

THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

March 8, 2018

MEMORANDUM

TO:

Robert J. Williams, Jr. Council Administrator

William M. Hunt

Deputy Council Administrator

THRU:

David H. Van Dyke

County Auditor

FROM:

Inez N. Claggett

Senior Legislative Auditor

RE:

Fiscal Impact Statement

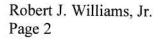
CB-006-2018 DR-2 School Facilities Surcharge

Legislative Summary

CB-006-2018 seeks to provide an exemption from the Prince George's County School Facility Surcharge for the construction of certain multifamily housing dwelling units or multifamily dwelling units meeting certain conditions.

Background/Current Law

Prince George's County Code Section 4-352(n) requires the payment of a School Facility Surcharge upon the issuance of a building permit for new residential construction for which a building permit application has been made on, or after July 1, 1996. CR-057-2017 established the School Facility Surcharge for FY 2017, at \$9,317 for permits issued for buildings between Interstate Highway 495 and the District of Columbia, and for permits issued for buildings included within a basic plan or conceptual site plan that abuts an existing or planned mass rail station operated by the Washington Metropolitan Area Transit Authority (WMATA). The School Facility Surcharge for FY 2017 is \$15,972 for permits issued for all other buildings. Revenues collected from the assessment of the School Facility Surcharge may only be used to fund additional or expanded public school facilities such as renovations to existing school buildings or other systemic changes, or to pay debt service on bonds issued for additional or expanded public school facilities or new school construction.



Resource Personnel

Legislative Officer for the Prince George's County Council.

Assumptions and Methodology

CB-006-2018 is enabling legislation which would allow the County Council to provide an exemption to the assessment of the School Facility Surcharge on multi-family housing dwelling units or multi-family dwelling units created through a conversion of an office building, provided the multi-family uses are located on property within a Regional Transit District or Local Center within an applicable General Plan, as designated by Resolution of the County Council.

Fiscal Impact

Direct Impact

Enactment of CB-006-2018 should not have an adverse fiscal impact on the County since this is enabling legislation. A negative fiscal impact will occur should a Resolution be approved by the County Council which provides an exemption for the assessment of the School Facility Surcharge. The negative fiscal impact would be equal to the number of multi-family housing dwelling units, or multi-family dwelling units, multiplied by the School Facility Surcharge fee. The fee would be \$9,317 for permits issued for buildings between Interstate Highway 495 and the District of Columbia, and for permits issued for buildings included within a basic plan or conceptual site plan that abuts an existing or planned mass rail station operated by the Washington Metropolitan Area Transit Authority (WMATA), or \$15,972 for all other buildings.

Indirect Impact

Enactment of CB-006-2018 should not have an adverse indirect fiscal impact on the County.

Appropriated in the Current Fiscal Year Budget

No.

Other/Additional Information

Prince George's County Code Sections 4-352

Effective Date

Forty five (45) calendar days after enactment.

If you require additional information, or have questions about this fiscal impact statement, please call me.