

Prince George's County Council

Agenda Item Summary

Meeting Date: 6/21/2011
Reference No.: CR-051-2011
Draft No.: 1
Proposer(s): County Executive
Sponsor(s): Turner
Item Title: A Resolution concerning School Facilities Surcharge for the purpose of adjusting the school facilities surcharge for inflation for Fiscal Year 2012, beginning July 1, 2011, as required by State law

Drafter: James L. Abernathy, OMB
Resource Personnel: James L. Abernathy, OMB

LEGISLATIVE HISTORY:

Date Presented:		Executive Action:	
Committee Referral:	6/14/2011 - PSFM	Effective Date:	7/1/2011
Committee Action:	6/15/2011 - FAV		
Date Introduced:	6/14/2011		
Public Hearing:			
Council Action (1)	6/21/2011 - ADOPTED		
Council Votes:	WC:A, MRF:A, AH:-, LJ:A, ML:A, EO:A, OP:A, IT:A, KT:A		
Pass/Fail:	P		
Remarks:			

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

Public Safety and Fiscal Management

Date 6/15/2011

REPORT: Committee Vote: Favorable: 4-0, (In favor: Council Members Campos, Franklin, Patterson, and Toles)

This Resolution will adjust the School Facilities surcharge for inflation based upon the Consumer Price Index (CPI) for all Urban Consumers effective July 1, 2011, as required by State Law. The CPI shows an inflation rate of 3.2% for April 2011 compared to a rate of 2.2% in April 2010. Applying the inflation rate of 3.2% to the current FY2011 school facilities surcharge rate of \$8,299 for permits issued (for properties in the established communities or certain properties within a Basic Plan or Conception Site Plan that abuts an existing or planned WMATA Mass transit rail station) and \$14,227 (all other properties). The FY2012 School Facilities Surcharge rate of \$8,565 and \$14,682 reflects an increase of \$266 and \$455, respectively.

The Office of Law has reviewed this resolution and finds it to be in proper legislative form with no legal impediments to its adoption.

According to FY2011 data received by the Office of Audits and Investigations 1,892 residential building permits were estimated as subject to the school facilities surcharge, with approximately 87% of the residential building

permits issued for properties outside of the beltway and 13% issued for properties in established communities for certain properties abutting an existing or planned WMATA mass transit rail station. Using these assumptions the total estimated school facilities surcharge revenue for FY2012 is approximately \$26,273,562.

The adoption of CR-51-2011 will have a positive impact on the County with the estimated revenue of \$814,366 in FY2012.

BACKGROUND INFORMATION/FISCAL IMPACT:

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

Pursuant to Section 10-192.01(b)(1)(B) of the Prince George's County Code, the school facilities surcharge is required to be adjusted for inflation pursuant to the Consumer Price Index for All Urban Consumers each fiscal year beginning in Fiscal Year 2005.

The Consumer Price Index for All Urban Consumers during the period of April 2010 to April 2011, compared to the 12 month period ending April 2010, shows an inflation rate of 3.2%, and results in a surcharge increase of \$266 above the Fiscal Year 2011 school facilities surcharge of \$8,299 for residential permits issued for buildings between Interstate Highway 495 and the District of Columbia and for residential permits issued for buildings included within a basic plan or conceptual site plan that abuts an existing or planned mass transit rail station site operated by the Washington Metropolitan Area Transit Authority and an increase of \$455 above the Fiscal Year 2011 school facilities surcharge of \$14,227 for residential permits issued for all other buildings.

For Fiscal Year 2012, the school facilities surcharge shall be \$8,565 for residential permits issued for buildings located between Interstate Highway 495 and the District of Columbia and for residential permits issued for buildings included within a basic plan or conceptual site plan that abuts an existing or planned mass transit rail station site operated by the Washington Metropolitan Area Transit Authority and \$14,682 for residential permits issued for all other buildings.

CODE INDEX TOPICS:

INCLUSION FILES:
