by cutbacks in occupant demand and unavailability of financing. Neither of these factors would be directly affected by a deferral of County permit fees, particularly when those fees are a relatively small part of any developer’s carrying costs. Thus, in our view, in purely cost/benefit terms, a persuasive case has not been made to defer any County fees. **Council staff recommendation:** do not enact this Bill.

At the hearing Councilmember Leventhal raised a related question which may be more important for the impact tax deferral which Bill 4-09 proposes but is also germane to this Bill: why should the County spend money to stimulate new housing demand when large numbers of existing houses remain unsold?⁴ This inventory upsurge is a natural part of the housing construction cycle, and in staff’s view the County has no particular interest in stimulating or meeting demand for *new* housing as distinct from housing generally (and in fact may have an environmental interest in maximizing use of existing housing units before new units are built).

unless, as the Silver Spring Chamber of Commerce proposed, the time periods to complete building permit inspections are substantially lengthened; in that case, these construction fencing issues would be more relevant to this Bill.

³See, e.g., testimony from the Greater Bethesda-Chevy Chase Chamber of Commerce on ©15: “Presumably the legislation is designed to create construction industry jobs, which have all but disappeared in the current economic crisis.” These kinds of assumptions are far from evidence-based decision-making.

⁴See the data in the Maryland-National Capital Building Industry Association testimony on ©19.

One option would be to amend this Bill to allow only fees for large commercial projects to be deferred.

2) Length of deferral period – when is payment due? In testimony presented at the hearing, business representatives proposed that the deferral period – the time during which the specified permit fees would be postponed – be lengthened from the proposed 12 months until whenever the building is ready for occupancy. Readiness for occupancy would be measured by the issuance of a “final permit” – either a certificate of use and occupancy or, for those buildings (mainly single-family homes) which do not require a certificate, a final inspection report. The argument for extending the payment due date, made most succinctly by the Silver Spring Chamber of Commerce on ©21, is that “By allowing deferral to a point in the development process that is tied to sale and transfer, builders can conserve capital and delay out-of-pocket costs. This also defers the payment to a point in time when the applicant is likely to have money coming in with which to make the payment. Further, the cost of the payment will not become an additional part of the financing costs during construction.”

The effect of this amendment would be to postpone County receipt of these fees for an indefinite time. This time could be less than 12 months if a building is completed earlier, or it could be never if construction is abandoned. Under the current law (see e.g. §8-26(a)), any required permits cannot be issued until all fees due are paid. This assures that the County will not perform the reviews necessary to evaluate and approve a development without being compensated, which is an especially critical factor when the permit operation is funded through a self-supporting enterprise fund, as much of DPS’ operations is. As this Bill is drafted, the applicant would not pay interest during the deferral period but would pay interest on any fee that remains unpaid after the deferral period ends (see ©4-5, lines 76-80).

If a deferral is accepted in principle but 12 months seems too short, an alternative would be a longer specific time frame such as 18 or 24 months. Otherwise, this issue could be revisited in a year to see if the construction outlook has materially improved; if not, payment of fees that would come due then could be further postponed. **Council staff recommendation:** if deferral is allowed, limit the deferral period to 12 months, with further review next year.

3) Length of deferral applicability – Bill’s sunset date Business representatives at the hearing also proposed that the Bill’s sunset date be extended from April 1, 2010, to April 1, 2013. In other words, anyone obligated to pay a covered fee during the next 4 years could defer payment for 12 months (or whatever deferral period is selected; see previous issue), even if the deferral would extend after April 1, 2013. Needless to say, extending the Bill’s sunset date would further postpone County receipt of these fees and further deplete DPS’ enterprise fund. Since DPS would continue to operate and issue permits (to the extent applications are received), tax funds presumably would be allocated to pay these expenses.

As with the immediately previous issue, no one has any real idea whether the County construction outlook will be significantly better, significantly worse, or unchanged by early 2010. In Council staff’s view, the most prudent approach (assuming a deferral is accepted) is to limit it to the next year and reevaluate the situation then. **Council staff recommendation:** keep the early 2010 sunset date.

4) Defer small fees? Business representatives suggested that the Bill's exclusion from deferral of fees under \$400 (see ©3, lines 47-48) be deleted – in other words, that an applicant could defer payment of any fee, no matter how small. Needless to say, this would allow ordinary applicants (non-builders) to defer many relatively low fees but seriously complicate DPS' administrative burden. **Council staff recommendation:** if deferral is allowed, retain (if not increase) the \$400 floor.

5) Payment guarantees Business representatives objected to the Bill's requirements that each applicant sign a deferral agreement and consent to a lien on the property before any fee can be deferred. They argued that lenders would balk at both these requirements, and suggested that simply retaining the authority to withhold any final occupancy permit would effectively guarantee payment of any fees. Executive staff responded that the agreement would be a simple, standard document which would not require any negotiation, and they and the County Attorney will reexamine the need for both the lien and the agreement. Executive staff scheduled further discussions with business representatives and land-use lawyers after this packet went to print but before this worksession.

Council staff would not recommend dropping either requirement unless the County Attorney is totally comfortable that any transferee of the property would have no way to avoid paying any fees due. We are not sure why a lender should have any problem with a lien, since they are used to dealing with property tax liens. **Council staff recommendation:** retain the lien and deferral agreement requirements unless the County Attorney agrees that they are not needed.

6) Building permit extensions Besides the fee deferrals, Bill 5-09 would extend the time limit before a building permit is treated as abandoned from 6 to 12 months after the permit was issued and the deadline to record the initial building inspection with DPS from 12 to 18 months and the second inspection from 14 to 20 months after the permit was issued. See ©2-3, lines 3-30. Council staff understands that these provisions were also intended to sunset in 2010 and will draft a technical amendment to do so if they remain in the Bill.

The purpose of these extensions is to allow more time to finish buildings that run into construction or financial delays. However, as the Civic Federation pointed out on ©23-24, allowing a construction site more time to remain unfinished could pose safety hazards and have negative neighborhood impacts. Those impacts could be exacerbated if, as the Silver Spring Chamber of Commerce proposed (see ©22), the inspection deadlines are further extended by another 6 months beyond what this Bill proposed.

Under the current law (see County Code §8-25(b)(2)-(3)) DPS can extend an issued building permit's expiration date for 6 months (and, if the project is located in an enterprise zone, for an unlimited number of 6-month periods if good cause is shown). The reason the Silver Spring Chamber gave to further extend the inspection deadline was "to avoid multiple extension requests". In Council staff's view, no clear case has been made to loosen DPS' control over building permit extensions; in fact, we have not seen any data showing that extension requests have increased. **Council staff recommendation:** extend the building permit deadlines for 6 months, sunsetting in 2010.

This packet contains

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Expedited Bill No. 5-09
Concerning: Permit Fees - New
Construction - Deferral
Revised: 2-9-09 Draft No. 2
Introduced: February 10, 2009
Expires: August 10, 2010
Enacted: _____
Executive: _____
Effective: _____
Sunset: See § 2
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) authorize the deferral of certain permit, inspection, license, and engineering fee payments for a certain period;
- (2) extend the time limit for abandonment of a building permit;
- (3) extend the time for recording an initial building inspection; and
- (4) generally amend the laws regarding permits and related fees.

By amending

Montgomery County Code
Chapter 8, Buildings
Sections 8-24 and 8-25

By adding

Chapter 2, Administration
Section 2-42C

Boldface

Heading or defined term.

Underlining

Added to existing law by original bill.

[Single boldface brackets]

Deleted from existing law by original bill.

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:

27 within [12] 18 months after the permit is issued and a
28 second approved inspection is not recorded in the
29 Department's inspection history file within [14] 20
30 months after the permit is issued; or

31 * * *

32 **2-42C. Permit fees -new construction - deferrals.**

33 (a) Definitions. In this section the following words have the meanings
34 indicated:

35 (1) Fee or Fees mean any permit fee, license fee, inspection fee, or
36 engineering fee required to be paid before a permit or license is
37 issued or an inspection is made under Chapter 8, 17, 19, 27A, or
38 49.

39 (2) New Construction means:

40 (A) any new building; and

41 (B) any addition or renovation of an existing building that
42 replaces 50% or more of the existing first floor exterior
43 walls, measured around the perimeter of the building.

44 (3) Owner means a person who has legal record title to the real
45 property on which the new construction is proposed.

46 (b) Authorization to Defer. An owner or other applicant may defer
47 payment of a fee associated with new construction, if the fee exceeds
48 \$400 and all other requirements of this Section are met, for 12 months
49 after the fee is otherwise due.

50 (c) Conditions of Deferral.

51 (1) An owner must apply for deferral of a fee to the Director on a
52 form supplied by the Department.

53 (2) As part of the application, the owner must execute a written
54 agreement with the Director. The agreement must provide that
55 the owner consents to all terms and conditions of the deferral,
56 including the collection of deferred fees through the tax sale
57 process and recordation of the agreement or notice of the
58 agreement in the County land records.

59 (3) The Director must record the agreement or notice of the
60 agreement in the County land records. The notice must include a
61 conspicuous statement that indicates it is being recorded by or on
62 behalf of the County.

63 (d) Events accelerating payment. All deferred fees and accumulated
64 interest and penalty, if any, become immediately payable when:

65 (1) the ownership of the property subject to a lien for repayment of
66 the deferred fees is transferred; or

67 (2) the property becomes subject to tax sale.

68 (e) Payment, Early Payment; Termination of Lien.

69 (1) An Owner must pay a deferred fee on or before the end of the
70 deferral period.

71 (2) After the owner pays the deferred fees and any accrued interest
72 and penalty, the Director must record a notice of termination of
73 the fee deferral lien in the County land records. The notice must
74 include a conspicuous statement that indicates it is being recorded
75 by or on behalf of the County.

76 (f) Delinquent Fees.

77 (1) Interest and Penalty. Any fee paid after the deferral period
78 expires accrue interest and penalty on the amount of the deferred

79 fees until paid at the rate which applies to delinquent real
80 property taxes.

81 (g) Lien on Real Property and Collection. All fees deferred and any
82 accrued interest and penalty constitute a first lien on the real property to
83 which the fees apply until paid. The deferred fees may be collected by
84 suit or tax sale as with all other real property taxes. If any person liable
85 does not pay all deferred fees as provided, the property may be certified
86 to the Department of Finance and the lien may be sold at the next tax
87 sale the County conducts. All deferred fees constitute a personal
88 liability of the owner of the property.

89 (h) Penalties for False or Fraudulent Information. A person who knowingly
90 submits a false or fraudulent application or statement or withholds
91 information in order to obtain a deferral under this Section:

92 (1) has committed a Class A violation.

93 (2) is liable for and must repay to the County any deferred fees plus
94 interest and penalty at the rate which applies to delinquent real
95 property taxes from the date of the deferral to the date of
96 payment; and

97 (3.) is liable for all court costs and expenses of the County, including
98 attorney's fees, in a civil action brought by the County.

99 (i) Regulations. The County Executive may adopt regulations under
100 method (2) to administer this fee deferral program.

101 **Sec. 2. Sunset.** County Code Section 2-42C, inserted by Section 1 of this
102 Act, expires on April 1, 2010.

LEGISLATIVE REQUEST REPORT

Expedited Bill 5-09

Permit Fees – New Construction - Deferral

- DESCRIPTION:** Adds new Sections to the law to allow the deferral of the payment of permit fees and other fees for new construction for 12 months.
- PROBLEM:** The current economic climate impacts the ability of builders to pay the fees prior to construction.
- GOALS AND OBJECTIVES:** By deferring payment of fees the legislation will encourage new construction.
- COORDINATION:** Department of Permitting Services.
- FISCAL IMPACT:** To be requested.
- ECONOMIC IMPACT:** To be requested.
- EVALUATION:** Subject to the general oversight of the County Council and County Executive.
- EXPERIENCE ELSEWHERE:** Not applicable
- SOURCE OF INFORMATION:** Tom Street, Assistant Chief Administrative Officer (240-777-2559)
- APPLICATION WITHIN MUNICIPALITIES:** Yes.
- PENALTIES:** Class A violation.

BILL



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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

February 4, 2009

TO: Phil Andrews, President
Montgomery County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Proposed Legislation – Deferral of Permit Fees

I am attaching for the Council's consideration a bill which would allow a business to defer payment of permit, inspection, license, and engineering fees for 12 months. I am also attaching a Legislative Request Report for the proposed bill.

This bill is one of four legislative proposals which I am submitting to the Council to implement the 11-point economic plan which I announced in December 2008. Each legislative proposal is designed to ease some of the difficulties experienced by local businesses as a result of the national economic downturn. The current economic climate impacts the ability of builders to pay permit, inspection, license, and engineering fees before construction. Allowing a builder to defer payment of these fees will help to encourage new construction which is aimed at retaining existing jobs and creating new job opportunities. This deferral is only temporary and enables the payment to be made at a point in the development process that is closer to when a builder can expect to receive income from a project. This will reduce carrying costs for a project.

My 11-point economic plan included a proposal to provide an economic impact analysis for all legislative and regulatory changes which would analyze the impact of each proposed change on local businesses. We are in the process of completing an economic impact analysis for this bill and will forward it to Council in the near future along with the normal fiscal impact statement. I look forward to working with the Council as it considers this bill and my other three legislative proposals which provide opportunities for some measure of relief to our business community and residents.

IL:dg

Attachments (2)

3-5-09



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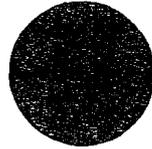
OFFICE OF MANAGEMENT AND BUDGET

040537

Isiah Leggett
County Executive

Joseph F. Beach
Director

MEMORANDUM



February 5, 2009

2009 FEB 17 PM 1:34

MONTGOMERY COUNTY COUNCIL

TO: Phil Andrews, County Council President
FROM: Joseph F. Beach, Director, Office of Management and Budget
SUBJECT: Expedited Bill XX - New Construction Permit Fee Deferral

The purpose of this memorandum is to transmit a fiscal impact statement to the Council on the subject legislation.

LEGISLATION SUMMARY

The purpose of the legislation is to create new Sections in Chapters 8, 17, 19, 27A, and 49 of the Montgomery County Code to authorize the deferral for a period of 12 months of the payment of permit fees, inspection fees, license fees, and engineering fees and to set out the terms and conditions of the deferral and for the repayment of the deferred fees.

FISCAL SUMMARY

Estimating that 75% of revenues from the fees will be deferred (\$12,692,600) and assuming a 1.5% interest rate, the loss in interest income would be \$190,389 for the year. Deferral of the fees DPS collects for MCFRS (\$584,140) would also reduce interest income for the County by \$8,760.

DPS is currently upgrading the Hansen permit system application and database. To support the new legislation, the migration scripts that convert the Hansen 7 Database to the Hansen 8 Database will have to be modified by the vendor for every Permit Type. Converted data must be verified. DPS estimates that the vendor will require an additional \$20,000. The existing contract will require modification and approval by the Office of the County Attorney and Department of General Services. This additional cost will be absorbed within DPS' current appropriation.

Office of the Director

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DPS will be required to invoice program participants for collection of the deferred fees. To perform this, the fiscal impact to DPS would be administrative costs for the supplies and postage for the billing. This would average \$2 per permit. Estimating a 75% participation rate, the administrative cost would be \$17,226. This projected increase in administrative costs will be absorbed within DPS' current appropriation.

The following contributed to and concurred with this analysis: Tom Laycock, Department of Permitting Services, Gail Lucas, Department of Permitting Services.

JFB:brg

c: Tom Street, Assistant Chief Administrative Officer
Kathleen Boucher, Assistant Chief Administrative Officer
Dee Gonzalez, Office of the County Executive
Carla A. Reid, Director, Department of Permitting Services
Amy Wilson, Office of Management and Budget
Brady Goldsmith, Office of Management and Budget



ROCKVILLE, MARYLAND

Public Hearing - March 3, 2009

Bill 3-09, Local Small Business Reserve Program - Amendments

Bill 4-09, Development Impact Tax -- Deferral

Bill 5-09, Permit Fees -- New Construction -- Deferral

Testimony of Assistant Chief Administrative Officer Kathleen Boucher

Good afternoon. I am Kathleen Boucher, Assistant Chief Administrative Officer with the Office of the County Executive. I want to thank Council President Andrews for sponsoring Bills 3-09, 4-09, and 5-09 on behalf of the County Executive, and the full Council for its timely consideration of these items.

Bill 3-09 proposes changes to the County's Local Small Business Reserve Program. Bills 4-09 and 5-09 amend the law governing impact taxes and fees related to new construction which are collected by the Department of Permitting Services (DPS).

Over the past two years, the County has experienced the severe impacts of the recession that has gripped our entire nation. Except for a slight increase in February and September of 2008, the leading economic indicator for the Washington, D.C. metropolitan region (which is used to predict future economic activity) has declined steadily since April 2007 (down 4% during the period). That decrease suggests that the region's economy will experience slower growth during the first half of 2009 and not re-accelerate until early summer at the earliest, depending on the breadth and depth of the national recession. The coincident economic indicator for the region (which measures the current performance of the economy and reflects consumer confidence) has also declined steadily since the spring of 2007 (down 12% during the period). Other signs of extreme stress in the County's economy include: no growth in resident employment during the past two years; a decline in home sales of more than 20% in each of the last 3 years (20.5% in 2006, 23.4% in 2007, and 20.6% in 2008); and an average 7.9% decline in home sale prices in 2008 (based on preliminary data).

These data and others point to a need for local government action to help our residents and businesses during this difficult economic time. On December 18, 2008, the Executive announced an 11-Point Economic Assistance Plan, which included the three bills that are the subject of today's hearing. A summary of the Plan is attached to this testimony. The Executive views his 11-point plan as a modest first step to help ease some of the difficulties experienced by local businesses as a result of the national economic downturn. The Executive will continue to work to find additional ways to assist County businesses and looks forward to working with the business community, the Council, and others to identify additional measures that can effectively and efficiently assist local businesses.

Generally, the Plan is an attempt to increase business opportunities for County-based businesses by:

- Allowing deferral of fees and taxes related to new construction;
- Extending expiration periods for building permit applications and inactive building permits related to new construction;
- Broadening the definition of “small local business” for the purpose of the County’s Small Local Business Reserve Program; and
- Increasing the percentage of County contracting opportunities that are directed to small local businesses.

The current economic climate impacts the ability of builders to pay impact taxes and fees for permits, inspections, licenses, and engineering before construction. By allowing a builder to defer payment of these taxes and fees, Bill 4-09 and Bill 5-09 will encourage new construction that will help to retain existing jobs and create new job opportunities. This deferral is only temporary and enables a builder to pay the taxes or fees at a point in the development process that is closer to when a builder can expect to receive income from a project. In essence, deferral of impact taxes and fees will reduce carrying costs for a project.

The current economic climate impacts local small businesses disproportionately to other businesses. By increasing the percentage of contracts that the County awards to local small businesses, Bill 3-09 will encourage greater participation in the program and help retain existing jobs and create opportunities for new jobs.

The following is a summary of the key components of Bill 3-09, Bill 4-09, and Bill 5-09.

Bill 3-09: This bill increases from 10% to 20% the combined dollar value of certain contracts that County departments must award to local small businesses.

Bill 4-09: This bill authorizes the deferral of impact tax payments (for both schools and transportation) for up to twelve months after their current due date. Currently, these taxes are due when the building permit for the associated property is issued by DPS. Bill 4-09 outlines conditions of deferral and circumstances that would lead to accelerated payment. These provisions are necessary in order to ensure that the County eventually receives payment of the deferred taxes and that deferred taxes are paid prior to the transfer of ownership of the associated property.

Bill 5-09: This bill authorizes the deferral of permit, inspection, license, and engineering fees associated with new construction for a period of 12 months from the time they are normally due. The bill also extends the time limit for abandonment of a building permit application from 6 to 12 months, and extends the time for recording an initial building inspection from 12 to 18 months after issuance of a building permit. As with Bill 4-09, and for the same reasons, this bill outlines conditions of deferral and circumstances that would lead to accelerated payment.

Thank you for the opportunity to testify in support of these bills. We look forward to working with the Council as it considers this package.

Montgomery County Executive Isiah Leggett's Eleven Point Economic Assistance Plan
December 18, 2008

1. Increase Local, Small Business Reserve Program (LSBRP) gross annual sales thresholds for local small businesses in the wholesale, retail and services sectors to \$5 million from the current levels of \$2 million for wholesale businesses or \$2.5 million for retail goods and non-construction services, and to \$14 million from \$7 million for construction services and manufacturing. Also proposed is to increase the employee complement limits from 15 to 30 for wholesale and retail businesses, from 20 to 40 for manufacturing businesses, and from 25 to 50 for businesses in the service and construction sectors.
2. Increase the required percentage of Local, Small Business Reserve Program (LSBRP) participation in annual contracting from the present level of 10% to 20%.
3. Generally, delay up to 18 months, the effective dates of new legislation and regulations that have a substantial economic impact on business.
4. Allow, upon request, deferral of payment of permitting fees and impact taxes for a period of twelve months from their current due date.
5. Increase permit application expiration period to twelve months for those permits associated with new residential and commercial construction.
6. Increase expiration period for inactive building permits to eighteen months.
7. Extend the validity period for existing Adequate Public Facility reviews from five (5) years to seven (7) years.
8. Provide an economic and fiscal impact analysis as part of any legislation or regulatory change. The analysis to include an assessment of the impact on both the County and the parties being regulated.
9. Unbundle large County contracts. County requirements that have traditionally been bundled together for administrative and cost savings benefit should be scrutinized as candidates for unbundling.
10. Assist local Chambers of Commerce in providing Business Networking Forums for small businesses to connect with potential partners.
11. Partner with local Chambers of Commerce to hold business fairs at several county locations.



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The Greater Bethesda-Chevy Chase Chamber of Commerce

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Your Business Is
Our Only Business

**Testimonies of
Patrick L. O'Neil and
Frank Amantia
On Behalf of
The Greater Bethesda-Chevy Chase
Chamber of Commerce
Before the
Montgomery County Council
Regarding Bill Nos. 3-09, 4-09 and 5-09
March 3, 2009**

THE GREATER BETHESDA-CHEVY CHASE CHAMBER OF COMMECE
TESTIMONY REGARDING BILL NOS. 3-09, 4-09 AND 5-09
BEFORE THE MONTGOMERY COUNTY COUNCIL
MARCH 3, 2009

Good afternoon. My name is Patrick O'Neil and I am the Vice President of Economic Development and Government Relations for the Greater Bethesda-Chevy Chase Chamber of Commerce. On behalf of the Chamber, I am here to thank the County Executive for his efforts in Bill Nos. 3-09, 4-09 and 5-09 to address the economic impact of the current national recession on small businesses and development entities in the County. We are generally supportive of the proposals in the legislation and, through our testimony today, offer suggestions in some cases to make a good thing even better.

We begin with Bill 3-09 and the corresponding Executive Regulations (2-09) that propose meaningful changes to the Local Small Business Reserve Program. The legislation proposes, and we support, threshold increases to allow more local businesses to participate in the program; the doubling of the required participation percentage for each department and the deletion of the current sunset date for the program. Notably the proposed legislation transfers the responsibility for administering the program to the Department of General Services. We agree with this change and believe that DGS is the right County entity to oversee and promote the program.

Bill Nos. 4-09 and 5-09 propose to defer the payment of impact taxes and building permit fees and costs for up to twelve months. For our purposes, these bills are interrelated and we address them together. Like the changes to the Local Small Business Reserve Program, the bills' proposed deferral opportunities are well-intentioned. Presumably the legislation is designed to create construction industry jobs, which have all but disappeared in the current economic crisis. As such, the legislation encourages the development of approved projects that have been stalled by the absence of available financing. However, the additional bureaucratic hurdles imbedded in these bills could serve to defeat their purposes.

In particular, the requirements for executed deferral agreements and for the filing of security interests on affected properties would discourage a developer from taking advantage of the deferral opportunities. I have asked Frank Amantia of the Mid-Atlantic Federal Credit Union to

address these lien impacts from a construction lending perspective. Mr. Amantia has over 20 years of lending experience in the County.

Mr. Amantia opines that Bills 4-09 and 5-09 provide effective stimulus for developers to re-enter the marketplace, but they ignore the regulatory and procedural requirements of lenders who provide needed funding to bring the developers' plans to fruition. The primary area of concern is the Bills' requirement that deferred taxes and fees be perfected in the form of a lien, filed in the land records. This lien, which is given priority status, prevents the lender from achieving first position. The second point of concern is the Bills' requirement that any deferral be memorialized in a "written agreement" filed in the land records. The terms of this agreement diminish the effectiveness of the lender's loan documents. If the Bills were revised to preserve the rights and remedies of the lenders, without whose funds the developers' plans would generally not be possible, the Bills would spur both developers and lenders alike.

In light of the unintended effects of the lien requirements and the written agreements, and in an effort to provide a more meaningful incentive for would-be developers, we propose a simpler deferral option. This option has been cooperatively developed by our Chamber, the Montgomery County Chamber, the Greater Silver Spring Chamber and others. A copy of our collective efforts is attached. We propose the deferral of all impact taxes and permit fees and costs until the project is ready for occupancy. The Department of Permitting Services would not issue final occupancy approvals until the outstanding fees and costs are paid.

Our proposal is easier to understand and more enticing to a prospective developer than the current legislation. Our proposed deferral is easy to obtain because it is automatic – no deferral agreement or approval is required. More importantly, our proposal provides a clear benchmark for when payments are due and provides meaningful County leverage to ensure that the fees and costs are ultimately paid. If the goal is job creation through development opportunities, Bills 4-09 and 5-09 are more likely to achieve the goal with our proposed changes.

On behalf of the Greater Bethesda-Chevy Chase Chamber of Commerce, thank you for the opportunity to present these comments.

(March 3, 2009)

IMPACT TAXES

52-51A. Deferral of payments

(a) *Definitions.* In this Section the following words have the meanings indicated:

(1) *Final permit* means a certificate of use and occupancy or, if a certificate of use and occupancy is not required for the development, a final inspection report.

(2) *Impact tax or tax* means the Taxes imposed under this Article and Article XII.

(3) *Owner* means a person who has a legal record title interest in real property, including a creditor with a recorded lien on the property, on which development is proposed that is subject to the impact tax.

(b) *Authorization to defer.* An owner may defer payment on all impact tax due until the issuance of a final permit needed to occupy any portion of the development. A payment that has been deferred pursuant to this section must be paid before the final permit will be issued.

(c) *Sunset.* The opportunity to obtain a deferral of payment under this Section expires on April 1, 2013.

PERMITS

No changes are proposed for the proposed amendments for Section 8-24 (Application for permit) and 8-25 (Permits).

2-42C. Permit fees - new construction - deferrals.

(a) *Definitions.* In this Section the following words have the meanings indicated:

(1) *Fee or fees* mean any permit fee, license fee, inspection fee, or engineering fee required to be paid before a permit or license is issued or an inspection is made under Chapter 8, 17, 19, 27A, or 49.

(2) *Final permit* means a certificate of use and occupancy or, if a certificate of use and occupancy is not required for the new construction, a final inspection report.

(3) *New Construction* means:

(A) any new building; and

(B) any addition or renovation of an existing building that replaces 50% or more of the existing first floor exterior walls, measured around the perimeter of the building.

(4) *Owner* means a person who has legal record title to the real property on which the new construction is proposed that is subject to the fee.

(b) *Authorization to defer.* An owner or other applicant may defer payment on a fee associated with new construction until the issuance of a final permit needed to occupy any portion of the new construction.

(c) *Sunset.* The opportunity to obtain a new construction deferral under this Section expires on April 1, 2013.

6112959_v2



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**Maryland National Capital Building Industry Association (MNCBIA)
Testimony Before the Montgomery County Council
On
Expedited Bill 4-09: Development Impact Tax – Deferral
Expedited Bill 5-09: Permit Fees – New Construction - Deferral**

March 3, 2009

Good afternoon. My name is Tom Farasy.

I am the 2009 President of Maryland-National Capital Building Industry Association. The BIA represents builders and developers in Prince George's, Montgomery, St. Mary's, Charles and Calvert counties. We have 600 + members today.

The MNCBIA supports the County Executive's Emergency Bill Nos. 4-09 and 5-09, with amendments.

Bills 4-09 and 5-09 as drafted creates a bureaucracy that is costly to the County, cumbersome to the applicant, and burdensome to both; it provides under the *most optimum* of circumstances, eight months breathing room to an industry underwater and struggling to stay afloat.

Given the national regional and local forecasting, eight months is clearly not enough.

I do not need to brief the Council on the severity of the recession that we are all experiencing. It is in the news everyday and none of us have ever experienced this type of recession. The County's drop in revenues mirrors the precipitous drop in the housing market. Unfortunately, the forecast by industry experts does not offer any relief until well beyond 2009.

As you may remember, sales and building starts in 2008 were dramatically reduced as compared to 2007. Hanley Wood, the research company that tracks new home sales in residential projects over 10 units, reports for Montgomery County:

- * Net sales were 894 in 2008 vs. 1159 in 2007 vs. 2621 in 2006;
- * The average new home sales in 2008 vs. 2006 were as follows:

Type	2008	2007	2006
Single Family	\$792,120	\$888,850	\$905,795
Townhouse	\$437,806	\$513,764	\$507,692
Condominium	\$339,113	\$506,130	\$473,736

- * The vacant lot inventory has grown to a 12.2 month supply as of December 31, 2008 vs. an average of 2.2 months supply in calendar 2006; the normal lot inventory is 2 months, so we are six (6) times the norm.

BUILDING HOMES, CREATING NEIGHBORHOODS

Representing the Building and Development Industry in Calvert, Charles, Montgomery, Prince George's and St. Mary's Counties and Washington, D.C.
Affiliated with the Maryland State Builders Association and the National Association of Home Builders

Two recent reports by Zelman & Associates affirm that this recession will not recede anytime soon; to highlight a few details:

Hope Now: Delinquency and Foreclosure Report, January 2009

- This month's foreclosure rate marks the highest level since July 2007
- In December 2008, 203,000 homes entered the foreclosure process, up from 169,000 in November 2008

Foreclosures Presenting Unprecedented Conditions, January 26, 2009

- 2009 new sales to decrease 40%
- Due to unprecedented competition from foreclosures, Zelman projects ***new home sales to be less than 7% of real estate home sales*** vs. an historical median of 16%
- Zelman is lowering new housing starts from 750,000 to 575,000 for 2009
- ***No increase in housing starts until 2011***

(The Hanley Wood and the Zelman Reports are attached to my testimony for your convenience)

Many of our suppliers, builders and developers have had 4, 5 or more rounds of layoffs. Last week alone, a concrete supplier reported he went from 100 employees a year ago to 30 today; one of our builders reported to me, his payroll has gone from 72 employees a year ago to 17 today. Such stories go on and on.

While we anticipate a recovery, and anticipate that the President's Stimulus Bill will have an effect, what we know is that this recovery will not be traditional, and there is no ***guaranteed*** trigger date. This is the reality that frames the industry's comments today.

Bills 4-09 and 5-09 are well intentioned; however:

1. The legislation requires a lien on the property. A lien will require lender consent. Unfortunately, many lenders are not available for such conversations; when available, they are not making decisions. This process requires asking lenders to agree to an action that increases their risk; we believe that lenders would not respond to this request, nor agree to the placing of a lien, thereby negating the deferral provided by the legislation.
2. The legislation sunsets on April 01, 2010 providing less than 1 year window for applicants who have dared, or who dare, to initiate any development or construction.
3. The legislation requires an agreement between the applicant and the Department of Permitting Services. This is an expensive, onerous and lengthy proposition; in addition there is no certainty ... by the time the agreement is drafted, negotiated amongst the parties, agreed to by the parties, consent obtained from the lender any period of benefit if one ever gets to the finish line might be 3 months of relief at best. We are in a recession cycle that is going to last for years, not 3 months.

