



Larry Hogan, Governor
Boyd Rutherford, Lt. Governor

Wendi W. Peters, Secretary
Ewing McDowell, Deputy Secretary

December 29, 2016

The Honorable Thomas V. "Mike" Miller, Jr.
President
Senate of Maryland
State House, H-107
Annapolis, Maryland 21401

The Honorable Michael E. Busch
Speaker
Maryland House of Delegates
State House, H-101
Annapolis, MD 21401

**Re: Report required by State Government Article § 1406 and Executive Order
01.01.1998.04 F (MSAR#9351 & MSAR#6651, respectively)**

Dear President Miller and Speaker Busch,

On behalf of the Smart Growth Subcabinet, I am pleased to submit the Implementation of the Smart Growth Areas Act Fiscal Year 2016 in accordance with the State Government Article § 1406. This report highlights the projects, programs, and costs of activities in relation to Priority Funding Areas and the activities of the Smart Growth Subcabinet.

Sincerely,

Wendi W. Peters
Secretary

cc: Sarah Albert, Department of Legislative Services (5 copies)



MARYLAND DEPARTMENT OF



PLANNING

2016

Local Government
Annual Reporting



On the cover: Top left: Town of La Plata Town Hall in Charles County; Top right: Ellicott City in Howard County; Bottom left: The Town of Oakland in Garrett County; Bottom right: a view from Town of St. Michael's in Talbot County overlooking the scenic harbor.

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Measures and Indicators Report

Local Jurisdictions Reporting

Section 1-208(e) of the Land Use Article requires that the Maryland Department of Planning (Planning) report on smart growth goals, measures and indicators submitted by each jurisdiction with planning and zoning authority. The indicators provide an annual snapshot of growth-related changes and the amount of permit activity within the state’s identified investment areas – Priority Funding Areas (PFAs) – along with remaining development potential and local farmland preservation. Jurisdictions that issue more than 50 new residential permits within the reporting year must also report on the amount, share, net density and location of new residential development and intensity of commercial development. An interactive map of all locally designated PFAs can be accessed at <http://mdpgis.mdp.state.md.us/PFA/publicinfotemplate/index.html>.



Background

2016 marks the eighth year that the counties and municipalities meeting these criteria submit annual reports, which are required to be filed by July 1 and include data from the previous calendar year. In 2016, Planning received 97 annual reports reflecting activity in 20 of 23 counties (see map above) and 77 municipalities. The table below lists the reporting activity for the past four years. It shows a 73 percent increase in the number of reports received in 2016 compared to 2015.

Year	No. of Reports	Counties Reporting	Municipalities Reporting
2016	97	20	77
2015	56	15	41
2014	70	16	54
2013	100	21	79

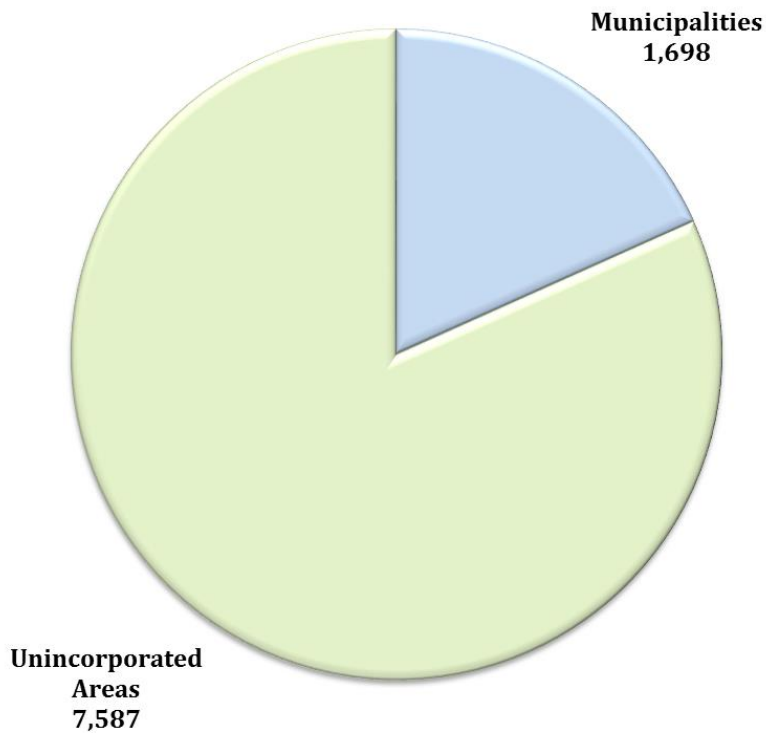
The reporting requirement applies only to jurisdictions with planning and zoning authority, which includes the 23 counties, Baltimore City and 108 municipalities. In 2017, Planning staff will continue to work with local governments to maintain the consistency of the data and increase the level of participation.

