

Maryland Sustainable Growth Commission
Infill, Redevelopment, and Revitalization Initiative
Highlighted Prior Recommendations

Highlighted Prior Recommendations to Begin Discussion: To help focus the initial discussion of recommendations to the Governor and Lt. Governor, the following is a shortened list of prior recommendations taken from previous reports and plans. This list includes items that appear most relevant to infill, redevelopment and revitalization; it is intended to facilitate discussion and not to exclude other recommendations for consideration. We welcome the addition of recommendations from prior reports or new recommendations.

Italicized text refers to comments from small group discussions at the May 12 Growth Commission meeting, and underlined text refers to additions from members of the Coordinating Committee.

Prior reports reviewed include: *Sustainable Maryland 2.0: Financing Smart Growth, Barriers to Development Inside Maryland's Priority Funding Areas, Housing Maryland, Maryland Transportation Plan*, an early draft of *PlanMaryland*, *Sustainable Maryland: Accelerating Investment in the Revitalization and Livability of Maryland's Neighborhood*, *Investing in Smart Growth*, (ULI) *PlanMaryland Workshops Report*, *Chesapeake Bay Agreement*, *Maryland Land Preservation, Parks and Recreation Plan*, *Maryland Partnership for Children in Nature*, and *Where do we Grow from Here?*

Please note that some of the recommendations do not necessarily represent the views of the administration or a specific state agency.

1. Smart Growth Subcabinet and Making Best Use of Existing Programs and Plans

- a. Establish a policy and process to ensure that major transportation capacity improvements support existing and planned developments in PlanMaryland Targeted Growth & Revitalization areas and PFAs, and that do not induce demand for development outside of PFAs. *(Add emphasis on local buy in to priority places and consolidate with c.)* This is too vague to be helpful. Better to work with locals on specific infrastructure projects, looking both for conventional capital-intensive transportation investments as well as “out of the box” transportation alternatives for specific development sites or areas (e.g., shuttles, Lyft or Uber, bikes).

- b. Create a “one stop” community reinvestment resource online at the Smart, Green, and Growing web site, www.green.maryland.gov.
- c. Formulate a coordinated state/*local* agency economic development and community revitalization strategy and prepare a multi-agency toolbox of methods to promote infill and redevelopment of existing communities.
(Consolidate with a.)
- d. Establish rural economic development and planning programs at the state and county level with advisory groups comprised of representatives from rural communities to assist with their unique challenges. Assist rural jurisdictions by promoting economic development and smart growth through a pilot state / local cooperative economic development planning effort. *(Combine with g, h, i, and j, and consolidate under the coordinated strategy identified in a and c.)* A worthy objective, and one that already has some firepower via DBED (tourism, major investments in incubators, businesses), TEDCO (work with emerging tech companies, including in ag), MARBIDCO (ag financing), etc. Better coordination is always good. There is no silver bullet in some of rural areas. Long-term infrastructure investments (access to more isolated areas, last-mile broadband issue) could make a significant difference.
- e. Establish a state consistency compliance process to ensure that local land use regulations (zoning, subdivision, etc.) are consistent with the goals, objectives and policies of PlanMaryland and tie consistency determination into eligibility for state funding. *(Eliminate per small group discussion at Growth Commission?)* Or restate: Assist local governments with integrating PlanMaryland goals and objectives into land use strategies.
- f. Work with local jurisdictions to include or address the following elements in their comprehensive plans: *(Eliminate per small group discussion at Growth Commission?)*
 - Affordable housing - quantify the need for affordable housing and what efforts are needed and proposed to provide an adequate supply of affordable housing.
 - Community design – address methods by which local jurisdictions are incorporating community design principles and standards into development regulations and development projects.

