

Bill No. 4-01
Concerning: Impact Tax - Amendments
Revised: 5-1-01 Draft No. 4
Introduced: February 6, 2001
Enacted: May 1, 2001
Executive: May 14, 2001
Effective: August 13, 2001
Sunset Date: None
Ch. 10, Laws of Mont. Co. 2001

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the request of the County Executive

AN ACT to:

- (1) update the rates of the development impact tax, and allow certain tax credits to be transferred under certain conditions;
- (2) update the impact tax transportation program;
- (3) create a Clarksburg impact tax district and adopt tax rates and a transportation program for the district;
- (4) revise the share of the impact tax transportation program paid by certain new development; and
- ~~[(3)]~~ (5) generally amend the law governing the development impact tax.

By amending

Montgomery County Code
Chapter 52, Taxation
Sections 52-49, 52-55, 52-57, ~~[[and]]~~ 52-58, and 52-59

Boldface

Underlining

[Single boldface brackets]

Double underlining

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law by original bill.

Added by amendment.

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 apply the excess credit toward the development impact
 28 taxes imposed on other building permits for development
 29 [[on the same site]] in the same impact tax district and with
 30 the same ownership. In this Section, a property has the
 31 same ownership as another property if the same legal
 32 entity owns at least 30% of the equity in both properties.

33 * * *

34 (e) Any property owner who, before May 1, 2001, built all or part of a
 35 project in the Clarksburg impact tax district which is listed in the
 36 impact tax transportation program (including building any road which
 37 would be widened under the program) is entitled to a credit equal to
 38 the reasonable cost of the improvement. The Department of Public
 39 Works and Transportation must calculate the credit. The Department
 40 must not give a refund for a credit earned under this subsection.

41 (f) A property owner may transfer a credit against the development impact
 42 tax to another property owner in the impact tax district where the credit
 43 originated if the transferor received the credit on or before August 7,
 44 1992 in exchange for the sale of land to the County. The transferee is
 45 entitled to the amount of credit transferred to it, up to the amount of
 46 unpaid impact tax the transferee owes. The Department must not give a
 47 refund for a credit used under this subsection. The Department must not
 48 allow more than \$2,750,000 in credits under this subsection.

49 **52-57. [Per-unit development] Development impact taxes; methodology.**

50 [[* * *]]

51 (a) [[The methodology for determination of per-unit development]]
 52 Development impact taxes [[is as follows]] must be calculated
 53 by the following process:

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(7) [[Calculate the ratio of possible residential development (ceiling development minus existing residential development as computed in step 1) to ceiling residential development. Similarly, calculate the ratio of possible nonresidential development to ceiling nonresidential development. Compute a weighted-average ratio of possible development to ceiling development for an impact tax district based upon the trip impact values of possible residential and nonresidential development. This weighted-average ratio represents the share of the cost of impact highway improvements to be borne by new development; where the ratio exceeds 50 percent, a proportion of 50 percent must be used, under subsection 52-47(e). The new development share, without adjustment for the reduced office and industrial rates, for each impact tax district is:

- (A) Germantown 50.00%
- (B) Eastern Montgomery County 44.75

New development shares are calculated only when an impact tax district is established; they are not recalculated every 2 years.]]
Multiply [[these shares]] 50% by the pro rata cost per unit for each land use category (calculated in Step 6) to determine the [[per-unit]] development impact tax for each land use category.

(b) The [per-unit] development impact [taxes] tax rates for each impact tax district are [[as follows]]:

Tax per Dwelling Unit or per [1,000] Square [Feet] Foot of Gross Floor Area (GFA)

<i>Land Use Type</i>	<i>Germantown</i>	<i>Eastern Montgomery County</i>	<i>Clarkshurg</i>
Single-family residential (per dwelling unit)	[\$2,378.00] [[<u>\$2,473</u>]] <u>\$2,492</u>	[\$1,558.00] [[<u>\$1,620</u>]] <u>\$1,727</u>	<u>\$2,753</u>
Multifamily residential (per dwelling unit)	[\$1,712.00] [[<u>\$1,780</u>]] <u>\$1,794</u>	[\$1,122.00] [[<u>\$1,167</u>]] <u>\$1,243</u>	<u>\$1,981</u>
Multifamily-senior residential (per dwelling unit)	[\$507.00] [[<u>\$527</u>]] <u>\$531</u>	[\$332.00] [[<u>\$345</u>]] <u>\$368</u>	<u>\$573</u>
Office (per [1,000] sq. ft. GFA)	[\$1,000.00] <u>\$2</u>	[\$1,000.00] <u>\$2</u>	<u>\$2</u>
Industrial (per [1,000] sq. ft. GFA)	[\$500.00] <u>\$1</u>	[\$500.00] <u>\$1</u>	<u>\$1</u>
Retail (per [1,000] sq. ft. GFA)	[\$4,849.00] [[<u>\$5.04</u>]] <u>\$5.08</u>	[\$3,177.00] [[<u>\$3.30</u>]] <u>\$3.52</u>	<u>\$5.61</u>
Places of worship (per [1,000] sq. ft. GFA)	[\$280.00] <u>\$29</u>	[\$183.00] [[<u>\$19</u>]] <u>\$20</u>	<u>\$32</u>
Private elementary and secondary schools (per [1,000] sq. ft. GFA)	[\$466.00] <u>\$48</u>	[\$305.00] [[<u>\$32</u>]] <u>\$33</u>	<u>\$53</u>
Other nonresidential (per [1,000] sq. ft. GFA)	[\$5,362.00] [[<u>\$5.58</u>]] <u>\$5.62</u>	[\$3,514.00] [[<u>\$3.65</u>]] <u>\$3.89</u>	<u>\$6.20</u>

