To: Sustainable Growth Commission

From: Derick Berlage, Chairman, Concentrating Growth Workgroup

Subj.: Update on Workgroup Recommendations

Date: May 13, 2013

Here is a report on the work of our Workgroup's four committees:

Financing Smart Growth

Attached is a summary of the Fiscal Year 2014 Budget and Legislative highlights as well as other legislation affecting Smart Growth, Community Development and Revitalization. This committee will continue to investigate longer-term initiatives.

Smart Growth Report Card

MDP staff prepared a revised Status Check and shared with the Concentrating Growth WG at their April meeting. We did not receive any comments. The changes were primarily to format. There are still some data gaps and "lessons learned" that need to be filled in. The latest version is attached. Before we proceed much farther on this, we wanted to get a sense from the WG and the Commission if this was what they had in mind. The revised Status Check format was designed based on the report that the Chesapeake Bay Foundation provides showing progress toward accomplishing Bay TMDL milestones – comparing current performance to previous performance and indicating lessons learned.

Streamlining the Development Approval Process in Smart Growth Locations

The Streamlining Subcommittee has been tasked with identifying best practices in streamlining development review and approval processes in targeted growth areas, like TODs, with the goal of sharing those best practices with other jurisdictions. One county (Prince George's) and one municipality (Annapolis) were identified as candidate jurisdictions for discussions with local officials to see if there were best practices that could be utilized elsewhere.

To date, the subcommittee has met several times with representatives from Prince George's County and once with representatives from the City of Annapolis to discuss ways in which they are streamlining their development review and approval process.

Prince George's County administration is revamping their overall development review process but not necessarily geared towards targeted growth areas like TODs. Their focus is more oriented to economic development. The County Council, separately, is considering a streamlined development review process for projects that are in TOD areas. Action on proposed legislation is anticipated soon.

In Annapolis, the City successfully streamlined a part of its development review process by eliminating what they considered was a duplicative step – having the Board of Appeals review site plans that the Planning Commission had already acted upon. Representatives from the City planning office commented that the State's role in the development review process could be reviewed vis-à-vis the Critical Area Commission's reviews of development proposals.

One other aspect of the streamlining review process that the subcommittee may explore is the current effort being coordinated by ULI-Baltimore and MDP to identify opportunities and solutions to overcoming the obstacles to development in Priority Funding Areas.

Rural Growth Issues

The Rural Growth subgroup has expanded membership and held its first meeting as a revised body on April 2, 2013. This expanded subgroup has also changed its focus to address rural economies rather than rural places. At the last meeting, members were given an opportunity to state their opinions on what they believed were the most important aspects of rural economies. This discussion served as guidance in the development a policy focus/work plan for the subgroup. Two weeks ago, the subgroup participated in an online poll to select the top five rural economic issues discussed at the last meeting. Of these issues, the three most popular issues would be focused on first. The results of this poll will be discussed at the next Rural Economies subgroup meeting on May 9th, 2013 as well as approve the draft of the subgroup's Policy Focus (see attached). Although not all members have participated in the polls at this time, the top issues for rural economies are:

1.) Broadband High-Speed Interest Access
2.) Establishment of Agricultural Enterprise Zones
3.) Education – promote trade schools, continuing education in rural communities
4.) Population services – healthcare, grocery stores
5.) Roads to create linkages between rural economies to bring goods to market
6.) Fostering agricultural value-added products
7.) Fostering natural gas development
8.) Establishment of forestry enterprise zones

One other aspect of the streamlining review process that the subcommittee may explore is the current effort being coordinated by ULI-Baltimore and MDP to identify opportunities and solutions to overcoming the obstacles to development in Priority Funding Areas.

Attachments include: Policy Focus, Doodle Poll Results
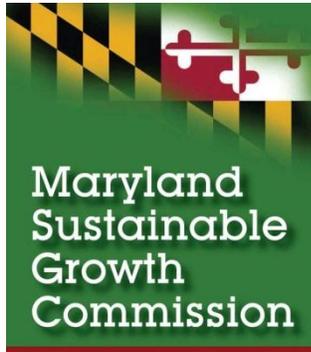
Fiscal Year 2014 Budget and
Legislative Highlights

- **$5.0 million for Strategic Demolition and Smart Growth Impact Project Fund** to provide grants to local governments and nonprofit organizations for redevelopment and revitalization projects in areas recommended by PlanMaryland for revitalization and growth.