- Complete Streets - address issues of design and operation to enable safe access for pedestrians, bicyclists, motorists and transit riders of all ages and abilities.
 - Food policies – address issues of access to healthy foods, support for local food producers and manufactures, including farmers.
 - Health impact assessments – assess ways in which the physical development of the local jurisdiction impacts the health of its residents.
 - Historic and cultural resource preservation – address inventory of and means of protecting/preserving historic and cultural resources.
 - Revitalization strategies for weaker market communities
- g. Align housing resources and technical assistance (federal, state, and local) that promote sustainable community development so that housing is considered in conjunction with local plans for health, transportation, energy, environment, education, and other local priorities. *(Combine with d, h, i, and j and consolidate under the coordinated strategy identified in a and c)*
- h. Integrate green standards and priorities into the award of such revitalization programs as Community Legacy, Neighborhood BusinessWorks, Community Enhancement, and Sustainable Communities Tax Credit. *(Combine with d, g, i, and j and consolidate under the coordinated strategy identified in a and c)* Lovely goal and yet not particularly relevant to accelerating infill development. Market is driving green on its own, particularly in urban markets.
- i. Coordinate with the Maryland Department of Labor, Licensing and Regulation and Department of Human Resources to connect job opportunities to residents in revitalization areas, including such green jobs as retrofitting homes for energy conservation. *(Combine with d, g, h, and j and consolidate under the coordinated strategy identified in a and c)* Another good thing, and also not particularly relevant. DLLR/local GWIBs are typically involving in connecting on significant projects.
- j. Implement SHA’s Complete Streets Policy, requiring that all SHA staff and partners consider and incorporate complete streets criteria for all modes and types of transportation when developing or redeveloping the transportation system. *(Combine with d, g, h, and i and consolidate under the coordinated strategy identified in a and c)*
- k. **Consolidate state resources (including those identified in d, g, h, i and, j) under the coordinated state/local strategy identified in a and c.*

- l. Provide oversight to state agencies as they undertake the process to institutionalize the Coast Smart Siting and Design Guidelines into appropriate architecture engineering, construction and design manuals; regulatory programs; state planning, permitting and review processes; disaster planning and response programs; and capital budgeting programs.
- m. The Smart Growth Sub-Cabinet agencies should work to align agency investments “Growth & Revitalization” areas, with an emphasis on targeting revitalization investment in designated “Sustainable Community Areas.” The Sustainable Community areas are a shared agency focal point for State revitalization resources in people and places.
- n.

2. **TOD**

- a. Promote Transit-Oriented Development and Transit-friendly design toolkits that address financing methods and financial incentives to local jurisdictions and developers, providing transit-supportive design guidelines, and information on addressing community concerns. Help local governments build the capacity to better plan for and implement transit---oriented development projects and policies.
- b. Promote Transit-Oriented Development using publicly-controlled land and other incentives. The State and local governments should work cooperatively to promote appropriate levels of development at existing transit station areas to support and utilize the significant public investments in this expensive infrastructure. MDOT should study feasible public actions, both fiscal and programmatic, to support increased capacity for Maryland’s future growth. Specifically, MDOT should study the feasibility and relationship of system and site-level investments required to support focused growth around Maryland’s existing transit network, and the opportunities and barriers for such investments should be identified and investigated. This activity must involve active participation from local and State agencies, as well as other stakeholders. Yes – identify a few key sites and start with that – let the locals do the driving.
- c. Encourage and support the availability of housing options for persons with disabilities who may not be able to drive and for aging seniors who may no longer be able to drive and for persons of limited income in and around Transit Oriented Developments through financing programs and incentives in coordination with local public and private. Great objective, not directly relevant

to focus.

- d. The State should encourage compact development and mixed land uses in PFAs around transit areas. Local governments should respond by providing policy, programmatic, and regulatory frameworks that support development patterns that are walkable and transit supportive, and within a reasonable walking distance (typically ½ mile) of existing transit service. These measures should in turn promote mixed-income housing, employment and transportation alternatives that are more efficient, affordable and cost-effective. Substantial State incentives may be required to achieve these outcomes. There is no need to encourage compact development, as in the vast majority of cases the numbers won't work without high density and/or mixed uses. Perhaps what this is really proposing is direct State financial intervention in acquisition, environmental remediation, infrastructure or construction and permanent financing.
- e. State TOD incentives should be provided to local governments that adopt agreed-upon, TOD-friendly planning, zoning, TOD supportive infrastructure policies and financing, TOD supportive housing programs, design and/or other measures that enable and permit high-quality TOD within existing transit station areas. Local governments should also have more flexible authority to use local revenue sources to support TIFs or bonds connected with the creation of TOD infrastructure. *(Affordable housing and office/retail)*

Create a capitalized TOD Revolving Loan Fund to provide gap financing for TODs. This program might be administered similarly to the DHCD Neighborhood Business Development Program, which incentivizes the creation of small business in targeted community revitalization areas. Define and implement a program for financing bicycle and pedestrian facilities in all TODs, and for financing structured parking for TODs where necessary to encourage redevelopment of surface lots. The Maryland Transportation Authority or the Maryland Economic Development Corporation could act as the financing agency. Good infrastructure financing vehicle; perhaps broaden geographic scope beyond TOD.

- f. Provide the State's full faith and credit to TOD-zone TIF districts as a means of sharing costs associated with TOD. Engaging the State's credit on behalf of some or all investor return will reduce the risk and therefore the cost of TOD development. The State could also provide a tax credit by exempting interest payments on such bond financing from state income tax. *(allow state review as part of TIF)*

- g. Consider enhanced incentives for TOD projects that incorporate housing that is affordable to the workforce at a range of income levels. Expensive – use NMTC and perhaps new fund being contemplated.
- h. Encourage Growth Through Reinvestment and/or Tax Credits in Older, Existing Communities, Particularly in Greyfields/Brownfields, Areas Near Transit Stations, and Other Specially Designated Areas Such As BRAC Zones, Enterprise Zones And Community Legacy Areas. These are a jumble of zones that don't necessarily correspond to specific development focus. Better to work with locals to determine targets and then figure out how these designations can work to everyone's advantage, particularly since some offer considerable tax advantages. Note that legislators are asking us to work with them to modify EZs and other tax credit programs over the next few years.
- i. Develop policies for Transit-Oriented Development Areas, Bicycle and Pedestrian Priority Areas, and Sustainable Community Areas, and apply policies to guide the agency in providing a sustainable transportation network for the future. *(Share best practices with local governments who want to do TOD)*
- j. *Bikes on trains*
- k. *Coordination among public (state and local)/private stakeholders*
- l. *Connection to food desert initiative*
- m. Institute an "Inclusionary" policy at the State level such that local plans for TOD that include State planning and capital funds incorporate affordable and mixed-income housing, with an emphasis on providing housing access to the lower income disabled and senior citizens.

Comment: Is TOD primarily referring to subway/commuter rail projects? A valid focus, as there is greater potential for State/local land assembly (as in current proposal to FBI for its HQ in Prince Georges). That leaves out everyone outside of the Baltimore and Washington metro areas (and areas in those metros not served). Perhaps identify this TOD focus and another – which could take into account areas that would need less expensive, shorter-term fixes in order to address the access and transportation issues. TOD is a market opportunity, and at the same time, many communities are dealing with broader infrastructure issues.

Perhaps assist local jurisdictions in figuring out capital financing plans for replacing aging infrastructure? Not an easy assignment, granted, but among the most critical issues.

3. Funding/Financing/Incentives

- a. *Prioritize and direct a greater share of state funding for roads, sidewalks, bike routes, transit, water and sewer facilities, schools and other public facilities into PlanMaryland Targeted Growth & Revitalization areas. Coordinate public and private investment in housing, infrastructure, community revitalization and economic development to create a favorable market for development in PlanMaryland Targeted Growth & Revitalization GrowthPrint areas. A general objective and one that is hard to do in practice. Who prioritizes, and how do you distinguish between similar priorities/areas? Coordination of all investment will be difficult, and maybe not even productive. Perhaps make it more demand-driven, and offer a handful of compelling tools that draw both local public sector and private sector.
- b. Continue to pursue the creation of a Smart Growth Investment Fund based on the recommendations of the workgroup, following the investigation by MEDCO to develop a detailed plan for creation of the Fund within the next 18 months.
- c. Explore creation of a State Community Development Financial Institution (CDFI) Fund that can provide both capital and technical assistance (such as New York State has legislated) to help CDFIs raise matching funds from the Treasury's CDFI Fund. Encourage CDFI investments in revitalization target areas, including those rural areas where little or no CDFI activity currently exists. Strengthen partnerships between State agencies and CDFIs.
- d. Establish a *consistent* renewable funding mechanism for specified Smart Growth programs, with the aim of raising at least \$40 million annually. (*Consolidate "d.", "f." and "j."*)
- e. Work with federal liaisons to ensure that Congress sustains the NMTC program. Strengthen partnerships between holders of NMTCs and State agencies in order to focus tax credit benefits on high priority Smart Growth projects, such as TODs. Best to pitch specific development concepts (with locals) rather than generically sell smart growth. Yes to continued advocacy at fed level.

- f. Create affordable mortgage financing tools for rehabilitation of owner-occupied residential properties, potentially as a pilot program in designated Maple Street or foreclosure impacted communities. (Consolidate “d.”, “f.” and “j.”)
- g. Consider State and local tax incentives that could increase marketability of target neighborhoods for rehabilitation investment. Consider whether these are front end (lowering land and development costs) or back-end (property tax credits to owner and tenants).
- h. Increase operating support for local nonprofit partners that are implementing revitalization initiatives through the Community Investment Tax Credit and Community Legacy. What are the deliverables connected to increased support? Target spending on things most directly tied to opportunities and barriers.
- i. Increase Neighborhood Business Works financing and other small business investment in revitalization target areas, through expanded partnerships with community lenders, CDFIs and the Small Business Administration. (*consolidate “d.”, “f.” and “j.”*)
- j. Expand support for low-cost financing for local infrastructure such as through the enhanced Local Government Infrastructure Finance program.
- k. *Explore improving the education of finance industry to do I/R/R*
- l. Create a mechanism and/or process to evaluate the use of state programs and resources for non-state structure and infrastructure projects located within areas vulnerable to future sea level rise and coastal flooding to ensure the most appropriate state action and investment of resources.
- m. Work with federal liaisons to ensure that Congress sustains the Federal Rehabilitation Tax Credit program.
- n. Institute a tiered approach to State program and permit fees such that projects inside Growth & Revitalization areas are charged substantially less; and, projects outside G&R areas are charged substantially more.

4. Streamlining and Regulatory Relief

- a. Establish a consolidated State multi-agency process to enhance predictability and expedite project review and permit approval, and coordinate closely with local processes. Consider this for all projects in Targeted Growth and

Revitalization Areas, or focus on projects that meet or exceed infill, redevelopment, and revitalization. Focus on improvement of processes specific to each agency – faster and better response times, more certainty and transparency. Then think about how to integrate across agencies. Maybe a lean government project! Try on pilot basis with a particular jurisdiction that is open to the idea, and use those results as the sales tool for others.

- b. Consolidate application processes and timelines of community revitalization programs across State agencies.
- c. Identify and resolve incompatibilities between historic preservation and other codes, such as green building, ADA, and fire
- d. Promote use of the Maryland Building Rehabilitation Code.
- e. Encourage more uniform development approval processes throughout the State in order to make it easier for developers to readily work in more than one jurisdiction, and to level the playing field. Standardize certain regulations throughout Maryland, including but not limited to grandfathering, fire codes, and moderately priced dwelling unit requirements. *(Eliminate per Growth Commission?)*
- f. Encourage clarity and consistency in development review processes (while still allowing flexibility so development can adapt to the market in a timely manner). Limit reviews of subsequent submittals to ensuring that prior comments were addressed, rather than allowing identification of new issues. Require all rules to be approved by the local regulatory body, in writing, and readily accessible to the public.
- g. Address grandfathering and related issues. For example, allow Developer Rights and Responsibilities agreements be valid 10-15 years. Encourage local jurisdictions to retain validity of approvals longer, based on project size and complexity. Require grandfathering provisions in all new regulations. *(Change to: Limit discretion in review process, and make process more ministerial. Encourage making the length of time for development approvals to remain valid to be commensurate with complexity of project, and account for market fluctuation)*
- h. Revise the stormwater management regulations for redevelopment within PFAs. Allow developers to contribute to off-site mitigation and off-site amenities to provide more density on small parcels and make the development more cost efficient. *(Different standards for urban sites vs. greenfields sites)*

- i. Within PFAs, reduce adequate public facilities standards, cap impact fees, or disallow application of both adequate public facilities and impact fees. Extend the time allowed to address adequate public facilities issues, as projects are not always built all at once. When adequate public facilities do not exist, find solutions other than moratoriums, or at least limit duration of development moratoria. Target state infrastructure spending in areas within PFAs under adequate public facilities ordinances moratoria. Reduce, subsidize, or eliminate impact fees for catalytic projects in Targeted Growth and Revitalization areas.
- j. Make the public input process more meaningful and consistent. Adopt clear rules regarding who can testify in a public forum and require factual basis for testimony. Create a mechanism to mediate land use disputes and evaluate the “greater good” from the PlanMaryland perspective. Reform the process for public input in PFAs so that by-right projects require very little public input, administrative waivers, variances and special exceptions somewhat more, and rezoning requests the highest level of public input.
- k. Do not allow local jurisdictions to make a State-mandated law more stringent than the State regulations within the PFA. *(Eliminate per Growth Commission?)*
- l. Establish minimum zoned density requirements that vary for urban, suburban, and rural PFA communities. *(Requires further discussion)* Or make it easier to increase densities, such as zoning to allow “mother-in-law” units on lots. One way to address affordability that is not the typical big program approach.

