

Senator Guy Guzzone, Senate Chair, Delegate Terri Hill, House Chair

Adequate Public Facilities Ordinance (APFO) Process

Presentation by Jeff Bronow, Chief of Research Division, Department of Planning and Zoning

- In 1992, the first APFO was adopted in Maryland.
- Requires a Comprehensive Plan every 10 years with growth projections and county services needed
- The Dept. of Planning and Zoning provides HCPSS with updates every December
- Capital Budget is a 6 year plan that includes schools, fire, police, water/sewage, parks and is coordinated with the Comprehensive Plan
- For new development, there are 3 tests: Allocations (housing units), Schools, and Roads
 - **Allocations** test: 3 year plan, unused allocations can roll forward for 3 years, driven by Developer requests (about 2,000units/year), General plan sets rate (what County Planners believe community can hold)
 - **Schools** Test: Schools have to be under capacity, Currently Elem/Middle at 115%, no HS limit, new capacity rules will go into effect in July of 2019 (will be Elem 105%, Middle 110%, HS 115%), if schools are closed, construction can't go forward, but these **requests can only be held up for 4 years** and then the development can move forward **no matter what the school capacity is**. Explanation given - the government can't hold up development for an unreasonable time span. APFO process can slow growth and give HCPSS extra time (4 years) to plan, redistrict, or build
 - **Roads** Test: Traffic study looks at adverse impacts to be mitigated (e.g. add turning lane, traffic light)

School Redistricting Process

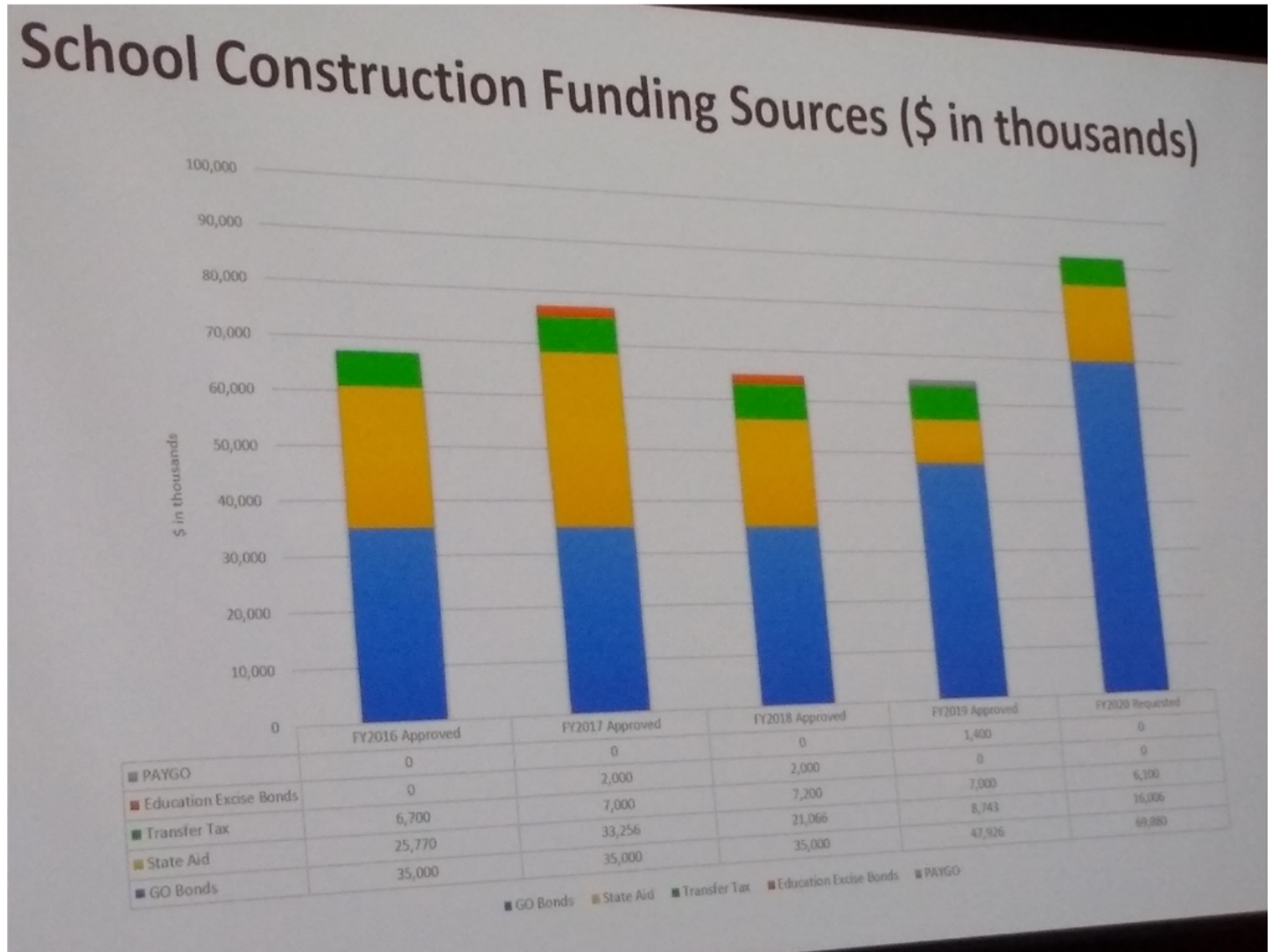
Presentation by Superintendent Michael Martirano and Board of Education (BOE) Members