Residential building permits reported

Section 1-208(c)(3)(ii) requires that all jurisdictions provide documentation to Planning when fewer than 50 building permits for new residential units are issued in a calendar year. If more than 50 building permits for new residential units are issued, jurisdictions must also provide specified data to include the amount of residential and non-residential growth inside and outside of the PFA. Of the 20 counties reporting, twelve issued 50 or more new residential building permits. Of the 77 municipalities reporting, only nine reported 50 or more new residential building permits.

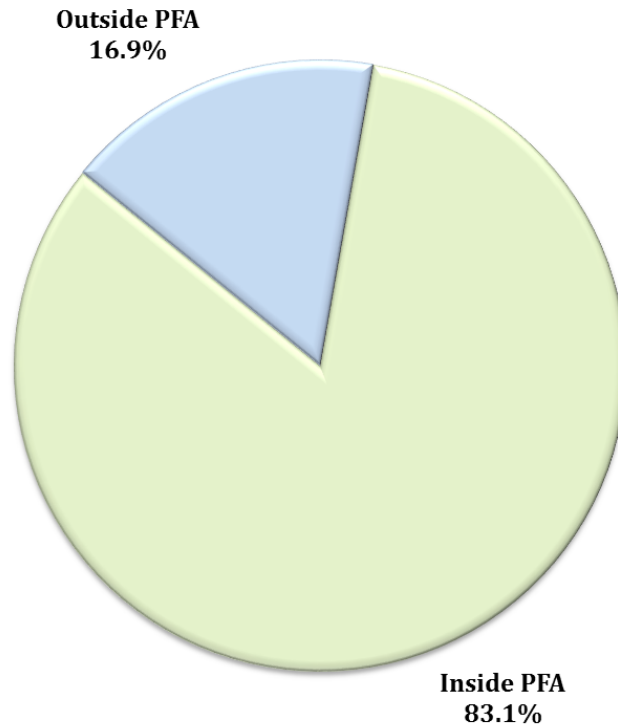
Based upon the data reported, 9,285 new residential permits were approved in 2015 by the 97 jurisdictions submitting annual reports, of which 7,587 were issued in unincorporated areas and 1,698 in municipal areas.

Total Reported Permits Issued in 2015



Of the jurisdictions reporting new residential permits in relation to PFAs, approximately 83.1 percent (7,716) were approved within PFAs in 2015.

New Residential Permits Reported Inside and Outside of Priority Funding Areas 2015



Counties reporting new residential building permits inside and outside of PFAs continue to demonstrate mixed results for the reporting year. Howard County reported the most

new residential permits with 1,620 of which 100 percent were within the PFA. Baltimore County (1,025) was the only other county reporting 1,000 or more new residential building permits for 2015 with 98.5 percent of new residential permits located within the PFA. Other counties with a high percentage of residential permitting inside PFAs include Harford (88.8 percent), Montgomery (86.9 percent), Frederick (78.0 percent), and Washington (76.1%). Allegany, Kent and Somerset counties issued 27, 13 and 19 new residential permits, respectively, with a combined total of 17 new residential permits inside PFA boundaries.

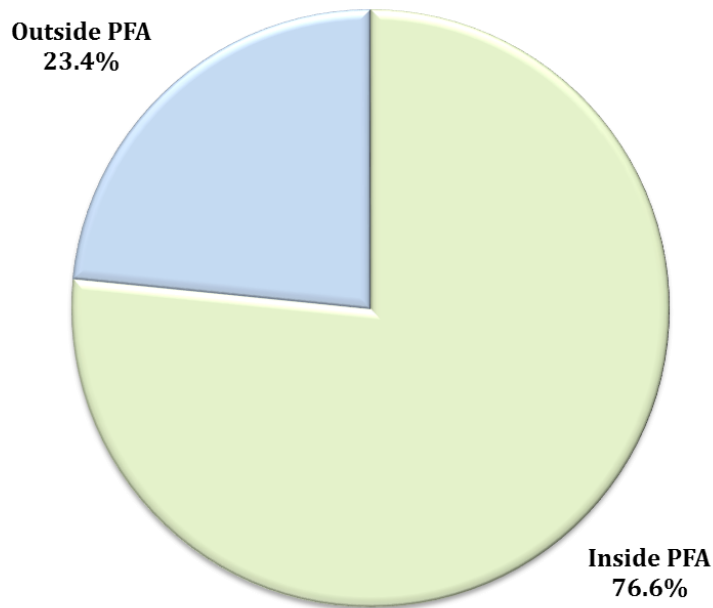


All jurisdictions track and report how many residential permits are issued in a calendar year.

Residential building lots reported

Counties reporting their share of new residential lots created inside and outside PFAs also demonstrate mixed results. Frederick and Prince George's counties reported more than 1,260 new residential lots (562 and 698 lots, respectively) for the year; and identified that 88.8 percent (1,119) were located within their PFAs. Of the seven counties reporting, nearly 76.6 percent (2,175) of newly approved lots were located within their PFAs.

New Residential Lots Reported (Counties) 2015



Monocacy Park is a high-density residential development in the City of Frederick.



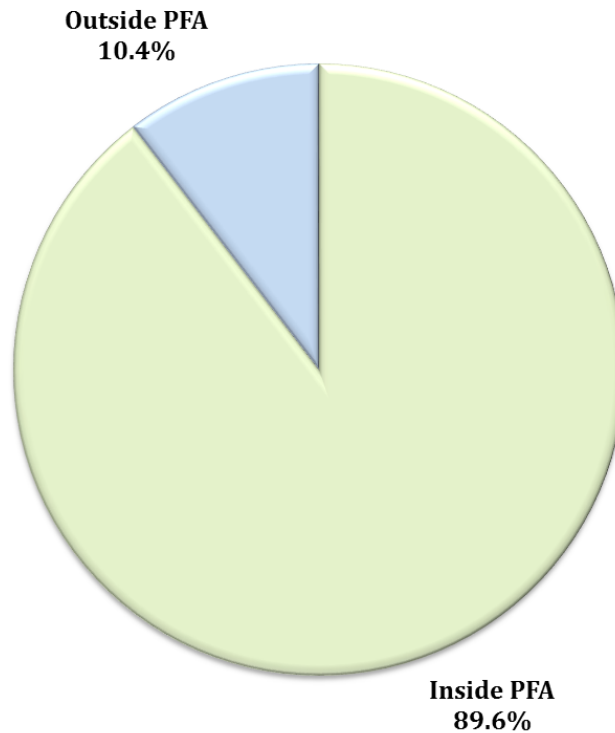
Commercial building permits reported

In addition to residential development, counties also report commercial development which includes, but is not limited to, commercial and industrial. Reporting counties had 7,303,056 square feet (SF) of new non-residential development in 2015. This amount is significantly higher than the new non-residential development reported in 2014. (See table below)

Year	New Non-residential Square Footage reported
2015	7,303,056
2014	3,960,011
2013	13,523,712
2012	5,865,247

Of the counties reporting, 89.6 percent (6,549,076 SF) of new non-residential development approved was located within PFAs.

New Non-Residential Square Footage (Counties) 2015



Locally Funded Agricultural Land Preservation

Jurisdictions are required to report the amount of acres that have been preserved using local resources. Local funding for agricultural preservation can come from a variety of local sources, such as Transfer of Development Rights (TDRs), Building Lot Termination (BLT), Local Land Trusts, and Historic Resource Preservation and Easement programs. In 2015, over 9,247 acres of agricultural lands were preserved using local funding, an increase from 2014 of 2,373 acres.

Jurisdiction	Locally Preserved Agricultural Acres
Counties	
Allegany	156.9
Baltimore	726.0
Calvert	331.1
Caroline	153.36
Carroll	1,730.0
Cecil	476.9
Dorchester	263.0
Frederick	572.0
Harford	121.0
Howard	400.0
Montgomery	713.8
Prince George's	140.0
Saint Mary's	3,352.8
Washington	111.0
TOTAL	9,247.85 acres



Aerial view of an Agricultural Reserve area in Montgomery County.

Development Capacity Analysis

Each jurisdiction is required to prepare a Development Capacity Analysis every three-years or whenever there is a significant change in land use or zoning. In 2015, four counties indicated updates in the number of units or lots that could be accommodated through land use or zoning. Nine counties indicated that their development capacity analysis would be prepared in 2016/2017.

Jurisdiction	Maximum Number of Residential Units
Counties	
Baltimore	County report in progress
Calvert	County report in progress
Carroll	13,089
Charles	County report in progress
Dorchester	County report in progress
Harford	17,754
Howard	31,100
Kent	County report in progress
Prince George's	103,187
Saint Mary's	County report in progress
Somerset	County report in progress
Talbot	County report in progress
Washington	County report in progress
TOTAL	165,130 units

The planned community of Maple Lawn, north of Burtonsville in Howard County.



