



**TO:** Jon Laria, Chair, Maryland Sustainable Growth Commission  
**FROM:** Sandy Coyman, Chair, Indicators Workgroup  
**SUBJECT:** Indicators Technical Team Report  
**DATE:** December 2010

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## **I. INTRODUCTION**

This report serves as the final report of the technical team of the Indicators Workgroup for the Maryland Sustainable Growth Commission (formerly Task Force on the Future of Growth and Development in Maryland). The technical team carefully considered all of the indicators recommended by the Indicators Workgroup and offers a list of recommended indicators, along with information and analysis about each indicator, for consideration by the Growth Commission.

There are 15 specific indicators that are being recommended for consideration by the Growth Commission. They include:

1. Housing Choices, including affordability:
  - a. Housing Vacancy Rate
  - b. Housing production / growth
  - c. Rental and Owner Affordability
  - d. Home Sales and Affordability
2. The Impact of Growth on the Environment, including Land, Air, & Water:
  - a. Development on septic systems
  - b. Percentage of new development served by public sewer
  - c. Acres of open space in permanent protection and the means of protection
  - d. The amount of forest acres cleared, conserved, and planted
  - e. Wastewater treatment plant capacity and reported flow
  - f. Land Use Change - loss of agricultural resource lands

3. The Job and Housing Balance:
  - a. Jobs-Labor Force Ratio
4. The Impact of Transportation on Growth:
  - a. Mode shares of transit, walk and bike for work or non-work, telecommuting
  - b. Transit ridership rates
  - c. State major transportation investment inside or outside PFAs
5. The Impact of Growth on Cultural and Historic Resources:
  - a. Number of projects reviewed for compliance with federal and State laws

Please note that there are two broad categories where there were no indicators recommended by the workgroup and therefore nothing for the technical team to review. These include: “The fiscal cost of growth” and “The impact of growth on business, including job creation, fiscal impact, agribusiness, tourism, and forestry.”

## **II. BACKGROUND/INDICATORS WORKGROUP**

The passage of Senate Bill 276 and House Bill 295 – Smart, Green, and Growing – Annual Report – Smart Growth Goals, Measures, and Indicators and Implementation of Planning Visions in the 2009 General Assembly Session, among other things, required the Task Force to make further recommendations on additional measures and indicators.

The uncodified section of HB295 required that the Task Force for the Future of Growth and Development in Maryland make recommendations for additional indicators that the State, National Center for Smart Growth or a local jurisdiction should be required to collect in the following categories:

1. Housing choices, including affordability;
2. The impact of growth on the environment, including land, air and water;
3. The fiscal cost of growth;
4. The job and housing balance;
5. The impact of transportation on growth;
6. The impact of growth on business, including job creation, fiscal impact, agribusiness, tourism, and forestry; and
7. The impact of growth on cultural and historic resources.<sup>1</sup>

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<sup>1</sup> HB 295 Enrolled Bill, page 15.

A preliminary list of indicators was presented by the Indicators Workgroup that described the indicators in the context of the following categories:

1. The proposed indicator;
2. An assessment of the indicator's data availability;
3. A suggested frequency for updating the indicator;
4. A suggested geographical coverage for the indicator;
5. A notation of whether the indicator is derived from other information or is readily measurable itself (empirical);
6. A listing of identified issues with the indicator;
7. The suggested indicator development and reporting entity; and
8. The Workgroup's final assessment of the indicator.

In the Spring/Summer of 2009, the Indicators Workgroup of the Task Force identified additional smart growth measures and indicators and reported to the full Task Force at its July and September meetings. The workgroup evaluated many indicators in terms of relevance to smart growth, availability of data, and the practical ability to collect information about the indicator on a regular basis.

A letter was sent to the General Assembly in November of 2009 recommending a cautious approach to the adoption of additional mandatory indicators. The fundamental finding of the Indicators Workgroup was that there are many potential indicators; each requiring data, which in some cases can be difficult or impossible to obtain. Further, many indicators provide very useful information about the subject they measure, but they may have only a tenuous relationship to assessing a jurisdiction's smart growth performance. Therefore, the Task Force's primary recommendation to the legislature was that potential indicators be fully studied and vetted before new indicators are legislatively imposed.

### **III. TECHNICAL TEAM**

The work group designated a technical team to "test" the indicators presented on the "List of Potential Smart Growth Indicators." The technical team includes representatives from: the Maryland Department of Planning, the National Center for Smart Growth Research and Education at the University of Maryland, and local government representatives involved in data collection to complete an assessment of the indicators on the "List of Potential Smart Growth Indicators". Participants include Stephanie Martins (MDP), Mark Goldstein (MDP), Jim Palma (MDP), Jenny King (MDP), Rebecca Lewis and Gerrit Knaap (National Center for Smart Growth Research and Education), Dan Rooney (Harford County Planning & Zoning), Joe Adkins

(Frederick City Planning), and Sandy Coyman (Chair of the Indicators Workgroup and Director Talbot County Planning and Zoning).

This group met in April and May of 2010 and assigned group members to test specific indicators. The group then reconvened to discuss each of their findings. The “Findings” section below and attached matrix gives the group’s general feedback on each indicator. The attached Appendix represents the actual data that were collected about each indicator. This is not intended to be used for analysis, but it shows, in some cases, sample information that could be collected at the statewide scale.