- Dr. Martirano shared that HCPSS currently has about 58,000 students
- HCPSS is the fastest growing school district in the state
- Gaining 800-1000 new students every year
- Overcrowded school doesn't mean overcrowded building, but he is concerned by number (222) of and safety of relocatables. At the same time, relocatables are currently necessary to manage student numbers
- Should be opening at least 1 new school/year, takes 3-5 years to build from planning stage
- Not until 2023 will a new school bring great relief to overcrowding
- Older schools also need to be renovated (need \$500 million for deferred maintenance)
- HCPSS working with BOE to redistrict, but wouldn't be able to make changes until 2020-21 school year
- 2011-2012 was last time schools were redistricted w/o opening a new building
- Dr Martirano stands behind redistricting plan he tried to introduce in June 2017 to move 8800 students south from east to west, met with major protests from community members and he had to backdown
- Upon hearing that Howard HS has 23 classrooms in relocatables, Delegate Courtney Watson stated that this level is unacceptable and is a major crisis
- Martirano also has other ideas to alleviate overcrowding: opening a 9th grade center or a Career and Technical Education (CTE) center that can double as a workplace training space for adults

Public Facilities Surcharge and School Construction Funding

Presentation by Carl DeLorenzo, Director of Policy and Programs

- School facilities Surcharge (Excise Tax) is a fee imposed on developers when a unit is built. Amongst Maryland counties, HoCo is near the bottom of the list collecting \$2,640 per unit versus the high of \$23,062 per unit collected in MoCo. per 2,000 sq. ft. home
- Transfer tax is collected at sale, can be adjusted for inflation
- GO Bonds – General Obligation bonds



- Cashflow is dropping. Eventually county will have a negative balance and will have to go into General fund or issue GO bonds to make up the difference (or can use transfer bonds)

Public School Facilities Surcharge Cashflow (\$ in millions)

Fiscal Year	Beginning Balance	Actual Revenue	Bonds Sold	Debt Service Paid	Ending Balance
2005	0	5,946,543	0	0	5,946,543
2006	5,946,543	6,814,269	31,000,000	0	12,760,812
2007	12,760,812	6,371,054	27,470,454	2,204,998	16,926,868
2008	16,926,868	4,749,863	16,533,546	4,313,639	17,363,092
2009	17,363,092	3,796,822	7,950,000	5,801,401	15,358,513
2010	15,358,513	5,890,008	5,940,534	6,167,534	15,080,987
2011	15,080,987	4,875,886	40,000	6,911,415	13,045,459
2012	13,045,459	5,660,948	19,466	7,000,115	11,706,292
2013	11,706,292	6,581,536	0	7,764,529	10,523,299
2014	10,523,299	6,765,059	5,000,000	8,066,617	9,221,741
2015	9,221,741	6,883,467	471,000	7,500,572	8,604,636
2016	8,604,636	7,268,211	1,933,910	7,225,295	8,647,553
2017	8,647,553	5,944,674	3,595,090	7,255,368	7,336,859
2018	7,336,859	6,219,580	1,000,000	6,916,132	6,640,307