Maryland National Capital Building Industry Association (MNCBIA)
Testimony Before the Montgomery County Council
On
Expedited Bill 4-09: Development Impact Tax – Deferral
Expedited Bill 5-09: Permit Fees – New Construction – Deferral
March 3, 2009
Page 3 of 3

Our amendments are simple:

- Utilizing DPS's current system of inspections, require that all deferred fees and taxes be paid before an Occupancy Permit can be issued; when an Occupancy Permit is not required, require that fees and taxes be paid prior to final inspection.
- Given the unpredictability in the current economy to guarantee any significant recovery in the next 36 months, provide a sunset date of April 01, 2013.

The industry needs relief, quickly, simply, Not a lien, not an agreement, not for less than one year. Our proposal assures that the County will be paid its impact taxes, as well as its permit, inspection, license, and engineering fees.

Our members look forward to participating in the Council's worksessions on these Bills. Thank you for the opportunity to present the industry's perspective today.



March 3, 2009

The Honorable Phil Andrews, President
and Members of the Montgomery County Council
Montgomery County Council
100 Maryland Avenue
Rockville, MD 20850

Re: Public Hearing - Expedited Bills 4-09 and 5-09 (the "Legislation")

Dear President Andrews and Members of the Council:

The Greater Silver Spring Chamber of Commerce is pleased to submit this letter as its testimony in the Council's public hearing on the above referenced Legislation scheduled for today, March 3, 2009.

On behalf of the Board of the Chamber, I wish to express our support for the efforts of the County Executive and the County Council to provide regulatory relief and economic assistance to County businesses in this extraordinarily difficult economic climate. This assistance is especially needed by the residential and commercial development industry that would specifically benefit from this Legislation.

Members of the Chamber's Economic Development Committee and representatives of our development and land use sectors have reviewed these bills and agree that this Legislation is a good first step. However, they also point out that it does not go far enough, given the depth of the hardship to the development community that has been caused by the current economic downturn, the uncertainty for recovery, and the importance to the County for vibrant and sustained development activity.

In this regard, the Chamber respectfully requests that the Council consider the following revisions to the Legislation to make it more effective in providing meaningful/usable assistance to the development community during this period of significant economic uncertainties and difficulties:

- Amend Bill 4-09 (Impact Tax Deferral) and Bill 5-09 (Permit Fees, Deferrals and Permit Validity Period Extensions) to extend the deferral of the Impact Tax Payments and permit fees until the issuance of the final permit/inspection or certificate of occupancy needed for occupancy, rather than only 12 months, with a corresponding extension to the sunset date. *The additional time for deferral is requested in recognition of the extended nature of the downturn and the uncertain timing of a recovery. By allowing deferral to a point in the development process that is tied to sale and transfer, builders can conserve capital and delay out-of-pocket costs. This also defers the payment to a point in time when the applicant is likely to have money coming in with which to make the payment. Further, the cost of the payment will not become an additional part of the financing costs during construction.*

- Eliminate the requirement in both Bill 4-09 and 5-09 that applicants for a deferral of Impact Taxes and/or permit fees enter into an agreement with the County and place a lien for such deferred payments on the subject property. *This requirement is cumbersome for agency staff to monitor and may interfere with project financing. Moreover, the County can ensure payment of deferred fees by withholding use and occupancy permits and/or final inspections. These are already points in the process where the County acts as the gatekeeper.*
- Amend 5-09 to allow for 24 months for a first inspection and 26 months for a second inspection, but also allow extensions for these inspections. *Given the uncertainty of the time frame for recovery and the lack of stable market conditions necessary for development to commence, it is essential to provide realistic time frames for development that are long enough to avoid multiple extension requests.*

We believe these requested revisions are reasonable and will enhance the usefulness of the economic assistance package to the benefit of the development community and, ultimately, all of the residents of Montgomery County. If you have any questions on our testimony, please do not hesitate to contact me.

Sincerely,



Jane Redicker

cc: Diane Schwartz-Jones, Esq.



March 2, 2009

Montgomery County Civic Federation Talking Points for March 3 Hearing on Economic Stimulus Legislation--Expedited Bills 4-09 and 5-09

Rather than adopt a position in support of or opposition to these two pieces of legislation, at their meeting on February 18, 2009, the MCCF Executive Committee voted unanimously to submit these talking points to the County Council for consideration.

Defer Deadline for Payment of Impact Taxes by One Year from Current Due Date - Expedited Bill 4-09

- POSITIVE: a one-year deferral of impact tax payments might allow some development projects to go forward which might otherwise be abandoned
- NEGATIVE: although impact tax payments deferred over the next year would be made in FY11, the deferral will further reduce FY10 revenue projections at a time when the county is facing a \$500M budget shortfall and an anticipated further decrease in projected tax collections (sales, income tax, etc.)

Deferral of Building Permit Fees, Extend Inspection Deadlines, Extend Abandonment of Permit Deadline - Expedited Bill 5-09

- POSITIVE: a one-year deferral of building permit and associated permit fees might allow some building projects to go forward which might otherwise be abandoned
- NEGATIVE: although building permit and associated permit fees deferred over the next year would be made in FY11, the deferral will further decrease FY10 revenue projections at a time when the county is facing a \$500m budget shortfall and an anticipated further decrease in projected tax collections (sales, income tax. etc.)

- POSITIVE: deferred payment of permit fees and a 6-month inspection extension may allow builders, who might otherwise go bankrupt and cancel residential infill projects or abandon them in mid-construction due to cash flow constraints, to finish them and go to sale--and thereby avoid having half-finished home construction projects or empty demolition sites negatively impact safety and attractiveness of neighborhoods
- NEGATIVE: a 6-month inspection extension could mean residents are living with construction projects in their neighborhoods for up to 6 months longer than present (noise, construction trucks parking up residential streets, port-a-johns sitting next to public sidewalks, muddy sites strewn with construction debris awaiting landscaping)

- NEGATIVE: a 6-month inspection extension could result in projects being put on hold (no construction activity) or on slow-down (using fewer workers to complete job over longer period), which seems counterintuitive to any effort to create/maintain jobs
- NOTE: we recommend a new law to require the surrounding of residential infill (teardown/rebuild) demolition sites with 8' high chain-link fence if new construction does not begin immediately would prevent safety hazard of having unintended ponds (foundations of demolished homes filled with stormwater) in established neighborhoods; also need requirement that such water be treated to prevent mosquito breeding

General note regarding this legislation

- no economic or fiscal impact analysis was included with the bills when introduced, even though one of the proposals in the County Executive's 11-Point Economic Stimulus Package (released 12/18/08) reads--

"8. Provide an economic and fiscal impact analysis as part of any legislation or regulatory change. The analysis to include an assessment of the impact on both the County and the parties being regulated."

Fiscal impact analyses were finally released to the public in the packets for Bills 4-09 and 5-09, which were posted on the Council website February 27. This information was made available far too late for any organization, such as the Federation, to disseminate, analyze, and adopt a position prior to the March 3 public hearing.

These fiscal analyses project a loss to the county from these two pieces of legislation of a total of \$637,000--a loss of \$600,000 in interest on fee and tax revenue due to deferred collection, and an added \$37,000 administrative cost. Although the figure seems small in relation to the size of the total County budget, it is a substantial and unnecessary cost to incur in the midst of perhaps the worst economic downturn since the great Depression.

In addition, no economic impact analysis has yet been submitted for Bills 4-09 or 5-09 (in the County Executive's own words, the "impact on the parties being regulated"). In the absence of such analysis, the public is being asked to testify at this hearing without being privy to the County Executive's opinion as to the full extent of impact, either positive or negative, which these legislative proposals may have. This legislative process is inadequate and unacceptable, especially since it involves bills introduced on behalf of a County Executive who purports to value transparency, accountability and informed citizen participation in government decision making.

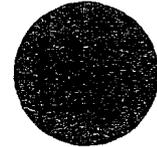
submitted on behalf of the Civic Federation Executive Committee by
Jim Humphrey
Chair, MCCF Planning and Land Use Committee
(301)652-6259 day/evening/weekends
email - theelms518@earthlink.net

NAD
CC
DF

Marin, Sandra

From: Andrews' Office, Councilmember
Sent: Tuesday, March 03, 2009 9:14 AM
To: Montgomery County Council
Subject: FW: Hillandale Citizens Association Testimony on Bill 5-09

040782



-----Original Message-----

From: Eileen Finnegan [mailto:finnegan20903@yahoo.com]
Sent: Monday, March 02, 2009 9:21 PM
To: Andrews' Office, Councilmember; Harriston, Delphine
Cc: Floreen's Office, Councilmember; Elrich's Office, Councilmember; Knapp's Office, Councilmember; Ervin's Office, Councilmember
Subject: Hillandale Citizens Association Testimony on Bill 5-09

Hello council President Andrews and Ms. Harriston,

Since the speakers list was full for the hearing on this bill, I am submitting the testimony of the Hillandale Citizens Association with this e-mail.

Thank you.

Eileen Finnegan
10404 Sweetbriar Parkway
Silver Spring, MD 20903
301-439-2263

2009 MAR -3 PM 9:25
MONTGOMERY COUNTY
GOVERNMENT

Hillandale Citizens Association

Testimony to County Council on Emergency Bill 5-09,
March 3, 2009

“Please add a requirement for chain-link fencing on new residential in-fill construction. Open foundations and open construction sites are unsafe. Our experiences with two sites near our elementary school make this a basic safety/security concern.”

Neighborhood Safety Issue: Chain-link fencing is needed for residential infill building sites

- Large, open foundation pits are unsafe.
- Construction sites are inviting & dangerous.
- Commercial permits require fencing.



1226 Cresthaven Drive , next to elementary school

Demolition Permits: Is a Year Too Much?

10318 Parkman: Purchased for demolition in July, 2006; Demolition permit #424891 issued on August 13, 2007; Now long EXPIRED.

Building is still standing.

Not-habitable structure in limbo as builder continues to seek buyers for two lot property.

Not the only time...

1258 Cresthaven demolition happened 13 months after issuance, left debris, unsafe conditions and an unsecured hole for many, many months.