- **$6.0 million for the Community Legacy Program** to provide financing to assist with the revitalization of neighborhoods that are at risk of physical, economic, or social deterioration.

- **$2.4 million for Neighborhood Business Works** to finance community-based small business and economic development activities in designated revitalization areas.

- **$3.75 million for the Baltimore Regional Neighborhood Demonstration Initiative** to provide funds to implement comprehensive revitalization strategies in two to three target "Sustainable Community "areas in the Baltimore region.

- **$1.02 million in new state matching funds for the Emergency Solutions Grant Program** to support homeless shelters and homeless services programs in 19 counties and three municipalities

Other legislation affecting Smart Growth,
Community Development and Revitalization

Maryland Smart Growth Investment Fund Workgroup (HB 1170/SB 965). The Workgroup, chaired by the DHCD Secretary, will evaluate and make recommendations regarding potential public and private funding sources for launching and implementing the Maryland Smart Growth Investment Fund.

Sustainable Communities – Designation and Financing (HB 613). Authorizes specified local governments, such as municipal corporations and certain counties, to use tax increment financing (TIF) or similar financing instruments to finance the cost of a broad range of infrastructure

improvements located within or supporting designated "Sustainable Communities" in the same manner as transit-oriented development (TOD) districts. Infrastructure improvements include the cost for operation and maintenance of the improvements.

Community Legacy Program - Application Requirements - Approval by Authorized Designee (SB 62). This departmental bill authorizes a political subdivision to approve an application for a Sustainable Community plan or Community Legacy project by delivery of a letter (in lieu of a resolution) to the DHCD by the political subdivision's authorized designee.

Linked Deposit Programs for Small Businesses and Minority Business Enterprises (SB 1072). Alters the interest rate necessary for a loan to qualify under the Linked Deposit Programs for Small Businesses and Minority Business Enterprises. The bill also alters under what conditions the Treasurer may make an interest-bearing deposit in a financial institution for both programs.

Housing and Community Development - Neighborhood and Community Assistance Program - Project Proposals (HB 108). Increases the maximum sum of contributions eligible for a tax credit offered under DHCD's Neighborhood and Community Assistance Program from $2 million to $3.5 million per fiscal year. The bill further authorizes DHCD to give preference to a neighborhood conservation district designated under HUD's Neighborhood Stabilization Program when considering approval or disapproval for a proposal and in determining the maximum sum of contributions eligible for the tax credit
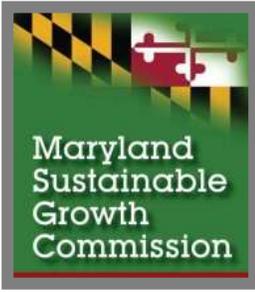
The Maryland Sustainable Growth Commission
Smart Growth Status Check

~WORKING DRAFT – TO BE COMPLETED~

Why a Status Check?

People ask, "How well is Maryland doing when it comes to smart and sustainable growth?" Is the State moving in the right direction toward community revitalization and reinvestment? Are State and local resources being protected and preserved? How well is the transportation system working to move people to jobs, services, and recreational activities? Are we doing well in improving air and water quality? What about jobs and quality of life issues?

A Status Check can tell us how well we are doing but it can also tell us how much more we need to do to reach the goals we have set for ourselves through various policies and plans. It can be a pat on the back for progress made but also a gentle or stronger nudge to do more.

What is Smart Growth?

Smart growth concentrates new development and redevelopment in areas that have existing or planned infrastructure to avoid sprawl. Smart growth is sustainable and is characterized by compact, transit-oriented, bicycle-friendly land use, with neighborhood schools, walkable streets, mixed-use development and a wide range of housing choices. Its purpose is to conserve valuable natural resources through the efficient use of land, water and air; create a sense of community and place; expand transportation, employment, and housing choices; distribute the costs and benefits of development in an equitable manner; and promote public health.

