Maryland Sustainable Growth Commission Infill, Redevelopment, and Revitalization Initiative Summary of Existing Recommendations from Prior Reports

Introduction: To identify ways to accelerate quality infill, redevelopment, and revitalization, staff analyzed recommendations from a variety of reports, including: 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, and Where do we Grow from Here?

It is important to note that some of the recommendations – made many years ago or authored by stakeholder groups outside state government – do not represent the views of the administration or a specific state agency. Staff identified recommendations from prior reports and organized them according to the eight bullets in the letter from the Governor and Lt. Governor for consideration.

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.
- b. The State should work with local governments to periodically conduct a statewide infrastructure needs assessment as well as a review of growth related capital funding approved and planned by the state and local governments.
- c. Update, simplify, and potentially reduce the number of revitalization target areas in consultation with state and local partners.
- d. Create a "one stop" community reinvestment resource online at the Smart, Green, and Growing web site, www.green.maryland.gov.
- e. Consolidate application processes and timelines of community revitalization programs, where feasible, across agencies.
- f. Formulate a coordinated state agency economic development and community revitalization strategy and prepare a multi-agency toolbox of methods to promote infill and redevelopment of existing communities.

- g. 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.
- h. Establish policies and procedures that address the use of state funding for road projects that expand highway capacity outside of growth areas or that encourage longer distance commuting.
- i. 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.
- j. Conduct a statewide assessment on the need for affordable housing, establish county supply targets, and work with counties on ways to meet targets.
- k. Help local jurisdictions develop strategies to expand housing choices for their residents.
- 1. Work with local jurisdictions to include or address the following elements in their comprehensive plans:
 - 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
- m. Develop strategies to implement the Greenhouse Gas (GHG) Reduction Plan to mitigate Maryland's GHG impacts.
- n. Assure that all State agencies and local governments provide public notice at the commencement of major planning activities such as comprehensive plan updates and agency strategic plan development.
- o. Encourage local governments, as part of their comprehensive plan revision process, to coordinate preparation of their comprehensive plan with local school boards, other units of local government, adjacent municipalities, counties, metropolitan planning organization and applicable state agencies.
- p. Ensure that there will be future continuity with Plan Maryland at both the State and local levels.
- q. Require all State agencies to show how they are spending their funds inside and outside of PFAs.
- r. Establish the goals and objectives of Master Plans and ensure that the Master Plan remains a guide and that the comprehensive rezoning implements the Master Plan.
- s. Establish a State housing policy and prepare a comprehensive analysis to ensure that there is capacity to handle household growth, especially near job growth.
- t. Require that PFAs be consistent with growth areas, incorporated into comprehensive plans and be reviewed as part of the comprehensive plan review process every ten years. Currently, PFAs are not required in comprehensive plans, which are reviewed every six years.
- u. Require that PFAs contain sufficient development capacity for 20 years of residential, institutional, commercial, and industrial growth. Currently, PFA capacity criteria include only residential development.
- v. Require local governments to include a housing element in their comprehensive plans that permits, but does not require, high density and mixed use development.

- w. 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.
- x. Support local governments in their efforts to develop housing elements, plans, and outcomes for their local area and comprehensive planning documents.
- y. Assess the scale of declining or vacant commercial properties statewide, with a particular focus on key areas targeted for growth and revitalization.
- z. Based on findings in the needs assessment, implement an initiative to reuse and revitalize greyfield properties in revitalization target areas.
- aa. Integrate green standards and priorities into as the award of such revitalization programs as Community Legacy, Neighborhood BusinessWorks, MDOT Community Enhancement, and the Heritage Structure Rehabilitation Tax Credit.
- bb. Expand partnerships with MEA, Chesapeake Bay Trust and other environmental funders and advocates to increase their investment in revitalization target areas.
- cc. Enact appropriate statutory revisions to enable the creation of Community Land Trusts that maintain housing affordability for Maryland's improving and prospering communities.
- dd. 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.
- ee. Expand Main Street and Maple Street designation to eligible communities and increase promotion of these communities for heritage tourism.
- ff. Sustain smart growth regional planning staff at Maryland Department of Planning in order to assist smaller communities develop sustainable community plans.
- gg. Reauthorize the Maryland Heritage Structure Rehabilitation Tax Credit (accomplished) and enhance its effectiveness in revitalization areas.