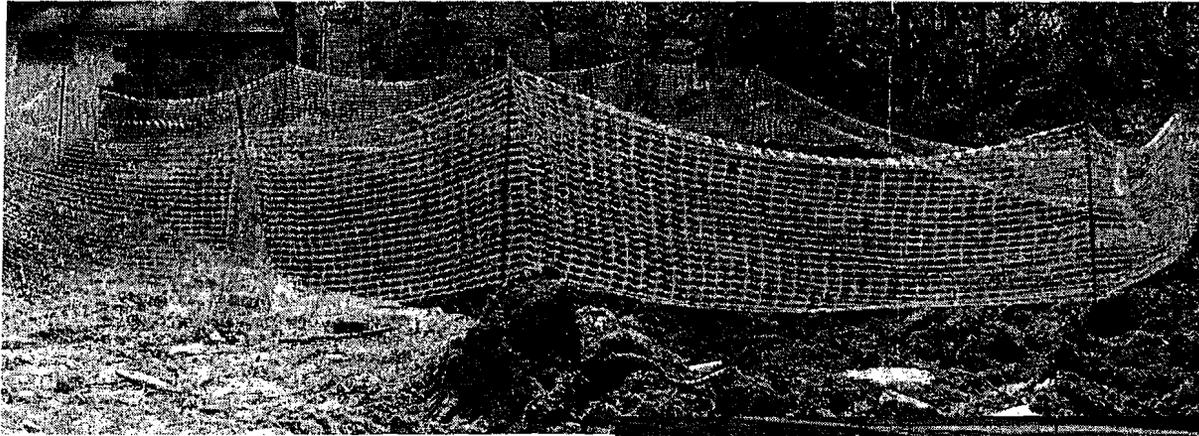


Chain-link fencing needed for new home/in-fill construction projects

**Example: 1258 Cresthaven Drive at the corner of
Cresthaven, Harper and Royal Roads. One short block to
Cresthaven Elementary School**

**First foundation hole was an open pit. With contractor
difficulties, this was an seemingly “abandoned” site for
many months. After complaints, DPS requested
snow/orange plastic fencing as a safeguard as “a favor to
the community.” Community informed that chain-link
fencing is only required on commercial projects.**

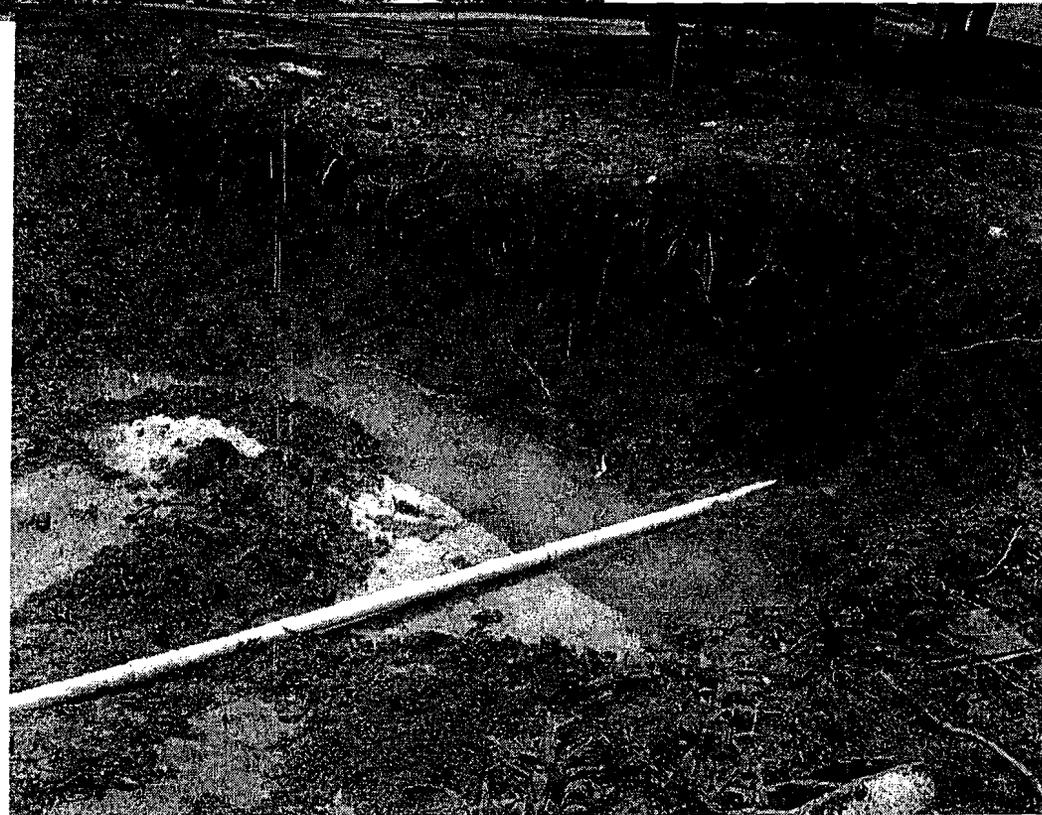




1258 Cresthaven Drive "Do Over"

**Above: Second Foundation hole with
DPS requested plastic fencing**

**Right: Foundation hole with sewer pipe
installation. Note condition of plastic
fencing along Cresthaven Drive.**





MONTGOMERY COUNTY EXECUTIVE REGULATION

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

Subject: Schedule of Fees for Permits, Licenses and Certifications – METHOD 2	Number: 11-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date:

Montgomery County Regulation on:

SCHEDULE OF FEES FOR PERMITS, LICENSES AND CERTIFICATIONS – METHOD 2

DEPARTMENT OF PERMITTING SERVICES

Issued by: County Executive
Regulation No.

Authority: Code Sections 8-13, 8-14, 8-24b, 8-28, 17-2, 17-10, 17-20, 27a-5(E), 22-13, 47-2, 47-4
Supersedes: Regulation No. 17-07 Schedule of Fees for Permits, Licenses and Certifications
Council review: Method 2 under Code Section 2A-15
Register Vol. 24 No. 5

Comment Deadline: April 30, 2008
Effective Date:
Sunset Date: None

SUMMARY: This Executive Regulation, in general, increases, by 2.3% permit and license fees that cover the administration, plan review and enforcement programs of the Department of Permitting Services. An additional one time fee increase of 2% has been added to cover costs associated with the new credit card payment option for DPS customers. Sections I.C.2&3 and II.C.2. & 3. of this regulation also increases by 4% permit fees for green buildings as required by Bill 17-06 Buildings – Energy Efficiency and Environmental Design. The Well Location Permit fee was increased to \$160.00 in section VI. An application filing fee was added in section I.3. and II.3. for additions, alterations and repairs for homes utilizing a well or septic system. A duplicate Well Location Permit fee was deleted in section I.G. The indexing language has been modified to remove the need for Council approval of an Executive Regulation case where the only change is a fee increase consistent with the existing indexing language.

ADDRESS: Department of Permitting Services
255 Rockville Pike, Second Floor
Rockville, Maryland 20850

STAFF CONTACT: Reginald Jetter, Chief
Division of Casework Management
240-777-6275



MONTGOMERY COUNTY EXECUTIVE REGULATION

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

Subject: Schedule of Fees for Permits, Licenses and Certifications – METHOD 2	Number: 11-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date:

BACKGROUND INFORMATION: The Department of Permitting Services was established as a fee-supported enterprise within the Executive Branch of Montgomery County in 1996. Revenues that support the Department are established under these Method 2 Executive Regulations and by County Council resolution.

I. BUILDING PERMITS WITH MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION (MNCPPC) SITE PLAN APPROVAL

A. General

1. All fees required by this section must be paid prior to release of the permit and before the start of construction.
2. A filing fee must be paid at the time of application submittal. Filing fees are included in the permit fee.
3. Permit fees are calculated and collected for each permit application. When an application includes multiple buildings, a separate fee will be assessed to each building as defined in the building code, or as identified by a separate mailing address.
4. The maximum building permit fee is \$262,885 per application or per building/address when multiple buildings are included in a single application. Revision fees are in addition to the original or maximum permit fees.
5. Plan revisions are considered changes made by the applicant to the approved construction documents.

B. One- and Two-Family-Attached and -Detached Dwellings and Related Accessory Structures

- | | |
|--------------------------------------------------------------------------------------------------------------------|--------|
| 1. Application filing fee for new-building construction | \$825 |
| 2. Application filing fee for addition, alteration or repair | \$310 |
| 3. Application filing fee for addition, alteration or repair to homes that utilize a private well or septic system | \$ 340 |
| 4. New construction: | |
| a. One- and two-family-detached dwelling unit per dwelling unit: | |



MONTGOMERY COUNTY EXECUTIVE REGULATION

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

Subject: Schedule of Fees for Permits, Licenses and Certifications - METHOD 2	Number: 11-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date:

Gross floor area less than 5,000 square feet (SF)	\$2,350
Gross floor area 5,000 SF but less than 7,500 SF	\$3,345
Gross floor area 7,500 SF or more	\$4,355
b. One- and two-family-attached dwelling unit per dwelling unit	
5. Alterations, or repair: \$0.3535 per SF of the construction area	\$1,090
6. Additions - one and two family detached \$0.4948 per SF of the construction area	
7. Additions - one and two family attached \$0.3535 per SF of construction area	
8. Private in-ground swimming pool (including fence)	\$ 480
9. Private above-ground swimming pool (including fence)	\$ 250
10. Decks (opened unenclosed) 500 SF or less in area	\$185
11. Decks (opened unenclosed) more than 500 SF in area	\$310
12. Retaining Walls	\$185
13. Accessory buildings: 200 SF or less (Includes but is not limited to sheds, garages and gazebos)	\$120
14. Accessory buildings more than 200 SF: \$0.3535 per SF with minimum fee of	\$310
15. Plan Revision: \$0.3535 per SF of revised area or the application filing fee per occurrence, whichever is greater. Each revision occurrence may include revision to one or more disciplines. Plan revisions are considered changes made by the applicant to the approved construction documents. Revisions submitted on different dates are considered separate occurrences.	
C. Other Buildings and Structures	
1. Application-filing fee for construction, alteration, addition, or revision (per occurrence);	\$ 825

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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

Subject: Schedule of Fees for Permits, Licenses and Certifications – METHOD 2	Number: 11-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date:

2. **New construction and additions:** Is based on the cost of construction as determined by using the latest valuation data and procedures, as published by the International Code Council. The director will provide a worksheet and a formula that includes the latest numerical values of the valuation data and the local permit-fee multiplier to be used in determining the fee. The local permit-fee multiplier is \$0.0301. An applicant must provide building dimensions, square footage, use group, construction type, and numbers of floors including basements, in order for the fee to be calculated.