Statewide Indicators

In addition to reporting on indicators from local jurisdictions, it is important to report several indicators statewide, since not all local jurisdictions are required to submit their own indicators. The following indicators are derived from Planning’s parcel data and associated analysis, representing all areas of Maryland.

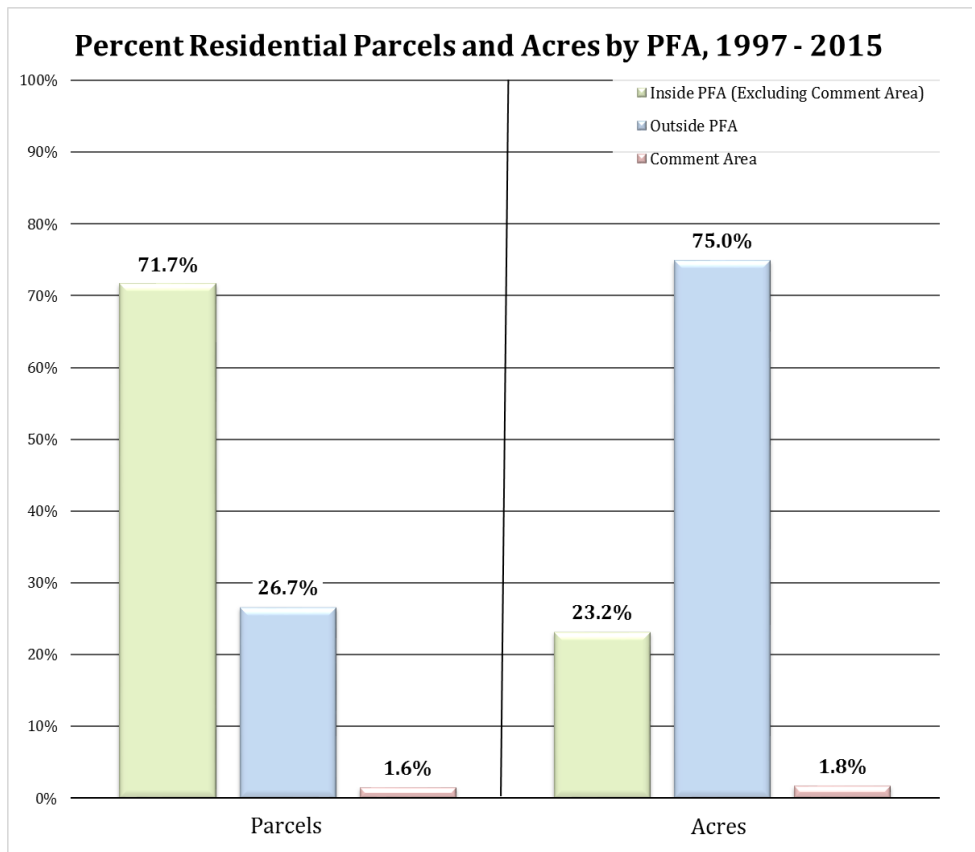
Priority Funding Areas (PFAs) are existing communities and places designated by local governments that indicate where state investments should be made to support future growth.

Residential parcels created within PFAs are depicted in green; parcels created outside PFAs are depicted in blue.

