

COUNTY COUNCIL  
OF  
HARFORD COUNTY, MARYLAND

BILL NO. \_\_\_\_\_

Introduced by \_\_\_\_\_ Council President Patrick Vincenti at the request of the County Executive  
Legislative Day No. \_\_\_\_\_ Date \_\_\_\_\_

AN ACT to add Section 123-41.2, Rules and regulations, to Article I, General Provisions; to repeal and reenact, with amendments, Section 123-59, Amount of impact fee, of Article VI, Public School Development Impact Fee; to repeal and reenact, with amendments, Subsections B, C, and D, of Section 123-59.1, Imposition and enforcement of development impact fee, of Article VI, Public School Development Impact Fee; to repeal and reenact, with amendments, Subsection C of Section 123-60, Exemptions, of Article VI, Public School Development Impact Fee; to add Section 123-62.1, Transitional provisions, to Article VI, Public School Development Impact Fee; all of Chapter 123, Finance and Taxation, of the Harford County Code, as amended; by authorizing the County Treasurer to implement certain rules and regulations to administer and enforce this Chapter; to implement certain procedures governing the systematic increase of impact fees; to provide a methodology for calculating additional impact fees when certain new residential structures are constructed in specific circumstances; to amend certain requirements to qualify for an exemption from the payment of impact fees when redeveloping a preexisting residential structure under specific circumstances; to implement a legislative policy for calculating additional impact fees in specific circumstances pending the effective date of this Act; and generally relating to impact fees and County fees.

By the Council, \_\_\_\_\_

Introduced, read first time, ordered posted and public hearing scheduled

on: \_\_\_\_\_

at: \_\_\_\_\_

By Order: \_\_\_\_\_, Council Administrator

**PUBLIC HEARING**

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on \_\_\_\_\_, and concluded on \_\_\_\_\_.  
\_\_\_\_\_.

\_\_\_\_\_, Council Administrator

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO  
EXISTING LAW. (Brackets) indicate matter deleted  
from existing law. Underlining indicates language

added to Bill by amendment. Language lined through  
indicates matter stricken out of Bill by amendment.

DRAFT

WHEREAS, a Public School Development Impact Fee was originally adopted pursuant to Bill No. 05-21 to impose, collect, expend, and administer funds from new residential development so that such development would contribute its fair share towards the costs of public schools and public school facilities necessitated by such new development; and

WHEREAS, the development impact fee originally adopted in 2005 has not changed or increased even though the school construction cost per square foot reported by the State of Maryland has increased two hundred eighty-one percent (281%) since 2005; and

WHEREAS, in addition to reviewing changes in construction costs, it is necessary to reexamine and update the per pupil yield by housing type, which a study conducted by an impact fee consultant, TischlerBise, confirmed has changed between 2005 and the present; and

WHEREAS, a workgroup comprised of representatives from the Executive Branch, the Council, the Harford County Board of Education and the Harford County community was formed in 2024; and

WHEREAS, with the guidance of TischlerBise, the workgroup compiled the data necessary to update and determine the appropriate impact fees for new public schools and the development of public school facilities necessary to support new residential development, and the below legislation reflects the recommendations of the workgroup; and

WHEREAS, the current State enabling legislation, Md. Code Ann., Local Gov't § 20-705, establishes an upper limit on permissible impact fees of \$10,000 on new residential construction or development; and

WHEREAS, the workgroup determined that the appropriate impact fee for new single-family detached housing should be \$12,819 per unit, for new townhomes should be \$13,692, for mobile homes should be \$10,683, and for multi-family homes should be \$7,989; and

WHEREAS, in consideration of the statutory upper limit, the County Executive combined new single-family homes and townhomes and increased the impact fee to the statutory limit per unit of \$10,000, and in the interest of maintaining affordable housing, combined new multi-family homes and mobile homes and raised the impact fee to the lower recommended limit per unit of \$7,989; and

WHEREAS, in order for the development impact fees to reflect the actual financial impact of new construction or development of different types of housing, subject to the State enabling legislation limitation, it is necessary for the current impact fees to be increased as set forth below not to exceed the upper limit allowable under State law.

NOW THEREFORE,

Section 1. Be It Enacted By The County Council of Harford County, Maryland, that Section 123-41.2, Rules and regulations, be, and it is hereby, added to Article I, General Provisions; that Section 123-59, Amount of impact fee, of Article VI, Public School Development Impact Fee, be, and it is hereby, repealed and reenacted, with amendments; that Subsections B, C, and D, of Section 123-59.1, Imposition and enforcement of development impact fee, of Article VI, Public School Development Impact Fee, be, and it is hereby, repealed and reenacted, with amendments; that Subsection C of Section 123-60, Exemptions, of Article VI, Public School Development Impact Fee, be, and it is hereby, repealed and reenacted, with amendments; and that Section 123-62.1, Transitional provisions, be, and it is hereby, added to Article VI, Public School Development Impact Fee; all of Chapter 123, Finance and Taxation, of the Harford County Code, as amended, all to read as follows:

**Chapter 123 Finance and Taxation**

**Article I General Provisions**

**§ 123-41.2 RULES AND REGULATIONS**

THE TREASURER SHALL HAVE THE AUTHORITY TO IMPLEMENT RULES AND REGULATIONS IN ACCORDANCE WITH SECTION 807 OF THE HARFORD COUNTY CHARTER TO ADMINISTER AND ENFORCE CHAPTER 123.

