

Question 3:

The County has been systematically undercharging developers by as much as 50% for impact fees since 2008, totaling well into the hundreds of millions of dollars which has been paid for by county taxpayers in what could well be a subsidy to developers worth hundreds of millions of dollars. What would you do to recover the full cost of development impacts?

Question 3 responses:

The following four candidates, listed alphabetically, are running in the Democratic primary:

James Kitchin

My administration will put forth a bill (if this hasn't happened before I take office) that will update the impact fee schedule to ensure that we are recouping the full costs of development. This will be a priority early in my first term. If we get this right, then it will be much easier to champion the projects that we do need because residents will have confidence that the process is working for them. We need sustainable, smart development to occur. This is not about price-gouging developers, rather it is simply about making sure that they pay for the costs that their projects add to the county. I would be open to having carveouts for affordable housing and other development that serves a targeted public policy purpose. But if you're building 400 new homes that all start in the mid-\$900Ks, then we are going to make sure the tax payers are not subsidizing that.

Kyle Nembhard

Related to my answer in question 1a, I would ensure that Developer pay their fair share relative to the impact development proposals have on County infrastructure. The developer "incentives" are actually self sabotaging for the County's sustainable growth.

Allison Pickard

Anne Arundel County's development impact fee program was established to ensure that new growth contributes proportionately to the infrastructure demands it creates, particularly in schools, transportation, and public safety. While the County's current framework is legally grounded and comparatively mature within Maryland, rising construction costs, increasing infrastructure demand, and changing development patterns have exposed limitations in the existing fee structure. The current system, which largely relies on generalized land use categories and countywide fee schedules, no longer fully reflects the true cost of growth or the varying infrastructure burdens created by different

types of development. As a result, the County risks shifting an increasing share of growth-related infrastructure costs onto existing taxpayers while also creating disincentives for strategic economic investment. A recalibration of the County's impact fee program should focus not simply on increasing fees, but on modernizing the methodology to better align infrastructure funding with actual development impacts while preserving Anne Arundel County's competitiveness for economic growth. This requires transitioning toward a more data-driven "true cost of growth" model that incorporates updated construction costs, utilization trends, and infrastructure demands on a recurring basis. The County should also consider establishing geographic service areas or differentiated fee districts that recognize the varying infrastructure capacities across the County. For example, redevelopment and transit-oriented areas with existing infrastructure capacity could receive lower transportation impact fees, while greenfield developments requiring substantial new infrastructure investment could bear proportionately higher fees. Modernization should also include refining transportation impact calculations to move beyond traditional automobile-centric lane expansion models and incorporate multimodal considerations such as transit accessibility, pedestrian infrastructure, traffic safety, and vehicle miles traveled. Additionally, the County should create targeted economic development incentives that strategically reduce or offset impact fees for projects that generate substantial public value, including workforce housing, mixed-use redevelopment, advanced manufacturing, cybersecurity, life sciences, and other high-employment sectors. Rather than broad exemptions, these incentives should be tied to measurable outcomes such as job creation, wage levels, tax base expansion, or redevelopment of underutilized commercial corridors. To maintain project feasibility and encourage continued private investment, Anne Arundel County should also explore more flexible payment structures, including deferred payment schedules, installment options, and credits for developers who directly construct or fund public infrastructure improvements. Equally important is strengthening transparency and public accountability by directly linking impact fee collections to the County's Capital Improvement Program through publicly accessible reporting and infrastructure delivery tracking. Residents are more likely to support recalibrated fees when they can clearly see how revenues are being invested into schools, roads, public safety facilities, and transportation improvements tied to growth. Ultimately, the County's long-term policy objective should be centered on precision. A modernized impact fee program should charge more where infrastructure burdens are greatest, charge less where development advances strategic planning goals including more affordable housing costs, incentivize redevelopment and smart growth, and ensure that new growth contributes fairly to the infrastructure systems it relies upon. By recalibrating the program in a balanced and economically strategic manner, Anne Arundel County can strengthen infrastructure funding, protect existing taxpayers, support

sustainable development patterns, and continue attracting high-quality economic growth across the region.

Pete Smith

We have made a tradeoff in Anne Arundel County, and kept our impact fees low while turning to property tax revenues to create the revenue that will pay more fees. This approach may have been appropriate during years when more assistance had been coming from the state level, but needs reexamining now.

However, a targeted and measured approach is needed in assessing impact fees. Supply and demand economics teaches us that these fees will get passed on to customers, and will make housing more expensive. We must avoid exacerbating the affordability crisis that Anne Arundel's families are facing right now.

Dave Crawford -- Running unopposed in the Republican Primary

This is one of the most egregious examples of misplaced priorities in recent county history. Taxpayers have effectively subsidized developer profits to the tune of hundreds of millions of dollars while our roads crumble, schools overflow, and stormwater systems fail. I will immediately commission an independent, third-party audit of impact fee methodologies and bring them into full alignment with actual infrastructure costs. I will also support legislation requiring regular, independent updates to impact fee schedules — not once a generation, but every two to three years — to ensure fees never fall this far out of step with reality again.