

Climate Assessment

Office of Legislative Oversight

Bill 16-24: Development Impact Tax - Amendments

SUMMARY

Based on available information and limited timeframe, the Office of Legislative Oversight cannot estimate the impact of Bill 16-24 on the County's contribution to climate change, nor climate resilience. An analysis of the Bill would require an understanding of how the Growth and Infrastructure Policy (GIP) would be impacted by the proposed changes, and the subsequent environmental impacts, which is beyond the scope of this climate assessment. The GIP is similar to a master plan; thus, the analysis would fall under the purview of Montgomery Planning. However, OLO staff could complete an assessment for Bill 16-24 in approximately three to four months if the Council chooses to add it to OLO's work program.

BACKGROUND AND PURPOSE OF BILL 16-24

Every four years, the Montgomery County Planning Board must produce a recommended Growth and Infrastructure Policy (GIP).¹ The GIP ensures that Montgomery County's public infrastructure—such as schools, transportation, and water & sewer services—can support new development in the County.² The GIP is responsible for:

- Creating a process for analyzing the impact of new developments on public infrastructure;
- Setting standards for determining if infrastructure is adequate to support new development; and
- Establishing how to identify inadequate infrastructure, how inadequacies should be addressed, and the time frame for when improvements should take place.³

The Planning Board submitted their recommended draft of the 2024-2028 GIP on July 25, 2024.⁴ After receiving comments and recommendations on the draft from the County Executive and County Board of Education, the Council must hold a public hearing and then decide whether to adopt the policy by November 15th, 2024.⁵ (If the Council does not adopt the new GIP, the previously adopted policy remains in effect.)⁶

The Planning Board submitted Bill 16-24 to the Council. The purpose of the Bill is “to implement legislative changes consistent with the Planning Board draft of the 2024-2028 GIP.”⁷ It would do so by updating transportation impact tax districts, modifying development impact tax exemptions for certain uses and in certain locations, and adjusting how the County calculates development impact taxes.⁸

On behalf of the Planning Board, the Council introduced Bill 16-24 on September 10, 2024.

ANTICIPATED IMPACTS

Due to the complexity of the proposed changes, Bill 16-24 would require a detailed investigation of the impacts of each proposed change to the tax districts, development impact tax exemptions, and laws governing the transportation and school development impact taxes.⁹ The Bill's proposed changes would directly impact the policy tools of the Growth and Infrastructure Policy and it is not possible to evaluate the changes in the timeframe given for this statement. In the past, Planning Staff have solicited stakeholder input along with data to evaluate policy recommendations, including development taxes and changes to tax districts.¹⁰ This investigation is beyond the scope of this climate assessment. OLO staff could complete an assessment for Bill 16-24 in approximately three to four months if the Council chooses to add it to OLO's work program.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.¹¹ OLO does not offer recommendations or amendments as the impact of Bill 16-24 cannot be estimated regarding the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptative capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

¹ Montgomery County Code, "[Sec. 33A-15. Growth and Infrastructure Policy,](#)" Accessed September, 26, 2024.

² Montgomery County Planning, [Growth and Infrastructure Policy - Montgomery Planning,](#) May 3, 2024.

³ Ibid.

⁴ [Montgomery County Council, "Introduction Staff Report for Bill 16-24,"](#) September 10, 2024.

⁵ Sec. 33A-15. Growth and Infrastructure Policy.

⁶ Ibid.

⁷ Montgomery County Council, "Introduction Staff Report for Bill 16-24."

⁸ Ibid.

⁹ Montgomery County Government, [Introduction Report for Bill 16-24,](#) Introduced September 10, 2024.

¹⁰ Montgomery Planning, [2024 - 2028 Growth and Infrastructure Policy Working Draft, May 3, 2024.](#)

¹¹ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022