**Article VI Public School Development Impact Fee****§ 123-59 Amount of Impact Fee**

All new development in the service area shall be subject to the payment of a public school development impact fee and all such funds collected shall be deposited in a special fund, as follows:

| <b>Residential Development</b>                   | <b>Impact Fee Per Dwelling Unit</b> |
|--|-------------------------------------|
| Single-family detached                           | [\$6,000] \$10,000                  |
| Townhouse/duplex                                 | [\$4,200] \$10,000                  |
| [All other residential (including mobile homes)] | [\$1,200]                           |
| MULTI-FAMILY                                     | \$7,989                             |
| MOBILE HOME                                      | \$7,989                             |

THE IMPACT FEE PER DWELLING UNIT SHALL INCREASE EACH YEAR ON JANUARY 1 TO MATCH THE PERCENTAGE INCREASE IN THE STATE OF MARYLAND INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION (IAC) COST PER SQUARE FOOT FOR THE PREVIOUS FISCAL YEAR UP TO A MAXIMUM INCREASE OF FIVE (5) PERCENT PER YEAR. IN THE EVENT THAT THE INCREASE IN THE IAC COST PER SQUARE FOOT IS HIGHER THAN FIVE (5) PERCENT IN ANY YEAR, THE DEFICIT SHALL BE MADE UP IN THE SUBSEQUENT YEAR(S) UNTIL THE TOTAL PERCENTAGE INCREASE IN THE IMPACT FEE SINCE JANUARY 1, 2025, MATCHES THE TOTAL PERCENTAGE INCREASE IN THE IAC COST PER SQUARE FOOT SINCE JANUARY 1, 2025. THE ANNUAL INCREASE SET FORTH IN THIS

SECTION SHALL NOT APPLY TO IMPACT FEES ASSOCIATED WITH SINGLE-FAMILY DETACHED AND TOWNHOUSE/DUPLEX DWELLING UNITS.

**§ 123-59.1 Imposition and enforcement of development impact fee**

B. WHERE AN EXISTING MOBILE HOME IS BEING REMOVED TO BUILD A NEW SINGLE-FAMILY DETACHED HOME, A BUILDING PERMIT SHALL NOT BE ISSUED UNTIL A DEVELOPMENT IMPACT FEE EQUAL TO THE DIFFERENCE BETWEEN THE CURRENT MOBILE HOME IMPACT FEE AND THE CURRENT SINGLE-FAMILY DETACHED IMPACT FEE IN EFFECT AT THE TIME OF SUCH BUILDING PERMIT APPLICATION HAS BEEN PAID.

[B]C. In no event shall a certificate of occupancy be issued unless the development impact fee required under this article has been paid.

[C]D. Lien. In the event that the new development is undertaken without the payment of the school development impact fee, the development impact fee shall:

- (1) Be a lien against the REAL PROPERTY OF THE site of development;
- (2) Be levied, collected and enforced in the same manner as real property taxes imposed by the County; and
- (3) Have the same priority and bear the same interest and penalties as real property taxes.

**§ 123-60 Exemptions**

C. An applicant who applies for a building permit to redevelop, reconstruct or replace an existing or preexisting residential structure that will not result in any additional residential structures shall be exempt from the payment of the development impact fee provided that, PRIOR TO DEMOLITION OF THE STRUCTURE, the applicant

APPLIES OR APPLIED FOR AND IS OR WAS ISSUED A DEMOLITION PERMIT FOR THE EXISTING OR PREEXISTING STRUCTURE, A NOTICE OF COMPLETION IS OR WAS ISSUED BY THE COUNTY FOR COMPLETION OF DEMOLITION UNDER THE PERMIT AND THE APPLICANT applies for a building permit within 10 years of the date OF APPLICATION OF THE DEMOLITION PERMIT [the existing or preexisting structure is deemed by the Director of Inspections, Licenses and Permits to have been demolished].

#### **§ 123-62.1 TRANSITIONAL PROVISIONS**

IF A BUILDING PERMIT APPLICATION SUBMITTED PRIOR TO THE EFFECTIVE DATE OF THIS BILL IS ALTERED ON OR AFTER SUCH EFFECTIVE DATE TO CHANGE THE NUMBER OF STORIES OR INCREASE THE CUMULATIVE SQUARE FOOTAGE OF THE STRUCTURE BY MORE THAN FIVE (5) PERCENT, THEN THE APPLICANT SHALL PAY THE DEVELOPMENT IMPACT FEE IN EFFECT AT THE TIME OF THE ALTERATION TO THE COUNTY PRIOR TO ISSUANCE OF A BUILDING PERMIT. IF THE APPLICANT PAID THE DEVELOPMENT IMPACT FEE PRIOR TO THE ALTERATION, SUCH APPLICANT SHALL, AT THE TIME THE REQUEST FOR ALTERATION IS SUBMITTED TO THE COUNTY, PAY THE DIFFERENCE BETWEEN THE DEVELOPMENT IMPACT FEE PREVIOUSLY PAID AND THE DEVELOPMENT IMPACT FEE APPLICABLE TO THE PROPOSED CONSTRUCTION IN EFFECT AT THE TIME THE PROPOSED ALTERATION IS SUBMITTED TO THE COUNTY. IN THE EVENT THE APPLICANT EXECUTED A PROMISSORY NOTE IN ACCORDANCE WITH §123-59A(2) PRIOR TO THE ALTERATION, APPLICANT SHALL EXECUTE AN AMENDED PROMISSORY NOTE PREPARED BY THE COUNTY TO REFLECT THE

IMPACT FEE IN EFFECT AT THE TIME OF THE ALTERATION PRIOR TO ISSUANCE  
OF THE CERTIFICATE OF OCCUPANCY.

Section 2. And Be It Further Enacted that this Act shall take effect sixty (60) calendar days  
from the date it becomes law.

EFFECTIVE:

*The Council Administrator does hereby certify that  
seven (7) copies of this Bill are immediately available for  
distribution to the public and the press.*

*Council Administrator*