3. **Repairs, alterations and accessory structures:** Is based on the cost of construction as provided by the applicant multiplied by the local permit fee multiplier. However, the department may verify and recalculate the cost estimation submitted by the applicant by using the latest valuation data and procedures, as published by the International Code Council. The director will provide a worksheet and a formula that includes the latest numerical values of the valuation data and the local permit-fee multiplier to be used in determining the fee. The local permit-fee multiplier is \$0.0301. An applicant must provide building dimensions, square footage, use group, construction type, and numbers of floors including basements, in order for the fee to be calculated.

4. **Plan Revisions:** Fees are calculated in accordance with sections C.2. or C.3. above or the application filing fee per occurrence, whichever is greater. Each revision occurrence may include revision to one or more disciplines. Plan revisions are considered changes made by the applicant to the approved construction documents after the building permit has been issued. Revisions submitted on different dates are considered separate occurrences.

- | | |
|-----------------------------------|--------|
| D. Demolition Permit | \$ 360 |
| E. Fence Permit | \$ 78 |
| F. Use-and-Occupancy Certificates | |

1. The fee for a Use-and-Occupancy Certificate must be paid at the time of application. The maximum fee is \$12,265

2. The fee for any Use-and-Occupancy Certificate for each building or portion of a building or use is per square foot of area, as follows:

0 - 5,000 SF	\$ 440
5,001 – 10,000 SF	\$ 720
10,001 – 20,000 SF	\$ 860



MONTGOMERY COUNTY EXECUTIVE REGULATION

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

Subject: Schedule of Fees for Permits, Licenses and Certifications - METHOD 2	Number: 11-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date:

20,001 SF and up \$0.0230 per SF of area exceeding 20,000 SF	\$ 860 Plus
3. The fee for a Use-and-Occupancy Certificate for lots or parcels without buildings/structures on them is	\$ 440
4. The inspection fee for using or occupying a site without a Use-and-Occupancy Certificate is \$ 185 in addition to the fee for the Use-and-Occupancy Certificate.	
G. Mechanical Permit	
1. A minimum fee of \$ 65 applies to all Mechanical Permits issued to one- and two-family-attached and -detached dwellings.	
2. A minimum fee of \$ 105 applies to all other Mechanical Permits.	
3. Except for one- and two-family attached and detached dwellings, the base mechanical fee is 1.59% of the cost difference between the contract value and the value of listed equipment. The Department may require evidence of the contract value and equipment value. This fee is in addition to the equipment fee listed in this section. The following fee schedule applies to each piece of equipment.	
New, replacement and repaired equipment:	
a. Heating equipment (includes, but is not limited to, heat pump auxiliary heat, heating capacity of packaged units, duct heaters, VAV box heating elements, gas-fired fireplaces, etc.):	
Each 100 MBH or fraction	\$ 23
b. Cooling equipment (includes, but is not limited to, cooling capacity of heat pumps, packaged units, cooling boxes, cooling equipment with compressors, etc.):	
Each five ton capacity or fraction	\$ 23
c. Fuel tanks:	
Each 500 water gallons	\$ 52
d. Expansion tanks:	
Each 50 water gallons	\$ 52

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e. Pre-fabricated fireplace (includes wood stoves) Each firebox	\$ 26
f. Pre-fabricated chimney Each chimney	\$ 14
4. Re-inspection fee	\$ 39
5. Work without permit	\$ 97
6. Consultation inspection (per hour or fraction)	\$135

II. BUILDING PERMITS WITHOUT MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION (MNCPPC) SITE PLAN APPROVAL

A. General

- All fees required by this section must be paid prior to release of the permit and before the start of construction.
- A filing fee must be paid at the time of application submittal. Filing fees are included in the permit fee.
- Permit fees are calculated and collected for each permit application. When an application includes multiple buildings, a separate fee will be assessed to each building as defined in the building code, or as identified by a separate mailing address.
- The maximum building permit fee is \$164,300 per application or per building/address when multiple buildings are included in a single application. Revision fees are in addition to the original or maximum permit fees.
- Plan revisions are considered changes made by the applicant to the approved construction documents.

B. One- and Two-Family-Attached and -Detached Dwellings and Related Accessory Structures



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1. Application filing fee for new-building construction \$ 515
2. Application filing fee for addition, alteration or repair \$ 190
3. Application filing fee for additional, alteration or repair to homes that utilize a private well or septic system \$ 220
4. New construction:
 - a. One- and two-family-detached dwelling unit per dwelling unit:
 - Gross floor area less than 5,000 square feet (SF) \$1,475
 - Gross floor area 5,000 SF but less than 7,500 SF \$ 2,085
 - Gross floor area 7,500 SF or more \$ 2,725
 - b. One- and two-family-attached dwelling unit per dwelling unit \$ 680
5. Alterations or repair: .2209 per SF of the construction area
6. Additions ~ one and two family detached .3092 per SF of the construction area
7. Additions ~ one and two family attached .2209 per SF of the construction area
8. Private in-ground swimming pool (including fence) \$ 295
9. Private above-ground swimming pool (including fence) \$ 155
10. Decks (opened unenclosed) 500 SF or less in area \$ 110
11. Decks (opened unenclosed) more than 500 SF in area \$ 190
12. Retaining Walls \$ 110
13. Accessory buildings: 200 SF or less
(Includes but is not limited to sheds, garages and gazebos) \$ 76
14. Accessory buildings more than 200 SF: \$ 0.2209 per SF with a minimum fee of \$190.
15. Plan Revision: \$ 0.2209 per SF of revised area or the application filing fee per occurrence, whichever is greater. Each revision occurrence may include revision to

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one or more disciplines. Plan revisions are considered changes made by the applicant to approved construction documents. Revisions submitted on different dates are considered separate occurrences.

C. Other Buildings and Structures

1. Application-filing fee for construction, alteration, addition, or revision (per occurrence); \$ 515
2. New construction and additions: Is based on the cost of construction as determined by using the latest valuation data and procedures, as published by the International Code Council. The director will provide a worksheet and a formula that includes the latest numerical values of the valuation data and the local permit-fee multiplier to be used in determining the fee. The local permit-fee multiplier is \$ 0.0188. An applicant must provide building dimensions, square footage, use group, construction type, and numbers of floors including basements, in order for the fee to be calculated.
3. Repairs, alterations and accessory structures: Is based on the cost of construction as provided by the applicant multiplied by the local permit fee multiplier. However, the department may verify and recalculate the cost estimation submitted by the applicant by using the latest valuation data and procedures, as published by the International Code Council. The director will provide a worksheet and a formula that includes the latest numerical values of the valuation data and the local permit-fee multiplier to be used in determining the fee. The local permit-fee multiplier is \$ 0.0188. An applicant must provide building dimensions, square footage, use group, construction type, and numbers of floors including basements, in order for the fee to be calculated.
4. Plan Revisions: Fees are calculated in accordance with sections C.2. or C.3. above or the application filing fee per occurrence, whichever is greater. Each revision occurrence may include revision to one or more disciplines. Plan revisions are considered changes made by the applicant to the approved construction documents after the building permit has been issued. Revisions submitted on different dates are considered separate occurrences.

D. Demolition Permit \$ 230

E. Fence Permit \$ 47

F. Use-and-Occupancy Certificates



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1. The fee for a Use-and-Occupancy Certificate must be paid at the time of application. The maximum fee is \$ 7,660.
2. The fee for any Use-and-Occupancy Certificate for each building or portion of a building or use is per square foot of area, as follows:

0 - 5,000 SF	\$ 270
5,001 - 10,000 SF	\$ 450
10,001 - 20,000 SF	\$ 530
20,001 SF and up	\$ 530 Plus
\$0.0149 per SF of area exceeding 20,000 SF	
3. The fee for a Use-and-Occupancy Certificate for lots or parcels without buildings/structures on them is \$ 270
4. The inspection fee for using or occupying a site without a Use-and-Occupancy Certificate is \$ 110 in addition to the fee for the Use-and-Occupancy Certificate.

G. Mechanical Permit

1. A minimum fee of \$ 65 applies to all Mechanical Permits issued to one- and two-family-attached and -detached dwellings.
2. A minimum fee of \$ 105 applies to all other Mechanical Permits.
3. Except for one- and two-family attached and detached dwellings, the base mechanical fee is 1.59% of the cost difference between the contract value and the value of listed equipment. The Department may require evidence of the contract value and equipment value. This fee is in addition to the equipment fee listed in this section. The following fee schedule applies to each piece of equipment.

New, replacement and repaired equipment:

- a. Heating equipment (includes, but is not limited to, heat pump auxiliary heat, heating capacity of packaged units, duct heaters, VAV box heating elements, gas-fired fireplaces, etc.):
Each 100 MBH or fraction \$ 23
- b. Cooling equipment (includes, but is not limited to, cooling capacity of heat pumps,



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packaged units, cooling boxes, cooling equipment with compressors, etc.):
Each five ton capacity or fraction \$ 23

c. Fuel tanks:
Each 500 water gallons \$ 52

d. Expansion tanks:
Each 50 water gallons \$ 52

e. Pre-fabricated fireplace (includes wood stoves)
Each firebox \$ 26

f. Pre-fabricated chimney
Each chimney \$ 14

4. Re-inspection fee \$ 39

5. Work without a permit \$ 97

6. Consultation inspection (per hour or fraction) \$ 135

III. ELECTRICAL PERMIT AND LICENSE FEES

A. General

1. All fees required by this section must be paid before any permit is released, before any electrical work may begin, and before any inspection may be made.
2. A minimum fee of \$ 90 applies to all electrical permits issued to one- and two-family attached and detached dwellings.
3. A minimum fee of \$ 150 applies to all other electrical permits.