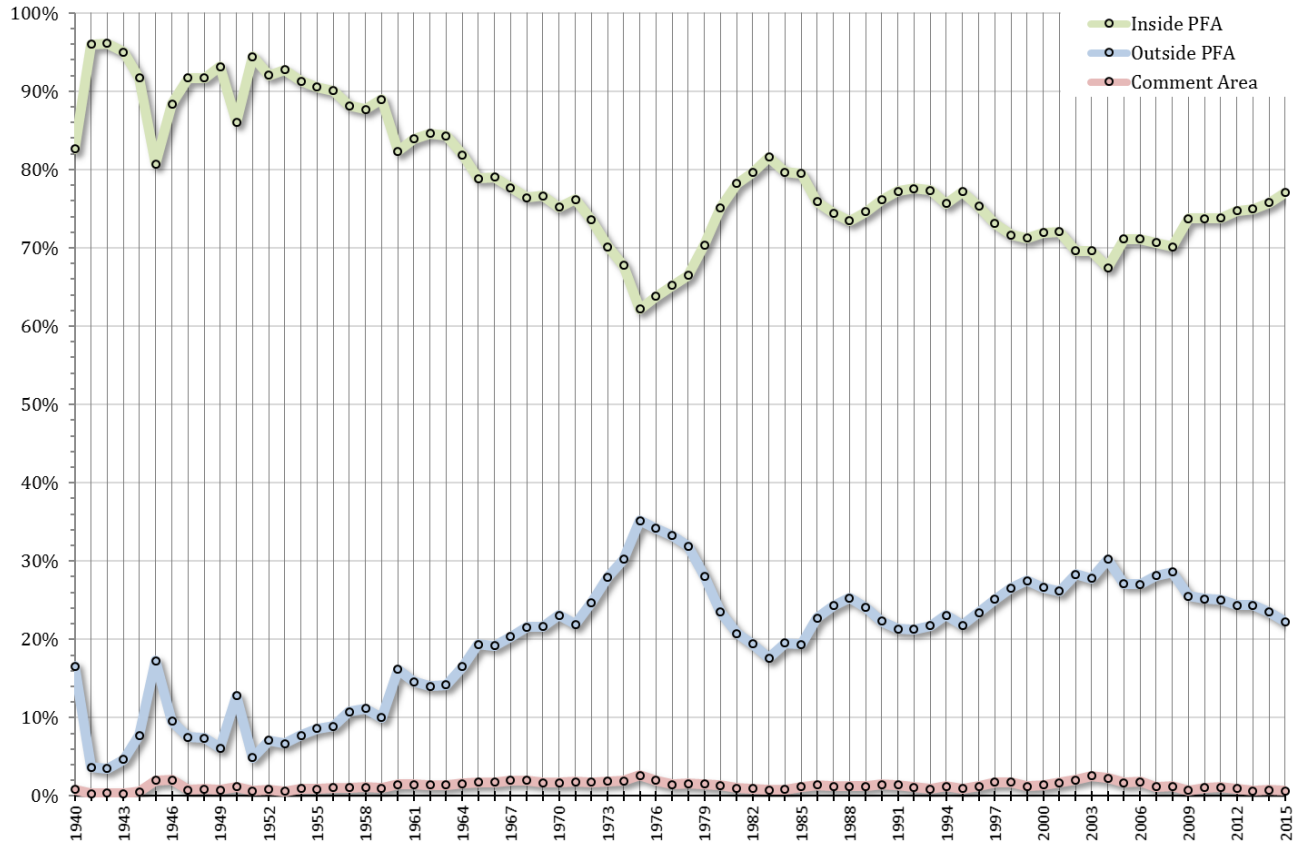
Currently, there are approximately 1,237,950 acres of PFAs within Maryland, covering approximately 20% of the land area in the state. Of these areas, approximately

67,186 acres of land are classified as PFA Comment Areas (areas designated as PFAs by jurisdictions that do not meet all the PFA criteria). Comment areas account for approximately 5.4% of the total area of the PFA.

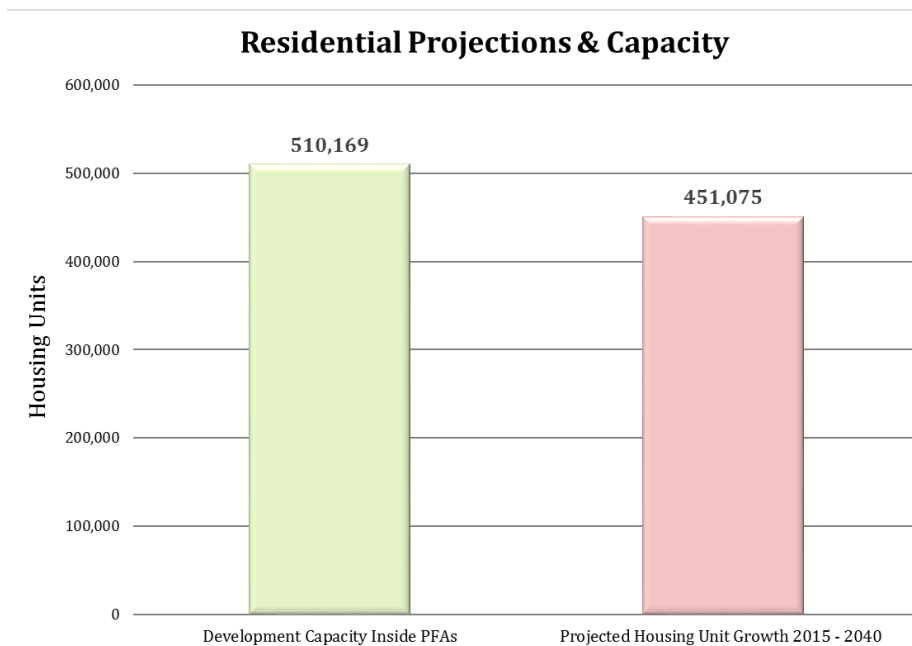
Planning maintains statewide geo-referenced parcel data. The following chart shows the trend of where residential parcels have located with respect to PFAs between 1940 and 2015. The long-term trend shows a decline of residential parcels being built within PFAs, although, since 2008 the data shows an uptick in improved residential parcels being created within PFAs.