- hh. 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.
- ii. Implement SHA's new bicycle design guidelines that require all projects, including resurfacing projects, to include bicycle lanes, or to demonstrate that bicycle accommodations are provided to the greatest extent possible and a bicycle waiver is required.
- jj. Continue to enhance data collection and analysis tools relating to walking and bicycling, including collecting detailed inventories of existing walking and biking facilities and exploring new ways to obtain bicycle and pedestrian count data.
- kk. Promote access management in key planned growth areas in partnership with local governments.

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2. <u>TOD</u>

- 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.
- 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 both local and State agencies, as well as other stakeholders.
- 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.

- 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.
- 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.
- f. Support local government adoption of TOD-friendly planning, zoning, and infrastructure investment. State agencies can assist through the development of TOD-supportive housing programs, model zoning codes and technical assistance to help define community-appropriate, customized solutions that promote active, income-diverse, pedestrian- and transit-friendly communities. 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.
- g. 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.
- h. 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.

- i. Promote livable community design principles in the development of TODs, including a "complete streets" approach.
- j. Build local capacity to better plan for and implement transit---oriented development projects and policies.
- k. Consider enhanced incentives for TOD projects that incorporate housing that is affordable to the workforce at a range of income levels.
- 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.
- m. At transit-oriented development sites, and other major redevelopment sites, provide incentives for the inclusion of affordable and workforce housing options.
- n. 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.

3. Funding/Financing/Incentives

- a. Work with State, local and private partners to respond to federal funding opportunities that may arise from the new HUD/DOT/EPA collaboration.
- b. Expand authority and flexibility in use of tax increment financing at designated transit-oriented developments.
- c. 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.
- d. Give priority for state funding to public and private development projects that advance Plan objectives. 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 areas.

- e. Return the Historic Tax Credits to a true credit program.
- f. Use incentives such as TIFs, PILOTs and Special Taxing Districts to offset marketplace risks.
- g. Consider the establishment of a State Infrastructure Bank or be prepared to take advantage of a national infrastructure bank, if one were to be established.
- h. Explore creation of a State Community Development Financial Institution Fund that can provide both capital and technical assistance.
- i. Establish a renewable funding mechanism for specified Smart Growth programs, with the aim of raising at least \$35 million annually.
- j. Enhance local authority to create Tax Increment Financing districts for Smart Growth geographies such as designated Sustainable Communities, and expand eligible uses for TIF generated revenue in Sustainable Communities.
- k. Create a Smart Growth Investment Fund.
- 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.
- m. Find Creative Solutions to Incentivize and Encourage Small Business Growth in Existing Communities.
- n. Preserve authentic "sense of place" and historic character of Maryland communities by developing and supporting private and public sector financing for rehabilitation, retrofit, and renovation of buildings and infrastructure that benefits older communities.
- o. State and local officials should work with the Maryland Asset Building Community Development (ABCD) Network, the Federal Reserve and others to reconvene the network of Maryland CDFIs and develop strategies for increased

nonprofit lending.

- p. Provide incentives for philanthropic and bank investment in such lenders for Smart Growth and revitalization projects.
- q. Consider establishing a "CDFI Fund" at the State level (such as New York State has legislated) to help CDFIs raise matching funds from the Treasury's CDFI Fund.
- r. 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.
- s. Enhance use of TIF in Maryland to achieve Smart Growth and sustainable community goals within PFAs and revitalization target areas.
- t. Consider State and local strategies for using TIF to leverage "up front" financing for high impact projects that cannot move forward with just "back end" tax credits.
- u. Encourage mixed-income development projects by allowing TIF expenditures to help create or rehabilitate workforce housing.
- v. Work with federal liaisons to ensure that Congress sustains the NMTC program.
- w. 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.
- x. Support economic development and sustainable design in Maryland's existing communities by strengthening incentives for the rehabilitation of historic commercial and residential properties.
- y. Create affordable mortgage financing tools for the rehabilitation of owneroccupied residential properties, potentially as a pilot program in designated Maple Street or foreclosure impacted communities.
- z. Consider State and local tax incentives that could increase marketability of target neighborhoods for rehabilitation investment.