B. Electrical Permits

1. Air conditioners: Apply the motor schedule (see item 18.)



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2.	Appliances, small*	\$ 9 each
	* Such as air filters, automatic-vent ampere, clothes washers or dryers, cooking appliances (stoves, ranges, built-ins), dishwashers, disposals, fans, (exhaust, attic), humidifiers, sump pumps, trash compactors, water heaters or other water-treatment appliances	
3.	Arc-vapor lamps, rectifiers or rheostat chargers for storage batteries	\$ 13 each
4.	Battery packs	\$ 9 each
5.	Commercial new construction: (includes all wiring, temporaries-pending- final, equipment/appliances within the structure)	
	Not over 100 Amps	\$ 600
	From 101 to 200 Amps	\$ 745
	From 201 to 300 Amps	\$ 895
	From 301 to 400 Amps	\$ 1,055
	For services over 400 Amps:	\$ 1,055
	plus \$140 for each additional 100 Amps or fraction	
6.	Commercial tenant fit-ups, alterations, additions (includes all wiring, temporaries-pending-final, equipment/appliances within the space)	
	For low voltage or up to 20 devices	\$ 155
	For a single story up to 5,000 square feet	\$ 230
	For a single story from 5,001 - 10,000 square feet	\$ 380
	For a single story from 10,001 - 20,000 square feet	\$ 450
	For over 20,000 square feet or multi-story	\$ 520 per story
7.	Control wiring for heating, air conditioning, duct heaters, air handlers, and motor-control centers	\$ 21
8.	Dental chairs	\$ 13
9.	Electrical heating equipment (see motor schedule, item 18.)	
10.	Fire/security-alarm systems	\$ 38



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11. Single-station smoke detectors (each) installed separately	\$ 4
12. First 20 fixtures	\$ 13
Each additional 10 (or fraction thereof)	\$ 9
13. Gasoline pumps (each)	\$ 9
14. Heating equipment (other than strictly electrical): Residential or commercial: oil burners and gas burners, including controls (each)	\$ 13
15. Modular/mobile home	\$ 90
16. Motion-picture booths and equipment (each)	\$ 90
17. Meter stacks - replacements (each meter)	\$ 31
18. Motors, generators, rotating machinery, transformers, switch boards, electrical heaters, air conditioners (assumes 1 kw or 1 kva = 1 hp):	
Under 1/2 HP	Charged as fixtures
1/2 HP to 10 HP (each)	\$ 16
Over 10 HP to 20 HP (each)	\$ 21
Over 20 HP to 30 HP (each)	\$ 31
Over 30 HP to 50 HP (each)	\$ 38
Over 50 HP to 75 HP (each)	\$ 46
Over 75 HP (each)	\$ 52
19. Outlets and rough wiring (1 to 20 lights, switches, or receptacles)	\$ 16
Each additional 10 outlets or fraction	\$ 7
20. Radio, television, telephone (towers, dishes, microwave, relay systems, etc.) equipment	\$ 97
21. Service equipment, heavy-up, replacement, sub-panel, or relocation;	
0 to 400 Amp	\$ 38
401 Amps and up	\$ 76

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22. Signs (each Sign)	\$ 90
23. New Multi-family buildings (apartments, condominium dwelling units); For each dwelling unit	\$ 230
(Common areas such as stairwells, laundry, and storage rooms are charged as individual units for each panel or sub panel required.)	
24. Existing multi-family buildings (apartments, condominium dwelling units); For each dwelling unit	\$ 150
(Common areas such as stairwells, laundry, and storage rooms are charged as individual units for each panel or sub panel required.)	
25. One- and two-family dwellings and townhouses: The flat fees for all wiring, fixtures, appliances, etc., including temporaries pending final, are as follows:	
Up to 200 Amp	\$ 230
201 to 400 Amp	\$ 335
More than 400 Amp	\$ 450
26. Special deck inspections, slab concealment (each)	\$ 46
27. Sub-panels (see service equipment, item 21.)	
28. Swimming pools, hot tubs, and spas, including circulating pumps, fixtures, and receptacles	\$ 76
Bonding	\$ 21
29. Temporary wiring - carnivals, fairs, holiday decorations and tree lots, etc. (Includes panels, fixtures, outlets, etc.)	\$ 110
30. Temporary for construction	\$ 76
31. Transformers (see motor schedule, item 18.)	
32. Transformer vaults, duct banks (outdoor transformer, enclosure substation, or a switch-and-meter vault on private property including wiring)	\$ 97

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- 33. X-ray machines (each) \$ 16
- 34. Any low-voltage work not previously specified
 - 1-20 devices \$ 33
 - Each additional 10 or fraction thereof \$ 7

C. Electrical License Fees

1. Electrical Examinations

- a. Master Electrician & Master Limited \$ 59
- b. Journeyman Electrician \$ 38
- c. Homeowner's Electrical Examination Fee \$ 38
- d. Homeowner's Electrical Re-Examination Fee \$ 31

2. License and License Renewal Fees

- a. Electrical Contractor (per year) \$ 140
- b. Master Electrician (per year) \$ 140
- c. Master Electrician (Limited) (per year) \$ 140
- d. Journeyman Electrician (per year) \$ 59
- e. Apprentice Electrician (identification card) (per year) \$ 31
- 3. Duplicate license or identification card \$ 31
- 4. Re-examination fee \$ 31
- 5. Late-renewal fee \$ 59
- 6. Electrical contractor change of business name or status \$ 59
- 7. Electrician Good Standing Letter Fee \$ 31

IV. FIRE-CODE-PLAN-REVIEW FEES

A. General

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1. All fees required by this section must be paid before any permit is released and construction is started.
2. The minimum application filing fee is \$ 155.
3. Plan resubmittal means a new plan submitted, along with new permit application to incorporate change(s) or correction(s) to a plan and application that was previously denied.
4. Plan revisions are considered changes made by the applicant to the approved construction documents. Revision fees are in addition to the original or maximum permit fees.

B. Fire-Protection-Systems Fees

1. Fire-alarm- and -detection systems (devices or household control panel) \$ 16 per device, Max \$ 275/floor
2. Halon, CO2, or clean-agent systems (including controls, alarms, detection)
Dry or wet chemical extinguishing systems \$ 225 per system
3. Fire-sprinkler systems \$ 3 per head
4. Fire pumps \$ 76
5. Standpipe systems:
 - a. New systems (per standpipe riser) \$ 130
 - b. Existing system (per each addition of a hose valve) \$ 38

C. Plan Resubmittal

1. First resubmittal 50% of original fee
2. Second resubmittal 75% of original fee
3. Each subsequent resubmittal 100% of original fee

D. Plan Revisions: fee must be calculated as in item B above or shall be the application



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Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date: July 1, 2008

Montgomery County Regulation on:

SCHEDULE OF FEES FOR PERMITS, LICENSES AND INSPECTIONS – METHOD 3

DEPARTMENT OF PERMITTING SERVICES

Issued by: County Executive
Regulation No.

Authority: Code Sections 49-38, 19-6, 19-45, 19-67, 30-11, 27A-5(e)

Supersedes: Regulation No. 16-07

Council review: Method 3 under Code Section 2A-15

Register Vol. 24 No. 5

Comment Deadline: April 30, 2008

Effective Date:

Sunset Date: None

SUMMARY: This Executive Regulation in general increases, by 2.3% permit and license fees that cover the administration, plan review and enforcement programs of the Department of Permitting Services. An additional one time fee increase of 2% has been added to cover costs associated with the new credit card payment option for DPS customers. This regulation also increases by 15%, certain permit and license fees that cover the administration, plan review, and enforcement programs of the Department of Permitting Services. The net increase for all fees except Benefit Performance and Storage of Vendor Confiscated Goods is 19.3%. Fees for Section IV. Benefit Performances and Section V. Storage of Vendor Confiscated Goods were only increased by 4.3% which includes the annual adjustment and the credit card costs. The fee adjustment is required to re-align current fees with the cost of the resources required to perform the necessary functions. Section I.L. Minor Subdivision Plat Review Fee of \$500 was added. Section II.H.4. changes the fees for revisions to previously approved stormwater management concept plans from 50% of the original fee to 50% of the current fee. The fee for Right of Way bond replacement in Section I.J. was adjusted to be the same as the fee for Sediment Control bond replacement. Added to Section VIII. Miscellaneous is a Registration Fee for Responsible Personnel Certification Program (Sediment Control Green Card Training) of \$50. The indexing language has been modified to remove the need for Council approval of an Executive Regulation cases where the only change is a fee increase consistent with the existing indexing language. This regulation has also been revised to clarify existing fee descriptions.



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Subject: Schedule of Fees for Permits, Licenses and Inspections - METHOD 3	Number: 12-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date: July 1, 2008

ADDRESS: Department of Permitting Services
255 Rockville Pike, Second Floor
Rockville, Maryland 20850

STAFF CONTACT: Reginald Jetter, Chief
Division of Casework Management
240-777-6275

BACKGROUND INFORMATION: The Department of Permitting Services was established as a fee-supported enterprise within the Executive Branch of Montgomery County in 1996. Revenues that support the Department are established under these Method 3 Executive Regulations and by County Council resolution.

I. ROAD AND RIGHT-OF-WAY CONSTRUCTION

All roadway-construction projects, or any construction activity within the boundaries of a dedicated public right-of-way; including roads, sidewalks/bikeways, curbs, gutters, and drainage systems; require a permit and will be charged a fee by the Department of Permitting Services.

- A. Driveway Permit 14.930% of the estimated project cost
 - 1. A non-refundable filing fee of \$135.00 is required for all driveway permit applications.
- B. Grading Permit 14.930% of the estimated project cost
- C. Paving Permit 14.930% of the estimated project cost
- D. Storm Drain Permit 14.930% of the estimated project cost
- E. Special Use Permit 14.930% of the estimated project cost

The estimated project cost is determined by the Director of the Department of Permitting Services based on average costs submitted on recent County capital-improvement project

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bids for comparable work. Permit fees are not transferable.

- F. **Permit Extension:** Road and right-of-way construction permits are valid for a period of 18 months. Upon written request, prior to the expiration of a permit and the payment of an extension fee, the original permit may be extended for 12 months. The fee to extend a permit is ten percent (10%) of the original fee, but not less than \$175.00.
- G. **Refunds:** In the case of an abandonment or discontinuance of a project under permit, a refund of up to 50 percent of the fee paid may be granted provided: (1) No construction has occurred, and (2) A written request for refund is made prior to the expiration date of the permit. Revoked, suspended, or invalid permits or permits in litigation are not eligible for refunds.
- H. **Temporary Construction Activities:** A permit is required for any temporary structure placed within a road or public right-of-way. A minimum fee of \$175.00 will be charged for a crane, dumpster, or scaffolding/pedestrian-walkway permit.
- I. The fee for a revision to a right of way permit is 14.930% of the estimated cost of the revision. The minimum fee for a revision is \$135.00.
- J. The fee for replacement of a Performance Bond, Cash Bond, Irrevocable Letter of Credit, or Certificate of Guarantee is \$110.00. If the purpose of the replacement is to reduce the amount of the instrument due to partial completion of the work, the fee is \$185.00.
- K. The fee for a change of legal description or other administrative revision to a Right of Way Permit is 50% of the minimum permit fee.
- L. **Minor Subdivision Plat Review Fee:** Record plat review fees in the amount of \$500.00 per plat must be paid by the applicant prior to the approval of record plat created under section 50-35A. Minor Subdivisions-Approval Procedures.

II. SEDIMENT CONTROL, STORMWATER MANAGEMENT, AND FLOODPLAIN DISTRICTS

A. General

- 1. Applications, including applications for revisions, must be accompanied by the permit fee or the minimum fee as specified.
- 2. All remaining fees must be paid prior to any subsequent submission for review or



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control plan, as determined by the Department and is based on the distributed area.

