

[Send to Printer](#)[<< Back to Article](#)

## Local

Data flaw brings clash in AA County

Jason Flanagan, The Examiner

2008-02-09 12:41:59.0

Current rank: # 130 of 11,828

### Anne Arundel County -

The [Anne Arundel County](#) auditor found flaws in the data used to create proposed impact fee increases, raising the ire of a County Council and building industry opposed to dramatic fee hikes.

"How are we ever going to get a report that is accurate?" said [Councilman Jamie Benoit, D-District 4](#).

Anne Arundel County Executive John R. Leopold's proposal calls for increasing impact fees — money a developer pays for road, school and public safety expansion — between four to seven times higher than the current rates. For example, a single-family house with four bedrooms would cost \$22,000 more to build.

The administration hired a consultant, [James Nicholaus](#), to review and update the fees. The same consultant created similar reports in 1987 and 2000.

But during Thursday's public hearing, [Auditor Teresa Sutherland](#) said Nicholaus used inaccurate data to calculate the cost of road construction and developed a fee that does not cover all costs.

The data for school construction used inflated figures, not actual costs, resulting in a fee that exceeds the cost of construction, she said.

The calculations for public safety impact fees were flawed and confusing.

"They need to start from scratch on the public safety fee," Sutherland said.

As a result, the overall impact fee is inflated, though Sutherland said exactly by how much was uncertain.

The fee amount is the point of contention.

Leopold said the increases are needed because developers aren't paying enough for their impact on roads and schools and leaving the burden on taxpayers.

"I have confidence in the consultant, who has 20-plus years experience," Leopold said Friday.

"I also have confidence in the information from planning and zoning [department]."

But developers said the fee will hurt growth and eventually be passed on to the consumer.

"The numbers were careless at best, manipulation at worst," said [Bob Burdon](#), president of the [Annapolis](#) and [Anne Arundel](#) Chamber of Commerce.

"We're talking about people's livelihoods."

Sutherland examined only the data, not the methodology, used by Nicholaus. The council is hiring its own consultant to review the administration's bill, but Sutherland said it has been difficult finding consultants who haven't worked with or against the consultant used by the county in drafting the proposed fee increases.

The [Home Builders Association of Maryland](#) is conducting its own review of the proposal, and preliminary results show the consultant inflated the data to account for interest twice, said [Eric DeVito](#), president of the association's Anne Arundel chapter.

The council also is seeking state permission to raise real estate transfer taxes as an alternative or a supplement to impact

fees.

There will be another public hearing on the impact fee bill Tuesday, Feb. 19 at the [Arundel Center](#) .

[jflanagan@baltimoreexaminer.com](mailto:jflanagan@baltimoreexaminer.com)

*Examiner*