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52-58. Impact tax district transportation program.

83 The impact tax district transportation program is as follows:

<i>Road Name</i>	<i>Limits</i>	<i>Improvement</i>	<i>Cost</i>	<i>Timing (Completion by FY 99-2004 Denoted by *)</i>
<i>(a) Germantown:</i>				
<u>Century Boulevard</u>	Northern terminus (2001) to 1000' north	<u>4-Lane</u> Undivided Construct	\$2,085,000	
Great Seneca Highway	Middlebrook Road to Great Seneca Creek	[6]4-Lane Divided Construct	[\$25,075,000. 00] \$14,700,000	*(Part): 4L from Middlebrook to Great Seneca Creek
Eastern Arterial (M- 83)	Northern Planning Area Boundary to Great Seneca Creek	6-Lane Divided Construct with an Interchange at M-61	[\$36,504,000. 00] \$38,059,000	
Father Hurley Boulevard/ Ridge Road (M-27)	MD 27 to MD 118 Relocated	6-Lane Divided Construct from MD 27 to Crystal Rock Drive, with an interchange at I-270 and 4L divided from Wisteria Drive to MD 118 Relocated	[\$53,962,000. 00] \$62,788,000	*(Part): 6L from Crystal Rock to A-19 w/interchange at I-270; 4L from A-19 to MD 27; 21 A-254 to MD 118
MD 118 Relocated	2000' south of Clopper Road to Wisteria Drive and from I-270 to MD 355	6L Divided Construct from MD 355 to I-270 & from Wisteria Drive to Riffleford Road	[\$34,952,000. 00] \$35,935,000	*(Part): 6L from Wisteria Drive to MD 117 and I- 270 to MD 355; 2L from MD 117 to 2000' south

German- town Rd. Extended (M-61)	MD 355 to Watkins Mill Rd.	6-Lane Divided Construct	[\$6,079,000.0 0] \$11.113.000	
Crystal Rock Drive	MD 118 to M- 27	Add 2 lanes	[\$5,441,000.0 0] \$6.225.000	
Middle- brook Road	M-27 to Eastern Arterial	4L Divided Reconstruct from M-83 to MD 355; 6L divided reconstruct from MD 355 to Great Seneca Highway; add 2L from Great Seneca Highway to M-27	[\$20,011,000. 00] \$20.897.000	*(Part): 6L from Great Seneca Highway to I- 270, 6L from I- 270 to MD 355
Watkins Mill Road (A-17)	M-83 to Planning Area Boundary	4-Lane Undivided Reconstruct	[\$4,998,000.0 0] \$5.322.000	
A-19 (Observa- tion Drive)	MD 118 Relocated to Planning Area Boundary	4-Lane Undivided Construct with M-27 Interchange	[\$36,847,000. 00] \$37.518.000	*(Part); 4L from MD 118 Relocated through Milestone development
Waring Station Road	Wisteria Drive to Clopper Road	4-Lane Undivided Reconstruct	[\$4,449,000.0 0] \$4.619.000	
A-254	MD 118 Relocated to Great Seneca Highway	4-Lane Undivided Construct	[\$2,233,000.0 0] \$3.063.000	*(Part): 4L from MD 118 Relocated to Great Seneca Highway

I-4 (Northern Crossing)	Century Boulevard to Observation Drive	4-Lane Undivided Construct	[\$8,672,000.00] \$9,643,000	
Park and Ride Lots	Planning Area	2550 spaces	[\$16,320,000.00] \$16,575,000	*(Part) 769 spaces
German-town Transit Center	MD 118/Century Blvd.	Construct 200-space park & ride	[\$2,604,000.00] \$1,913,000	
Total			[\$258,147,000.00] [[\$268,370,000]]	\$270,455,000
50%			[\$129,074,000.00] [[\$134,185,000]]	\$135,227,500

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(b) Eastern Montgomery County:

[[A-287	E. Randolph Road Relocated to P.G. County Line	4-Lane Undivided Reconstruct	[\$1,883,000.00] \$1,979,000]]	
Briggs Chaney Road	Automobile Boulevard to P.G. County Line	4-6 Lane Reconstruct	[\$11,570,000.00] \$14,668,000	*(Part): Reconstruct bridge
Fairland Road	E. Randolph Road Relocated to P.G. County Line	4-Lane Undivided Reconstruct from U.S. 29 to P.G. County Line and add 2L from E. Randolph Road to Old Columbia Pike	[\$18,156,000.00] \$18,716,000	

Greencastle Road	Robey Road to P.G. County Line	4-Lane Undivided Reconstruct	[\$3,866,000.00] \$3,257,000	
Norbeck Road Extended	Layhill Road to New Hampshire Avenue	2-Lane Construct	[\$28,403,000.00] \$27,115,000	
[[Musgrove Road	U.S. 29 to Fairland Road	4-Lane Undivided Reconstruct	[\$2,361,000.00] \$2,483,000]]	
East Randolph Road	Burkhart Street to Old Columbia Pike	4-Lane Undivided Reconstruct	[\$10,878,000.00] \$12,477,000	*
Park-and-Ride Lots		1814 spaces	[\$11,609,000.00] \$11,791,000	*
Total			[\$88,726,000.00] [[[\$103,504,000]] \$88,024,000	
			[[44.75%]] <u>50%</u> [\$39,705,000.00] [[[\$46,318,000]] \$44,012,000	

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(c) Clarkshuro:

Foreman Blvd (A-306)	MD 355 to A-305	Construct 2 lanes	\$1,605,035
Gateway Center Drive (A-300)	A-260 to A-301	Widen to 4 lanes <u>divided</u>	\$3,602,537
Midcountv Highway (M-83)	Brink Road to MD 27	Construct 6 lanes <u>divided</u>	\$8,728,439
Midcountv Highway (A- <u>2</u>)	MD 27 to (Stringtown Road) MD 355	Construct 2/4 lanes <u>divided</u>	\$38,516,291

<u>305)</u>			
Newcut Road <u>(A-302)</u>	MD 121 to MD 27	Construct 2/4 lanes <u>divided</u>	\$36,576,638
Ohsevation Drive (A-19)	MD 355 to Germantown boundary	Construct 4 lanes <u>divided</u>	\$21,971,391
Old Frederick Road (B-1)	Through town center	Construct 2 lanes	\$2,675,814
Shawnee Lane <u>(A-301)</u>	Gateway Center Drive (A- 300) to MD 355(A-251)	Widen to 4 lanes <u>divided</u>	\$8,121,588
Stringtown Road <u>(A-260)</u>	I-270 to A-305	Construct 4 lanes <u>divided</u>	\$10,889,280
Park & Ride <u>Spaces</u>		155 spaces	\$1,054,899
<u>Total</u>			\$133,741,910
<u>50%</u>			\$66,870,955


86 **52-59. Methodology to determine impact tax districts.**

87 (a) Impact tax districts are those planning policy areas, or
 88 combinations of planning policy area, in which existing and
 89 approved development is at or above the staging ceiling as defined
 90 by the Annual Growth Policy. Where existing development is at
 91 or above the staging ceiling, no further development can occur in
 92 the planning policy area without violating the adequate public
 93 facilities ordinance transportation standards, unless the staging
 94 ceiling is raised. The staging ceiling can be raised by the addition
 95 of major improvements beyond those that are programmed. The
 96 addition of these unprogrammed improvements will raise the

97 staging ceiling, with the objective of allowing additional
 98 development consistent with APFO staging ceiling standards. [[At
 99 the present time, Germantown (East and West) and Eastern
 100 Montgomery County (Cloverly, Fairland/White Oak) are
 101 characterized by existing development at or above the staging
 102 ceiling and have, therefore, been identified as impact tax
 103 districts.]] [[Once]] After an impact tax district has been
 104 designated under subsection (b), it [[will]] must remain an impact
 105 tax district until full buildout has occurred.

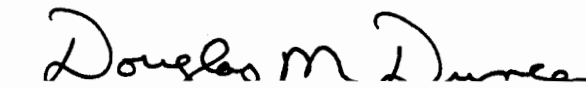
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107 *Approved:*

108 
 Blair G. Ewing, President, County Council

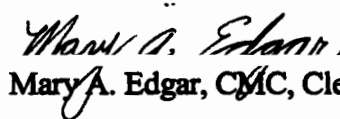
May 2, 2001
 Date

109 *Approved:*

110 
 Douglas M. Duncan, County Executive

May 14, 2001
 Date

111 *This is a correct copy of Council action.*

112 
 Mary A. Edgar, CMC, Clerk of the Council

May 15, 2001
 Date