- aa. Encourage private investment in the redevelopment and reuse of vacant or poorly performing commercial properties also known as "greyfields" into mixed-use developments that better serve their surrounding neighborhoods.
- bb. Increase operating support for local partners that are implementing revitalization initiatives through the Community Investment Tax Credit and Community Legacy.
- cc. Better integrate the use of the tax credit with other State and local incentives, such as Enterprise Zones.
- dd. Increase Neighborhood Business Works financing and other small business investment in revitalization target areas, through expanded partnerships with community lenders and the Small Business Administration.
- ee. Develop a microenterprise fund to help launch home-based and neighborhood serving businesses in revitalization areas.
- ff. Expand support for low-cost financing for local infrastructure such as through the enhanced Local Government Infrastructure Finance program.
- gg. Return the Historic Tax Credits to a true credit program.
- hh. The State should work with local governments to periodically conduct a statewide infrastructure needs assessment as well as a review of growth related capital funding approved and planned by the state and local governments.
- ii. Focus community grants for energy efficiency and retrofits in revitalization target areas.
- jj. Give priority to historic rehabilitation projects that incorporate energy efficient and sustainable design best practices.

kk. Increase neighborhood business lending and job creation through partnerships between private sector lenders and Neighborhood BusinessWorks.

4. Streamlining and Regulatory Relief

a. Review funding and financial assistance, fees, charges, licenses, permits and review and approval processes to facilitate growth, redevelopment and

revitalization in PlanMaryland Targeted Growth and Revitalization Areas.

- b. Cap Adequate Public Facilities/Impact Fees within Priority Funding Areas based on project size, or disallow the application of both APFO and Impact Fees.
- c. Increase the Transfer Tax outside PFAs and eliminate impact fees.
- d. Reduce barriers and increase incentives for private–sector development and investment in revitalization target areas.
- e. Reduce or subsidize impact fees for high impact projects in revitalization target areas.
- f. Create local authority and State incentives for local governments to provide reduced fees, expedited review and approval processes and variable adequate public facilities requirements to attract development and redevelopment in PlanMaryland Targeted Growth & Revitalization areas.
- g. Establish a consolidated State multi-agency process to enhance predictability in project review and permit approval, and to streamline and expedite development review and approval for projects located in PFAs and GrowthPrint areas.
- h. Ensure that Adequate Public Facilities standards are less strict inside Priority Funding Areas than outside Priority Funding Areas, and not made so by setting even higher standards outside, but reducing standards inside.
- i. Extend the time allowed to address Adequate Public Facilities issues, as projects are not always built all at once.
- j. When adequate public facilities do not exist within Priority Funding Areas, find solutions other than moratoriums.
- k. Revise the new stormwater management regulations for both redevelopment and industrial development inside PFAs.
- 1. 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.

- m. Allow DRRAs to be valid 10-15 years.
- n. Keep approvals valid longer based on project size and complexity.
- o. Standardize grandfathering throughout Maryland.
- p. Standardize fire codes throughout Maryland.
- q. Resolve incompatibilities between historic preservation and other codes, such as green building, ADA, and fire.
- r. Do not allow local jurisdictions to make a State-mandated law more stringent than the State regulations within the PFA.
- s. Adopt clearly defined rules that identify who can testify in a public forum and require factual basis for the testimony.
- t. Make public input process more meaningful and consistent.
- u. Create a mechanism to help mediate land use disputes and evaluate the "greater good" from the PlanMaryland perspective.
- v. Reform the process for public input for so that by-right projects in PFAs require little or no public involvement, administrative waivers a little bit more public involvement, variances and special exceptions a little bit more, and rezonings even more.
- w. Increase the use of administrative review processes compared to public hearings.
- x. Standardize Moderately Priced Dwelling Unit requirements across the state, eliminate, or disallow the assessment of impact fees for MPDUs and inclusion of MPDUs in adequate public facilities analyses.
- y. Local governments should reduce the costs of development and have simpler regulations in Priority Funding Areas.
- z. Create a stamp of approval for projects that meet Growth Print goals, and then fast track the approval process.