5. Education, Training, Outreach, Best Practices

- a. *Facilitate growth in market demand for infill, redevelopment and revitalization by promoting the merits of living close to areas of employment, coupled with a comprehensive, ongoing education program on sustainable development. *(Economic development, public relations)*. State government is not a compelling marketing vehicle to persuade people to want to live and work in higher density areas. Market trends are moving us in that direction anyway. Better to offer high quality and pragmatic assistance to local and county governments in understanding their particular market potential, and how these can be boosted. A simple example might be to assist with or subsidize market studies (access to demographic and consumer data via Claritas or other segmentation data provider? Collecting information on how long other near-by projects took to lease up, with profile of tenant base? Inventory of competing projects?). These

things would help target appropriate developers/investors or secure financing for infrastructure, especially in areas where the infill market is not entirely clear.

- b. Expand training and technical assistance for local planning and building code staff, builders, and other stakeholders on a variety of subjects, including but not limited to “Smart Codes,” energy codes, green codes, coast smart and climate resilient practices, and other safe building codes.
- c. Prepare Models and Guidelines for comprehensive plan elements and regulations that help direct growth to Targeted Growth and Revitalization areas, provide affordable housing, encourage adaptive re-use, encourage mixed use redevelopment, emphasize community design, address compatible design for infill new construction in historic districts, reduce vulnerability to climate change impacts, and promote public/private partnerships. *(and strategy for implementation)*
- d. Encourage adoption of green approaches to community design, *including for the public realm*, planning and infrastructure investment, through education on best practices and by working with non-profit organizations and educational institutions to develop educational materials, guidelines and programs. *(Combine with e)* Helpful but not key barrier.
- e. Develop a comprehensive public and business outreach program on green industry opportunities and utilization of green technology. *(Combine with d)* See above – “green” is increasingly being integrated into many industries, and is not a stand-alone, perhaps except for energy sector.
- f. Facilitate an increase in homeownership through multiple mechanisms. For example, support access to nonprofit homeownership education for consumers, particularly first-time home buyers. Review feasibility of expanding Anne Arundel County’s Rent-to-Own program, providing renters or former homeowners a pathway to asset building and homeownership. *(NOTE: some Growth Commission members questioned whether ownership is critical; high rental rates are not necessarily a sign of a weak market)* Lots of 501C3s are active in this space, as well as Feds and GSEs like Fannie and Freddie. Better for State to focus elsewhere and leverage these efforts. Additionally, homeownership increase is linked to repaired wage growth, housing demand, etc.
- g. Document, and where applicable, replicate best practices from DHCD’s initiative

to preserve 9,000 units of affordable rental housing over the next 10 years.

6. **Design**

- a. Preserve authentic sense of place and historic character, and support economic development and sustainable design, by developing and supporting private and public sector financing for rehabilitation, retrofit, and renovation of buildings and infrastructure that benefits older communities. *(Needs capital and programmatic support)*
- b. Establish state agency assistance and funding eligibility requirements for jurisdictions to adopt/implement community design best practices, programs, and regulations. *(Technical assistance and capacity building)*
- c. Provide public education and technical assistance to local governments on the use of community design techniques to mitigate impacts of increased densities.
- d. Acknowledge that vertical mixed-use projects are even harder to achieve than horizontally mixed use projects and promote horizontal mixed use in order to respect financial realities. *(Strive to minimize institutional resistance and make vertical mixed-use easier)*
- e. Identify and eliminate short gaps in existing sidewalk and trail systems through local and state partnerships.
- f. Plan for greenways, corridors and trails that connect schools, residential areas and public buildings to green space, provide alternative transportation routes and support a healthy, active lifestyle through thoughtful community design.
- g. Expand urban tree canopy by 2,400 acres by 2025. Urban Forests are generally, though not exclusively, thought of as providing services; recreation, aesthetics, wildlife habitat, stormwater management, carbon storage and interception of airborne pollutants for example. Currently, there are goals to improve water quality by reducing water quantity in urban areas by increasing the Urban Tree Canopy and thereby reducing surface runoff.
- h. Reach out to underserved communities that have the least access to nature: Develop and implement a comprehensive program to increase access and utilization of public lands and waterways for underserved communities.
- i. Perhaps fund subsidized design services to locals via existing not-for-profit orgs.

or sponsor annual design competitions.

Design recommendations are all good. However, design is not susceptible to a statewide mandate, because it is very place-specific. Jane Jacobs chapter of report.