Percent of Improved Single Family Residential Parcels



Planning also analyzes statewide development capacity or land supply, with respect to PFAs. Current estimates show that all of the state’s projected growth through 2040 could fit within PFAs.



Adequate Public Facilities Ordinance Report

Section 7-104(b) of the Land Use Article requires Local jurisdictions with Adequate Public Facilities Ordinances (APFOs) to report to Planning every two years to detail whether a local APFO has halted development or redevelopment in a PFA. Section 7-104(c) of the Land Use Article requires that Planning report on state wide impacts of adequate public facility laws as reported by each jurisdiction. The reporting requirement was approved by the Maryland General Assembly in 2009.

Local jurisdiction biennial reports on the impact of APFO restrictions in the PFA must include information about:

- the location of the restriction
- infrastructure affected by the restriction
- the proposed resolution of the restriction, if available
- estimated date for resolving the restriction, if available
- date a restriction was lifted, as applicable
- terms of the resolution that removed the restriction

Planning collected the first set of APFO biennial reports in 2010 reflecting APFO activity in calendar years 2008 and 2009. The APFO biennial reports were due July 1, 2016 from local jurisdictions for calendar years 2014 and 2015. Reports are due only if a restriction has occurred within the PFA.

Fourteen counties and 26 municipalities have enacted APFOs. Of those, Planning received reports of APFO restrictions within PFAs from nine counties and two municipalities for 2015. A summary of the APFO data by jurisdiction for 2014-2015 is on the pages following.

Planning's report on the statewide impact of APFOs identifies: (1) the jurisdiction reporting the restriction within a PFA; (2) the facility type within the PFA that did not meet local adequate public facility standards; and (3) the scheduled or proposed improvements to the facility in local capital improvement programs to remedy the restriction.

Capacity for water, sewers, roadways, and schools are standard components of a local APFO.



Summary of Reported Restrictions for 2012 - 2014

Jurisdiction	Notes/Comments																																	
Counties																																		
Baltimore	<p>2014: Baltimore County reported overcrowding – over 115 percent of the State Rated Capacity – at 30 of its 105 elementary schools. The County monitored and closed Sanitary Sewer Overflows (SSO) #14 (Moorehead Road), #120 (Charles Street Avenue), and #115 (Essex Avenue).</p> <p>2015: No school overcrowding data was submitted for 2015. The County monitored and closed Sanitary Sewer Overflows (SSO) #47 (DuBois Avenue), #104 (Sussex Road Bridge), and #105 (Sussex Road Alley).</p> <p>The 2015 Basic Services Transportation Map identified the E and F level intersections throughout the county:</p> <table border="0" data-bbox="456 695 1341 1037"> <thead> <tr> <th></th> <th style="text-align: center;">CY 2015</th> <th style="text-align: center;">CY 2014</th> </tr> </thead> <tbody> <tr> <td>Loch Raven Blvd (MD 542)/E. Joppa Rd</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Falls Rd (MD 25) /W. Seminary Ave (MD 131)</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Falls Rd (MD25/W. Joppa Rd</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Falls Rd (MD25)/Greenspring Valley Rd</td> <td style="text-align: center;">LOS = F</td> <td></td> </tr> <tr> <td>Frederick Rd (MD 144) and Bloomsbury Ave-Ingleside Ave</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Baltimore National Pike (US 40/N. Rolling Rd</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>York Rd (MD 45)/Burke Ave</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Perring Pkwy (MD 41)/Putty Hill Ave</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Pulaski Hwy (US 40)/66th Street</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = F</td> </tr> <tr> <td>Pulaski Hwy (US 40)/Ebenezer Rd</td> <td style="text-align: center;">LOS = F</td> <td style="text-align: center;">LOS = E</td> </tr> </tbody> </table>		CY 2015	CY 2014	Loch Raven Blvd (MD 542)/E. Joppa Rd	LOS = F	LOS = F	Falls Rd (MD 25) /W. Seminary Ave (MD 131)	LOS = F	LOS = F	Falls Rd (MD25/W. Joppa Rd	LOS = F	LOS = F	Falls Rd (MD25)/Greenspring Valley Rd	LOS = F		Frederick Rd (MD 144) and Bloomsbury Ave-Ingleside Ave	LOS = F	LOS = F	Baltimore National Pike (US 40/N. Rolling Rd	LOS = F	LOS = F	York Rd (MD 45)/Burke Ave	LOS = F	LOS = F	Perring Pkwy (MD 41)/Putty Hill Ave	LOS = F	LOS = F	Pulaski Hwy (US 40)/66th Street	LOS = F	LOS = F	Pulaski Hwy (US 40)/Ebenezer Rd	LOS = F	LOS = E
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Calvert	<p>2014: Calvert County reported restrictions in three school districts, including Beach Elementary, Windy Hill Elementary and Northern High School. The restriction for Northern High's school district is anticipated to be resolved by 2019. The construction to replace Northern High School should commence in 2016. The new building is planned to be open in the fall of 2018. The restriction for the Beach Elementary school district is anticipated to be resolved when the school is renovated/expanded or replaced. This date is most likely to occur by 2022. Calvert County Public Schools will conduct a feasibility study in FY 2017. Planning funds for the renovation/expansion or replacement are scheduled for FY 2018 with construction to follow. These restrictions will be resolved when County staff verifies there is adequate capacity within a previously closed school district or after a seven year wait on the final recording of subdivisions or residential site development plans.</p> <p>2015: Adequate Public Facilities (APF) restrictions are in place in the northern portion of the county. Two municipalities within the county, Chesapeake Beach and North Beach, are not subject to Calvert County's zoning regulations and are exempt from the County's APF regulations.</p>																																	

