

Mitigating Development Impact

In planning for capital needs, the HCPSS Capital Budget sets an expectation with the projects listed that attempt to capitalize on available funding. There is limited opportunity within the current framework and available funds however, to insert new projects based on new developments. While the 2022 HCPSS Feasibility Study indicates the annual rate of enrollment growth is expected to diminish compared to prior projections, due to years of underfunded capital and deferred maintenance budgets, HCPSS capacity has not kept pace with the historically steady growth in student populations in Howard County. In order to maintain an expected high-level of educational services from the school system, more needs to be done to mitigate the impact of past and future development on school capacity.

The Adequate Public Facilities Ordinance (APFO) is intended to allow public facilities sufficient time and financing to have commensurate capital infrastructure growth to meet population needs. Legislation seeking to extend current wait times for developments failing the schools test under APFO has repeatedly failed at the County level. While additional wait time gives breadth for incoming developments, they eventually move forward, leaving the need to fund additional capacity.

In 2019 and 2020, legislation increased funding for capital projects of the school system through the school facility surcharge and the County's transfer tax rate, of which 25 percent of any increase would be distributed to HCPSS. Beyond these efforts, a more robust, dedicated funding stream could ensure increases from the County are equivalent to the existing and anticipated seat needs of the school system.

Other counties in Maryland have made changes to local development ordinances that are worth exploring further. In 2020, for instance, [Montgomery County replaced an existing moratorium on closed school areas with a three-tiered Utilization Premium Payment](#). The fee is mandatory and is based on a system that sets a fee dependent on the anticipated number of students the development will provide and anticipated overutilization. Options for a developer to present mitigation strategies that are approved by the local board of education or county governing body have also been utilized.

The Board is seeking Howard County Delegation authorization if needed and Howard County Council support for financing options dedicated to the purpose of mitigating development impacts on school system capacity. This could include further study of the use of required fee or fee-in-lieu options to produce supplemental capital funding for expected capacity increases. In cases where capacity is beyond a predetermined threshold that will require new construction, a requirement for land acquisition may also be warranted.

Every ten years, Howard County updates its General Plan to guide land use decisions, with the next version expected in late spring 2023. Following the Plan's adoption, Sec. 16.1100 (b)(3)(iv) of the Howard County Code requires an Adequate Public Facilities Act Review Committee to be convened within one year to submit a report with recommendations on the Adequate Public

Facilities Act to the County Executive and the County Council. The Committee includes representation of the school system and Board, and could likely revisit the mechanisms of APFO to meet both County and HCPSS needs based on changes in development trends.