Smart Growth has four straightforward goals:

- Support existing communities by targeting resources to support development in areas where infrastructure exists;

- Save our most valuable natural resources before they are forever lost;

- Save taxpayers from the high cost of building infrastructure to serve development that has spread far from our traditional population centers; and

- Provide Marylanders with a high quality of life, whether they choose to live in a rural community, suburb, small town, or city.

AT A GLANCE

Concentrating Growth

👍 Residential Development
👍 Sustainable Communities
👍 Planning Areas/Tiers

Protecting Resources

👎 Change in Ag/Forest Land
👍 Land Preservation
👎 Priority Preservation Areas

Environmental Quality

👍 WWTP Upgrades
👍 Cover Crop Planting

Mulitmodal Transportation

👍 Transit Ridership
👍 Vehicle Miles Traveled
👍 Bike/Ped Facilities
👎 Carpool, Transit, Bike/Walk

Economic Development

👍 Employment in PFAs
👎 Transit Accessible Jobs
👍 Enterprise Zones
👍 Job Creation Tax Credit

CONCENTRATING GROWTH

GOAL: Focus 90% of new dwelling units in PFAs, 2010 to 2030	PREVIOUS PERFOMANCE	CURRENT PERFORMANCE	LESSONS LEARNED
Residential Development *Percent of Units in PFAs*	77.5% (2006)	79.3% (2010)	Progress was made toward meeting the goal
Sustainable Communities *Number of Jurisdictions with approved applications*	Not Yet Available	25	Application process started in 2012
Planning Areas/Growth Tiers *Number of Jurisdictions with adoptions*	Not Yet Available	61 Growth Tiers 4 Planning Areas	Application/identification process started in 2012
Main Street Programs *Number of Jurisdictions with an established program*	Not Yet Available	23	

PROTECTING NATURAL AND AGRICULTURAL RESOURCES

GOAL: Save 300,000 Acres from being developed by 2030	PREVIOUS PERFOMANCE	CURRENT PERFORMANCE	LESSONS LEARNED
Change in Ag/Forest Land *Acres*	**-95,854** (2003 to 2007)	**-16,334** (2008 to 2012)	Progress made - amount of ag and forest land converted to development has slowed but still experienced loss
Program Open Space *Acres Preserved*	349,271 (2010)	357,585 (2012)	Progress made toward achieving goal
Agricultural Preservation *Acres under Easement*	714,857 (2010)	806,209 (2012)	Progress made toward achieving goal
Priority Preservation Areas *Percent of Certified Areas Preserved*	37% (2010)	38% (2012)	
Certified Priority Preservation Areas *Number of Counties with certified areas*	Not Yet Available	14	
Rural Legacy Areas *Number of Areas and Counties Participating*	Not Yet Available	31 Areas 23 Counties	

ENHANCING ENVIRONMENTAL QUALITY

GOAL: Restore Chesapeake Bay health; reduce GHG emissions	PREVIOUS PERFOMANCE	CURRENT PERFORMANCE	LESSONS LEARNED
Wastewater Treatment Plants *Number upgraded to ENR*	13 (2010)	26 (2012)	Number of WWTPs upgraded doubled in two years
Cover Crops *Acres*	204,713 (2010)	429,818 (2012)	Amount of acres of cover crops doubled in two years
Energy Reduction	Not Yet Available	Not Yet Available	
Transportation Sector	Not Yet Available	Not Yet Available	

PROMOTING MULTIMODAL TRANSPORTATION

| GOAL: Double daily transit riders by 2020	PREVIOUS PERFOMANCE	CURRENT PERFORMANCE	LESSONS LEARNED
Transit Ridership *Number of daily riders*	260,485 (2007)	278,720 (2011)	Number of daily transit riders increased, making progress toward goal
Vehicle Miles Traveled *Total miles traveled in vehicles*	56.8 Billion (2007)	56.2 Billion (2011)	VMT decreased
Bike/Pedestrian Facilities *Percentage of State Roads with Facilities*	47% (B), 32% (P) (2007)	53% (B), 41% (P) (2011)	More state roads have bike and ped facilities
Carpool, Transit, Bike/Walk *Percent of Total Commuters*	21.5% (2007)	21.8% (2011)	Only slightly more people carpool, use transit or walk or bike