Jurisdiction	Notes/Comments
Charles	<p>2014: The Zekiah Sewer Pump Station continued to be at capacity. Capital improvements included over \$2.6 million for design and construction through FY 2018. The Zekiah Sewer Pump Station will be fully replaced and the capacity increased from 3 million gallons per day (MGD) to 10.5 MGD. There is no information provided to indicate how many projects in the PFA were impacted.</p> <p>2015: The Zekiah Sewer Pump Station continued to be at capacity. The county indicated that a Capital Improvement Program has been approved but a timetable for completion is not reported.</p>
Frederick	<p>2014: Frederick County reported fifteen elementary schools and three middle schools are at or over 100 percent of the State Rated Capacity. If capacity is between 100 and 120 percent, then projects in these districts may choose the School Construction Fee Option in addition to the normal school impact fee. Three elementary school districts are over 120 percent of the State Rated Capacity. Five of the affected elementary schools and two middle charter schools are in the City of Frederick. Seven elementary school renovations are included in the 2014 Educational Facilities Master Plan, with an estimated increase of over 3, 200 seats. Two middle school renovations and a high school replacement are also planned. Additions at six elementary schools, one middle school, and one high school are programmed in the 2015-2020 Capital Improvement Plan.</p> <p>2015: Four of the affected elementary schools were within the City of Frederick. Four schools are located in the Urbana, New Market, and Liganore communities. One school is located in the Ballenger Creek community. One school, Yellow Springs, has a district mostly outside the PFA. Four schools, Centreville (148%), Hillcrest (140%), Urbana (135%) and Waverly (137%) are over 120% of capacity and would not allow for a county development to use the School Construction Fee Option. One middle school in Oakdale, and one middle school in Frederick, are over 100% capacity. One high school, Urbana, was over capacity. There are seven elementary school renovation projects included in the 2015 Educational Facilities Master Plan, with an estimated increase of 3,498 new seats. One middle school improvement will not add capacity and two high school projects to replace Frederick High will add 223 seats.</p> <p>Programmed improvements for Capital Improvement Plan (CIP) Fiscal Years 2016-2021 include:</p> <ul style="list-style-type: none"> • Urbana Middle fit out of 300 seats opened fall 2015 • Frederick High new replacement school opens fall 2017 • Sugarloaf Elementary new school with 725 seats opens fall 2017 • Butterfly Ridge Elementary new school with 725 seats opens fall 2019 • Urban Elementary replacement opens fall 2020 • Waverly Elementary addition of 200 seats opens fall 2021 • East Area Elementary new school to open after 2021