- aa. Create a fast track process in PFAs including local players and on line submissions.
- bb. Eliminate redundant regulations in the development process.
- cc. 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.
- dd. Limit development reviews of subsequent submissions to ensuring that prior comments were addressed and disallow identification of new issues not identified in the original submission.
- ee. Require all rules to be approved by the local regulatory body, in writing, and readily accessible to the public (local policies that are not written down often have major impacts on the development process).
- ff. Require grandfathering provisions in all new regulations.
- gg. Allow flexibility in regulations so development can adapt to the market in a timely manner.
- hh. Limit development moratoria from adequate public facilities ordinances to four years. If moratoria cannot be lifted in four years, require local governments to increase development capacity elsewhere. Target state infrastructure spending in areas within PFAs under adequate public facilities ordinances moratoria.
- ii. Establish minimum zoned density requirements that vary for urban, suburban, and rural PFA communities.
- jj. Promote use of the Maryland Building Rehabilitation Code (formerly known as "Smart Codes").
- kk. Consolidate application processes and timelines of community revitalization programs, where feasible, across agencies.
- II. Accelerate the implementation of the "best of the best" high impact revitalization projects through Smart Sites and through coordination and streamlining of permitting and regulations (green taping) at State and local levels.

- mm. Establish "green tape teams" to coordinate local and State regulatory reviews and permitting and to accelerate priority revitalization projects such as Smart Sites.
- nn. Extend "green tape" incentives for developers that integrate high quality, sustainable development practices – for instance those encouraged by the LEED for Neighborhood Development (ND) standards.
- oo. Streamline permitting (green taping) for projects that integrate high quality development practices for instance those encouraged by LEED for Neighborhood Development (ND) standards.
- pp. Support local government land assembly, land banking, and revitalization planning.

5. Education, Training, Outreach, Best Practices

- a. Promote use of the Maryland Building Rehabilitation Code (formerly known as "Smart Codes").
- b. Prepare and publish Models and Guidelines for local comprehensive plan elements and local regulations that help direct growth to GrowthPrint areas and provide examples of best practices.
- c. Prepare and publish model development regulations to address ways to provide affordable housing, encourage adaptive re-use, encourage mixed use redevelopment, emphasize community design and promote public/private partnerships.
- d. Develop a comprehensive, ongoing education program to inform citizens on sustainable development and re-development within GrowthPrint areas and PFAs.
- e. Encourage local governments to support urban agriculture programs through education programs and technical assistance.
- f. Partner with educational institutions and non-profit organizations to develop educational materials, guidelines and programs for the development of energy efficient, low carbon sustainable communities.

- g. Prepare and publish a Model and Guidelines on best practices for affordable housing in areas such as local codes and programs, including funding incentives and disincentives.
- h. Develop a comprehensive public and business outreach program on green industry opportunities and utilization of green technology.
- i. The State should help change market demand by educating the public on the merits of living close to areas of employment.
- j. Reconvene the Maryland Building Rehabilitation Code Advisory Council to promote local use of "Smart Codes," making the rehab of older buildings more cost-effective while maintaining high safety standards.
- k. Expand training and technical assistance for local planning and building code staff, builders, and other stakeholders.
- l. Advance green and sustainable development practices in tandem with neighborhood revitalization investments.
- m. Support, educate, and encourage residents and local governments in strengthening and enforcing their local building codes; including technical assistance and training in aligning the building rehabilitation codes (aka "Smart Codes"), energy codes, green codes, and other safe building codes as they are updated and adopted by the state and local jurisdictions from time to time.
- n. Help communities adopt green approaches to community design, planning and infrastructure investment, through education on best practices. Community resources include "From Rooftops to Rivers," by the Natural Resources Defense Council and "Going Green Downtown," by Maryland's DHCD and DNR.
- o. Review feasibility of expanding Anne Arundel County's Rent-to-Own program, providing renters or former homeowners a pathway to asset building and homeownership.
- p. Document, and where applicable, replicate best practices from Maryland DHCD's initiative to preserve 9,000 units of affordable rental housing over the next 10 years, including through green retrofits catalyzed by a national award from the national John D. and Catherine T. MacArthur Foundation.

- q. Expand the engagement of the environmental community in support of revitalization programs.
- r. Support access to nonprofit homeownership education for consumers, particularly first-time home buyers.

6. <u>Design</u>

- a. Preserve authentic "sense of place" and historic character of Maryland communities by developing and supporting private and public sector financing for rehabilitation, retrofit, and renovation of buildings and infrastructure that benefits older communities.
- b. Support economic development and sustainable design in Maryland's existing communities by strengthening incentives for the rehabilitation of historic commercial and residential properties.
- c. Provide public education and assistance to local governments on the use of community design techniques to mitigate the 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.
- e. Establish state agency assistance and funding eligibility requirements for jurisdictions to adopt/implement community design best practices, programs, and regulations.
- f. Identify and eliminate short gaps in existing sidewalk and trail systems through local and state partnerships.