FOSTERING ECONOMIC DEVELOPMENT

GOAL: Promote job growth and a business friendly environment	PREVIOUS PERFOMANCE	CURRENT PERFORMANCE	LESSONS LEARNED
Employees working in PFAs *Percent of Total Employees*	Not Yet Available	90% (2011)	Most employees in the state work in PFAs
Transit Accessible Jobs *Percent of Jobs near Transit*	Not Yet Available	16.1% (2007)	Only a small percentage of jobs are near transit
Enterprise Zones *Number of active zones*	29 (FY2009)	30 (FY2012)	Enterprise zones are increasing in number
Investments in Enterprise Zones *Total Property Tax Credits Received*	$26.3 Million (FY2009)	$35.4 Million (FY2012)	
Job Creation Tax Cred *Number of Jobs Created*	307 (FY2009)	1,501 (FY2012)	Jobs created through the tax credit have increased

Concentrating Growth Work Group
Rural Economies Subgroup
Policy Focus
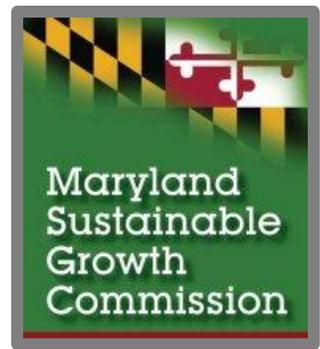
The Rural Economies subgroup of the Maryland Sustainable Growth Commission is charged with improving the economic diversity, stewardship, and managing rural resources to improve the quality of life of rural Marylanders.

The components of rural economies and subgroup policy focus are:

I. Components and Opportunities of Rural Economies
    A. Infrastructure and Services
        a. Broadband Internet Access
        b. Roads
        c. Cellular phone and data service
        d. Population Services – healthcare, grocery stores
        e. Education – trade schools, continuing education
    B. Agriculture
        a. Agricultural Enterprise Zones
        b. Local food for local people
        c. Access to food markets
        d. Aquaculture
        e. Value-added products
    C. Tourism
        a. Recreation
        b. Agri-tourism
    D. Energy
        a. Natural gas
        b. Wind
    E. Forestry
        a. Enterprise Zones
        b. Buy local timber sales
        c. Value-added products
    F. Rural Land Stability
        a. Fragmentation
        b. Preservation

Poll "Rural Economies Subgroup Policy Focus"

	Infrastructure: Broadband and Internet Access	Infrastructure: Roads	Infrastructure: Cellular phone and data service	Infrastructure: Population Services – healthcare, grocery stores	Infrastructure: Education – trade schools, continuing education	Agricultural: Enterprise Zones	Agricultural: Local food for local people	Agricultural: Access to food markets	Agricultural: Aquaculture	Agricultural: Value-added products	Tourism - Recreation	Tourism - Agri-tourism	Energy: Natural Gas	Energy: Wind	Forestry: Enterprise Zones
Jonathan Kessler		OK		OK			OK				OK		OK		
Brenda Smith	OK	OK					OK						OK		
Charlotte Davis	OK			OK		OK				OK					OK
Derick Berlage	OK				OK			OK							
Les Knapp	OK	OK		OK	OK										
jim mullin	OK				OK	OK			OK	OK					
David Umling	OK						OK	OK				OK			OK
John Nelson	OK	OK			OK						OK		OK		
Greg Bowen	OK					OK				OK					OK
Count	8	4	0	3	4	4	2	2	1	3	2	1	3	0	3

	Forestry: Buy local timber sales	Forestry: Value-added products	Rural Land Stability: Fragmentation	Rural Land Stability: Preservation
Jonathan Kessler				
Brenda Smith		OK		
Charlotte Davis				
Derick Berlage			OK	OK
Les Knapp			OK	
jim mullin				
David Umling				
John Nelson				
Greg Bowen				
Count	0	1	2	1