Jurisdiction	Notes/Comments
Harford	<p>2014: Harford County reported that due to a deficit of water supply from Winters Run, the Maryland Department of the Environment and the Harford County Health Department has stopped approving building permits within Maryland American Water Company's (MAWC) service area. Harford County may provide an additional 40,000 gallons per day (GPD) to MAWC through the existing West MacPhail Road metering station, which could allow for up to 114 equivalent dwelling units (EDUs) to be developed within MAWC's service area. This amendment is in effect until 2018. It is only meant to provide MAWC time to construct the ultimate solution of an impoundment to provide a safe and reliable water supply sufficient for the entire approved service area.</p> <p>Harford County also reported there were four sewage pumping stations that do not have additional reserve capacity and that may impact future development in the vicinity of these pumping stations. These pumping stations include, Brentwood Park Sewage Pumping Station (S.P.S.), Dembytowne/Hanson Road Petition S.P.S. (2), Forest Greens S.P.S., and Harford Square S.P.S.</p> <p>2015: No additional changes were reported.</p>
Howard	<p>2014: No additional data was submitted.</p> <p>2015: Howard County reported 5 closed elementary school districts (Cardlerock, Veterans, Centennial Lane, St. Johns Lane, and Fulton) and 4 closed middle school districts (Harpers Choice, Ellicott Mills, Dunloggin, and Patapsco). This resulted in a total of 186 units in 7 subdivision plans on hold due to closed elementary school districts and an additional 110 units in 14 subdivision plans on hold due to closed middle school districts. To help remedy these closures, a new elementary school is under construction in Elkridge and is scheduled to open in the fall of 2017. Planned additions to Dunloggin and Ellicott Mills middle schools will add additional middle school capacity, but no timeframe was indicated.</p>
Montgomery	<p>2014: Montgomery County did not report any schools to be in moratorium (over 120 percent of the State Rated Capacity). However, sixteen schools were reported to be within the 105 to 120 percent School Facility Payment range restriction. The County reported that five of its thirty Transportation Policy Area Review districts were inadequate to meet the road test. This is up from the two areas, Fairland/White Oak and Gaithersburg City, which were reported last year and remain on the inadequate list. Eighteen Transportation Policy Area Review districts for transit were inadequate, up from sixteen in 2013.</p> <p>2015: Montgomery County reported that no school districts were in moratorium; however, twenty-four schools were within the 105% - 120% School Facility Payment restriction. No changes in transportation restrictions were reported, as new transportation data becomes available in CY 2016.</p>

Jurisdiction	Notes/Comments
Queen Anne's	<p>2014: No additional data was submitted.</p> <p>2015: Queen Anne's County reported that a school restriction, over 100% of capacity, at Grasonville Elementary School, has impacted three residential developments, totaling 457 units. A per student impact fee has been determined that will go toward an addition to the school to bring the capacity under 100%. The per student mitigation fee must offset the impacts of the proposed development on school capacity and cannot be used for portable classrooms and the mitigation must be approved by the Board of Education.</p>

Jurisdiction	Notes/Comments
Municipalities	
Frederick	<p>2014: Five overcapacity elementary schools and two middle charter schools within the City of Frederick.</p> <p>2015: Four overcapacity elementary schools and one middle charter school within the City of Frederick.</p>
Gaithersburg	<p>2014: The City reported a restriction on one residential development.</p> <p>2015: The City Reported that 67% of the land area in Gaithersburg was subject to school restrictions. A modification of the School APFO standards in 2015, to 150% of capacity, resolved all restrictions. Approximately 87% of the land area is subject to the City Schools Facilities Impact Fee because the schools exceed 105% of capacity.</p>
Rockville	<p>2014: Rockville reported that a school restriction for the Avalon Twinbrook Station has been in place since 2009. A new high school is planned to be constructed in 2018-2019 but may not resolve the capacity issues in that cluster. The City also reported thirteen sewer restrictions due to inadequate sewer capacity.</p> <p>2015: Rockville reported that a change in School level of service methodology to a five-year average resolved existing restrictions on residential development. Elementary School No. 5, on West Edmonston Drive, is scheduled to open for the 2018-19 school year. The school will open with a program capacity of 602 students. As a consequence, other elementary school boundaries within the City will have to be adjusted.</p> <p>There were two deficiencies in the water system associated with two projects previously approved but not yet built. One deficiency is on Dawson Avenue and the second is on Chapman Avenue. Construction is ongoing to address both deficiencies; construction completion is anticipated during fiscal year 2017.</p> <p>There were eight deficient areas with eleven identified sewer segments that have flow restrictions. These restrictions were a result of inadequate transmission capacity of the existing sewer pipes to convey wastewater flow.</p> <p>Rockville's FY2016 Capital Improvement Program includes construction funding in FY2016 to resolve five deficient areas with seven sewer segment restrictions: North Horners Lane; Monroe Street; Cabin John Parkway; East Rockville (three segments); and Lorraine Drive. Development approvals through December 31, 2015 require mitigating two sewer restrictions: Monroe Street and Cabin John Parkway. There are three deficient areas with four sewer segments with restrictions, which are not programmed to be improved: Atlantic Avenue; Lakewood (two segments); and Glenora.</p>

MARYLAND DEPARTMENT OF



PLANNING

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