#### **IV. FINDINGS**

##### **Housing choices, including affordability**

Six indicators were reviewed by the technical team in this category. They include indicators related to housing vacancy rate, housing growth/production, and affordable housing. In general, all six specific indicators were found to be useful information to collect and all had some relationship with Smart Growth. There were several indicators that had specific data-related issues. Housing vacancy rates, housing production/growth (required as of July 1, 2011), rental and owner affordability (number of cost burdened households of all types), and home sales and affordability were the three indicators that the group recommended be moved forward. The other two, measuring supply and demand for affordable housing, are useful indicators but there are some data compatibility issues that need to be worked out with DHCD before moving forward.

##### **The impact of growth on the environment, including land, air and water**

The group reviewed eight potential indicators in this category. Six of these indicators were found to meet all of the criteria to be included as recommended indicators. Many of these measures are already being collected or would be relatively easy to compile. They include information on development served by wastewater treatment plants vs. on-site sewage disposal systems (septic systems), wastewater treatment plant flow and capacity for future flow, acres of permanently protected lands, and loss of resource lands (agriculture and forest).

Two indicators in this category were “Not Recommended”, including “Amount of impervious surface” and “number of developed parcels using best management practices for stormwater management”. These were mainly rejected due to data constraints. In the case of impervious surface, there is a wide range of ways that this information could be reported. More work needs to be done to come up with an accepted methodology to calculate percentages of impervious surface. More work also needs to be done on the presentation of such information as it relates to smart growth. In the case of the indicator related to the number of parcels using BMP’s for stormwater management, providing comparable data over time and across the state is problematic. Most new development will be required to use BMP’s. This data is more relevant at a project-level, not at the parcel level. BMP’s may also vary considerably from site to site,

and jurisdiction to jurisdiction. It would be difficult to standardize these into one coherent indicator for the State.

### **The job and housing balance**

Jobs-Labor Force Ratio was the indicator that was analyzed in this category. This indicator is concerned with the balance between jobs and workers to fill those jobs. Ideally, in a smart growth environment, residents would live near their work and not have to commute long distances. Given the fact that labor markets are regional in nature, there is very little utility in using this measure at a county level. Moreover, in some parts of Maryland labor markets also cross state boundaries resulting in individual counties supplying substantial portions of their resident labor force to more than one region, thus making even regional measurements in need of qualification. Also noted was the fact that there are a couple of different measures of jobs which each resulting in different ratios. The group's recommendation is to monitor trends related to this indicator, but not to set an "ideal ratio" as an achievable goal at this stage, since there is no one ratio to give the full picture of this complicated indicator.

### **The impact of transportation on growth:**

The group analyzed three indicators in this section and recommends that two be moved forward. These include "mode shares of transit, walk and bike for work or non-work, telecommuting" and "transit ridership rates". It was indicated that there were reliable datasets for each of these indicators and that they both related to smart growth.

The third indicator, "State or Local major transportation investment inside or outside PFAs" is already collected for the State. It was felt that this would be more difficult to collect at the local level and that it may be an unfair measure to rural jurisdictions with a lot of road miles outside of their PFA.

### **The impact of growth on cultural and historic resources**

Three indicators were evaluated in this category. One was recommended by the group to move forward. The Maryland Historic Trust (MHT) Review and Compliance Program is a regulatory program that reviews state and federal undertakings to ensure that Maryland's important historic and archeological properties will not be adversely affected or destroyed by the actions of federal and state agencies or by entities receiving assistance from those agencies. Under federal and state historic preservation laws, commonly referred to as the "Section 106" process, MHT reviews projects that are undertaken with some level of federal or state funds, permits, or licenses. These projects include a wide variety of undertakings throughout Maryland, ranging from the rehabilitation of individual houses, installation of piers and bulkheads, to major transportation and utility projects, park improvements, schools, actions at federal defense installations, and other undertakings. Through consultation with the involved agencies, project sponsors, local governments, consultants, and the interested public – MHT assists program users in fulfilling their historic preservation responsibilities and ensures the appropriate stewardship of Maryland's heritage resources. This indicator relates to smart growth in that it can help inform where growth is a threat to historic preservation activities.

The other two indicators, “Number of demolition permits issues for properties 50 years old and older” and “Number of building permits issues for properties 50 years old and older” were not recommended. Although they would provide valuable information related to smart growth, they were not recommended primarily due to data issues identified by the group. It was felt that it would be too burdensome for many (especially older) local governments to link age of structure to demolition and building permits, since the age of the structure would need to be verified.

#### **IV. CONCLUSIONS**

As was previously recommended to the General Assembly in November of 2009, the Indicators Technical Team continues to recommend that the Commission take a cautious approach towards adopting additional mandatory indicators. While the Team feels that these indicators will be useful in assessing smart growth successes and effects, and feels that collecting the data required by each indicator will not be an onerous task for those charged with completing it, their usefulness still needs to be proven “in the field.” This cautious approach is taken, in part, because under HB295 local governments are just beginning collecting the indicators which are due to be reported by July 1, 2011.