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| a. Land disturbance 10,000 square feet or less | \$ 630 |
| b. Land disturbance greater than 10,000 square feet | \$1,265 |
|
C. Forest-Harvest Activities Sediment Control Permits |
\$ 210 |
| D. Maintenance-of-Stormwater-Management-Facilities
Sediment-Control Permits |
\$ 545 |
|
E. Engineered Sediment-Control Permits and Revisions with Increased Disturbed
Area | |
| 1. Per square feet of disturbed area | \$ 0.062 |
| 2. Minimum fee | \$ 1,895 |
|
F. Technical Revisions to Engineered Sediment Control Permits
(with no increase in disturbed area) |
35% of original fee |
| 1. Minimum fee | \$ 1,895 |
| 2. Maximum fee | \$ 4,160 |
|
G. Sediment-Control-Permit Extension | |
| 1. Sediment-Control Plans and Permits are valid for a period not to exceed two (2)
years from the date of issuance or approval. Permit extensions are valid for one (1)
year. The fee to extend all other Sediment-Control Permits, after written application
and before expiration of the original permit, is \$0.0062 per square foot of disturbed
area, as designated on the original permit or plan approval. The minimum fee for an
extension is \$210. | |
|
H. Stormwater Management As-built Plans | |

The fee for the review and approval of stormwater management as-built plans is \$1,895. An additional fee of \$1,895 will be assessed when as-built plans are submitted for stormwater management facilities which have not been constructed in accordance with Department- approved plans.

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I. Stormwater-Management-Concept-Plan Fees

- | | |
|-------------------------------------------------------------------------------------------------------------|----------|
| 1. For concepts of onsite stormwater-management for a single-family residential lot | \$ 1,040 |
| 2. All other stormwater-management concept plans which are for development of 25 acres or fewer | \$ 2,440 |
| 3. All other stormwater-management concept plans which are for development of greater than 25 acres | \$ 3,120 |
| 4. Fees for revisions to previously approved stormwater-management-concept plans are 50% of the current fee | |

J. Floodplain-District Permit and Floodplain-Study Fees

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1. Floodplain-District Permit | \$ 730 |
| 2. Review and approval of studies that define, verify or modify Floodplain-District limits | \$ 2,080 |
| 3. Review and approval of dam-breach studies using the TR-60-Q, Max estimation method | \$ 730 |
| 4. Review and approval of all other dam-breach analyses | \$ 2,080 |
| 5. Certification of Floodplain Limits not covered by J.1, J.2, J.3 or J4 | \$ 180 |
| 6. Floodplain-District Permits are valid for two (2) years from the date of issuance. The fee to extend a Floodplain-District Permit is \$[160] 190 and is valid for one (1) year. | |

III. WATER QUALITY REVIEW AND MONITORING IN SPECIAL PROTECTION AREAS

A. Preliminary-Water-Quality-Plan-Review Fees

- | | |
|------------------------------|-----------|
| 1. Five or fewer acres | \$ 1,425 |
| 2. More than 5 - 15 Acres | \$ 2,670 |
| 3. More than 15 - 25 Acres | \$ 3,905 |
| 4. More than 25 - 75 Acres | \$ 6,960 |
| 5. More than 75 - 125 Acres | \$ 8,705 |
| 6. More than 125 - 175 Acres | \$ 10,420 |
| 7. More than 175 - 225 Acres | \$ 12,145 |
| 8. More than 225 - 275 Acres | \$ 13,855 |

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9. More than 275 - 325 Acres	\$ 15,455
10. More than 325 - 375 Acres	\$ 17,310
11. More than 375 Acres	\$ 19,030

B. Final Water-Quality-Plan-Review Fees

1. 5 Acres or less	\$ 1,170
2. More than 5 - 15 Acres	\$ 2,370
3. More than 15 - 25 Acres	\$ 3,530
4. More than 25 - 75 Acres	\$ 6,835
5. More than 75 - 125 Acres	\$ 9,035
6. More than 125 - 175 Acres	\$ 11,250
7. More than 175 - 225 Acres	\$ 13,570
8. More than 225 - 275 Acres	\$ 15,645
9. More than 275 - 325 Acres	\$ 17,845
10. More than 325 - 375 Acres	\$ 20,050
11. More than 375 Acres	\$ 22,260

C. Stream-Monitoring Fees: Stream-monitoring fees in the amount of \$ 860 per acre must be paid by the permittee prior to issuance of the Sediment-Control Permit for the development site. For the purpose of fee calculation, the total acreage of the site as shown on the approved record plat shall be used. All fractions of acreage will be rounded to the nearest whole number. If the acreage fraction is .5, the next higher whole number will be used. The Department of Permitting Services collects this fee for the Department of Environmental Protection.

D. Revisions: A revision fee in the amount of 35% of the original fee must be paid by the permittee for any significant amendments to the approved preliminary or final water-quality plan. Minor revisions to the approved preliminary or final water-quality plan do not require an additional plan-review fee.

IV. BENEFIT PERFORMANCES

A bona fide non-profit organization may conduct a performance for the exclusive benefit of a volunteer fire department, or a charitable, benevolent, patriotic, fraternal, educational, religious or civic object. A benefit performance includes an outdoor or indoor carnival, fair, picnic, dance, card party, bazaar, concert, contest, horse show, exhibition, lecture, barbecue, or dinner, to which the public is invited or admitted, with or without charge for admission. The net proceeds must benefit solely the non-profit organization.

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MONTGOMERY COUNTY EXECUTIVE REGULATION

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

Subject: Schedule of Fees for Permits, Licenses and Inspections – METHOD 3	Number: 12-08
Originating Department: DEPARTMENT OF PERMITTING SERVICES	Effective Date: July 1, 2008

- A. Benefit Performance \$ 57
- B. Duplicate License \$ 16

V. STORAGE OF VENDOR-CONFISCATED GOODS

This regulation sets a fee for the storage of goods confiscated by the Department of Permitting Services enforcement staff from vendors illegally offering goods for sale.

- Storage Fee \$ 73

VI. INDIVIDUAL WATER-SUPPLY AND SEWAGE-DISPOSAL SYSTEMS

A. General

1. In the case of an abandonment or discontinuance of a project under permit, the person who has paid the permit fee may return the permit for cancellation and, upon cancellation, may be refunded up to 50 percent of the fee paid, provided: (1) No construction has occurred, and (2) A written request for refund is made prior to the expiration date of the permit. Revoked, suspended or invalid permits or licenses, or licenses or permits in litigation, are not eligible for refunds.
2. Permits are valid for a period of one year. The fee to extend a permit after written application and before the expiration of the original permit is \$ 135.00. The extension is limited to six (6) months. Only one extension may be granted for each permit.
3. Permit fees are not transferable.
4. The fee for revisions to permit information after submission by the applicant is \$ 135.00.
5. The fee for minor plan revisions is the Minor-Plan-Review Fee.
6. The fee for investigation, review and issuance of a permit to repair an existing sewage-disposal system is the Minor-Plan-Review Fee.

- B. Conventional Percolation Tests Per Lot (each visit) \$ 520
- C. Percolation Tests Per Lot for Mound Systems (each visit) \$ 935

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D. Percolation Tests Per Lot for Alternative and Innovative Systems (each visit)	\$ 935
E. Water-Table-Level Check (each visit)	\$ 410
F. Individual-Sewage-Disposal-System Permit	\$ 935
G. Plans Review for Subdivision and platted Lots and Revisions (Per Lot)	\$ 500
H. Minor Plan Review	\$ 275
I. Septage-Hauler-Permit Inspection (per truck)	\$ 210

VII. INDEXING OF FEES TO LABOR COST INCREASES

The Director of Permitting Services must adjust each fee set in or under this regulation on July 1 of each year by a percentage that does not exceed the rate of the increase (if any) in the department's approved personnel costs for the then-current fiscal year compared to the approved personnel costs for the preceding fiscal year. For fees of \$100 or more, the Director must calculate the revised fee to the nearest five dollars. For fees under \$100, the Director must calculate the revised fee to the nearest dollar.

The Director must publish the amount of this adjustment not later than July 1 of each year.

VIII. MISCELLANEOUS

Filing fees and permit fees are based on fees in effect on the date the application was filed. All other fees are based on fees in effect at the time the service is requested (revision fee, extension fee, etc.).

A. Registration Fee for Responsible Personnel Certification Program (Sediment Control Green Card Training)	\$ 50
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TABLE 1: DEPARTMENT OF PERMITTING SERVICES FEES

	Approved Charge (as of July 1, 2008)
Equestrian Event Permit¹ (Section 59-C-9.31. (a)(4))	\$185
Home Occupation Fees² (Section 59-A-1.10) Registered Home Occupation Certificates	\$185
Nonconforming Use Certificates³ (Section 59-A-1.10)	\$185
Request to waive parking standards⁴ (Sec. 59-E-4.5. "Waiver - parking standards")	\$780
Enforcement of special exceptions⁵ (Section 59-A-1.10)	\$290
Zoning Compliance Letters⁶ (Section 59-A-1.10)	
Residential (single family dwelling)	\$100
Commercial (other than single family dwelling)	\$210
Sign Fees (Sec. 59-F., "Signs")	
a. Sign Permit Fees	
i. a permanent sign	\$255
ii. a limited duration sign	\$32
iii. bulk limited duration signs (only available to licensed limited duration sign installers) is	\$0.00
iv. a sign concept plan	\$110
v. a request for a sign review board variance per sign or sign concept plan	\$435
b. Sign Installer License	
i. a sign installer license is	\$365

¹ The fee for an Equestrian Event Permit must be paid at the time of application submittal.

² The fee for Registered Home Occupation Certificates must be paid at the time of application submittal.

³ The fee for Nonconforming Use Certificates must be paid at the time of application submittal.

⁴ The fee for requests to the Department of Permitting Services to waive parking standards must be paid at the time the request is made.

⁵ The annual fee for enforcement of special exceptions will be paid by the holder of the Special Exception. The special exception fee must be paid within the first 30 days of each fiscal year. If the annual fee for enforcement of special exceptions is not paid, the Department must notify the Board of Appeals in writing.

⁶ The fee for Zoning Compliance Letters must be paid when the request is made.

ii. a limited duration sign installer license is \$220

1. The following schedule of fees is approved for licenses and permits issued and subject to MNCPPC site plans under Article 59-F., "Signs".

a. Sign Permit Fees - The fee for:

i. a permanent sign is \$410
ii. a limited duration sign is \$52
iii. bulk limited duration signs (only available to licensed limited duration sign installers) is \$0
iv. a sign concept plan is \$175
v. a request for a sign review board variance per sign or sign concept plan is \$695

b. Sign Installer License - The fee for:

i. a sign installer license is \$590
ii. a limited duration sign installer license is \$345

3. All fees must be paid at the time of application.