

Office of the County Auditor
Auditor’s Analysis

Council Bill No. 10-2025

Introduced: February 3, 2025

Auditor: Rebecca Gold

Fiscal Impact:

The fiscal impact of this legislation cannot be determined, as it is unknown how many mobile home park or motel sales may lead the County or Housing Commission to exercise their right to purchase. The potential fiscal impact might include the following:

- Costs of appraisals for mobile home parks and motels. These expenses currently range from \$1,500 to \$3,500 per appraisal, depending on the complexity of the appraisal.
- Forgone property tax and transfer tax revenues from the private ownership or sale of mobile home parks or motels.
 - The Department of Finance indicated that the total amount paid in property taxes on mobile home parks and motels was \$4,110,053 in FY 2023 and \$3,900,286 in FY 2024.
- Revenue to the County for unit rentals in County-owned mobile home parks or motels.

According to the Department of Housing and Community Development, the following hotel and motel sales have taken place in recent years (excluding properties that were bundled as part a larger property portfolio):

| Calendar Year | Number of Properties | Total Sales Prices | Avg Price per Property | Total Number of Units | Avg Price Per Unit |
|----------------------|-----------------------------|---------------------------|-------------------------------|------------------------------|---------------------------|
| 2021 | 4 | \$ 15,180,000 | \$ 3,795,000 | 243 | \$ 62,469 |
| 2022 | 3 | 14,415,000 | 4,805,000 | 179 | 80,531 |
| 2023 | N/A | N/A | | N/A | N/A |
| 2024 | 1 | 2,000,000 | 2,000,000 | 29 | 68,966 |

Provided by the Department of Housing and Community Development

Purpose:

Council Bill 10-2025 modifies Title 13, Subtitle 14, of the Howard County Code, expanding the County’s and Housing Commission’s existing rights of first refusal to include mobile home parks and motels.

Other Comments:

We asked the Administration how the County will confirm that a property has been sold to a third-party buyer under substantially the same terms and conditions offered to the County and Commission, in accordance with Section 13.1403(e) of the Howard County Code. The Director of the Department of Housing and Community Development indicated that the County could research land records to confirm the sales price on the recorded deed after closing.

According to the Department of Inspections, Licenses and Permits, there are currently 21 properties in the County, comprising a total of 1,747 rooms or units, which would be classified as either mobile home parks or motels.

The current percentage of units within existing mobile home parks and motels which would qualify as affordable (according to Section 13.1405 of the Howard County Code) is unknown. We cannot determine whether this legislation would increase the total number of affordable housing units in the County.