

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 10/30/2000

Reference No.: CR-66-2000

Proposer: Bailey

Draft No.: 1

Sponsors: Bailey, Shapiro

Item Title: A Resolution to modify the definition of apartment unit
for the purposes of the WSSC System Development
Charge (SDC)

Drafter: Craig S. Price
Deputy Council Administrator

Resource Tom Traber
Personnel: Financial Officer, WSSC

LEGISLATIVE HISTORY:

Date Presented: __/__/__

Executive Action: __/__/__

Committee Referral: 10/30/2000 C.O.W.

Effective Date: __/__/__

Committee Action: 10/30/2000 FAV

Date Introduced: 10/30/2000

Public Hearing: __/__/__ __:__ __

Council Action: 10/30/2000 ADOPTED

Council Votes: DB:A, JE:A, IG:A, TH:A, WM:A, RVR:A, AS:A, PS:A, MW:A

Pass/Fail: P

Remarks: _____

BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

WSSC advised both Counties during the FY 2001 budget review process that the current definition of "apartment unit", approved by the Council for use by WSSC for SDC purposes, allows certain types of luxury housing units to obtain a reduced SDC fee, causing a loss of revenue for WSSC Capital projects. Current WSSC projections indicate that for the next six years development projects which must pay the SDC fee will not generate sufficient revenue to pay the full cost of development projects. Since the SDC fee may only be increased by the Councils annually based on the Consumer Price Index for the Metro area, the revenue shortfall from developer projects becomes part of the WSSC debt service, and is retired by the ratepayers. By modifying the definition of apartments, WSSC estimates it will recapture as much as \$500,000 annually from luxury units currently paying only the reduced apartment unit SDC fee. This will somewhat lessen the burden borne by ratepayers.

CODE INDEX TOPICS: