Reinvest Maryland:

Accelerating Infill Redevelopment & Community Revitalization

A report of the Maryland Sustainable Growth Commission

September 2014

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State of Maryland
Martin O'Malley, Governor
Anthony G. Brown, Lt. Governor
Reinvest Maryland: *Accelerating Infill, Redevelopment & Community Revitalization*

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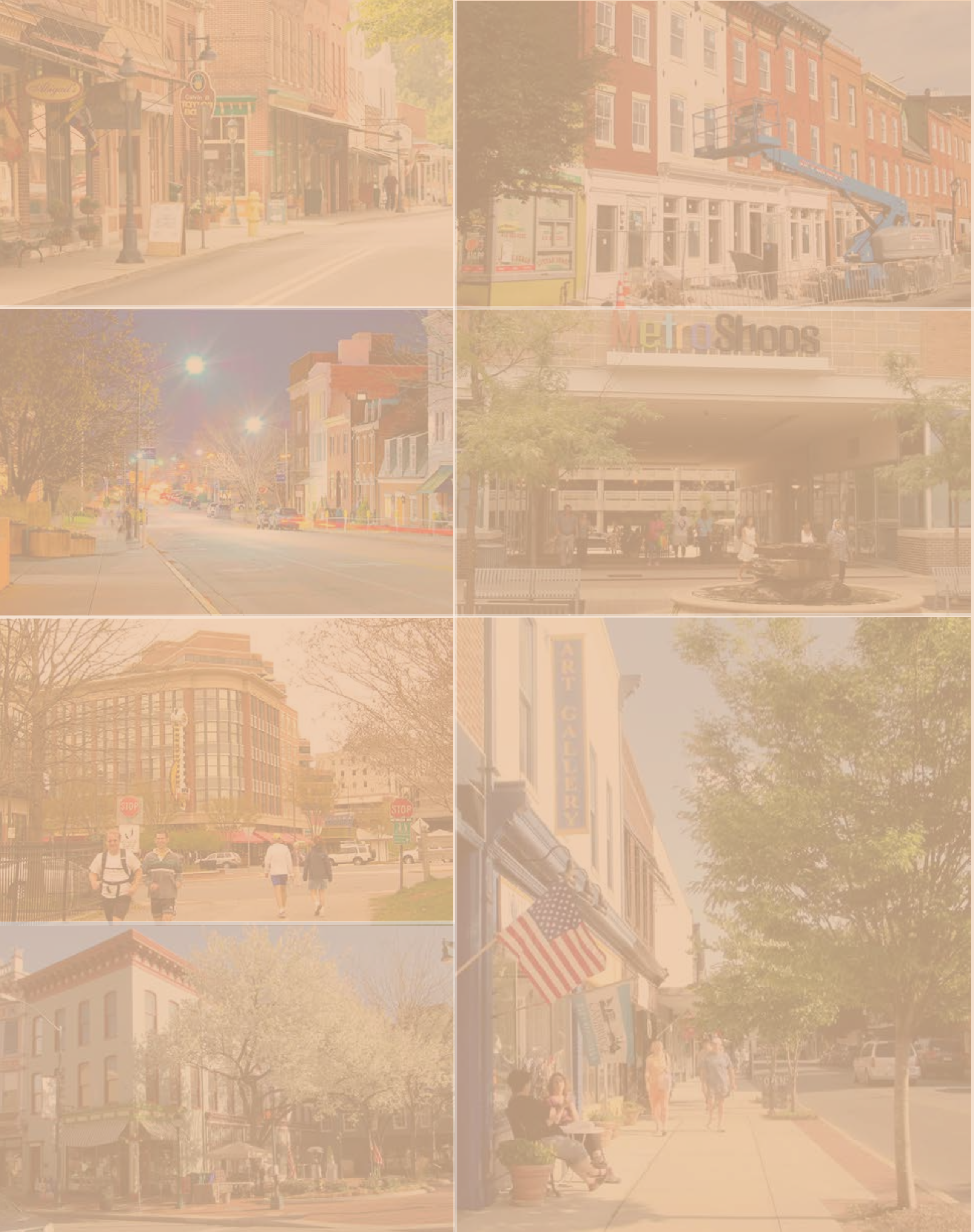
On the cover: Images clockwise from left include Berlin, Baltimore, Hyattsville, Cambridge, Hagerstown, Bethesda and Salisbury



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The Commission extends its thanks to the state agencies represented on the Commission for their assistance, and especially to the Maryland Department of Planning, which serves as the Commission's principal staff. Special thanks to Kristen Mitchell at the Department of Planning, who served as project manager.

Maryland Sustainable Growth Commission

Table of Contents

Find Reinvest Maryland appendices at bit.ly/rmdappen

About this Report

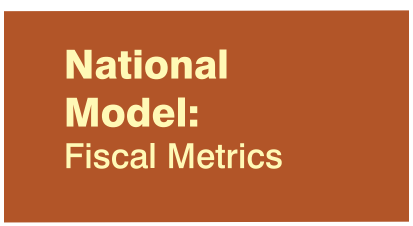
This is a report of the Maryland Sustainable Growth Commission focused on recommendations, case studies and best practices for infill, redevelopment and community revitalization. Maryland and its local governments have many existing programs. This report identifies where they have worked well, how they might be improved, how to better fund them and how to eliminate gaps. It is the intent of the Commission to use this document as a blueprint and driver of its ongoing work plan. *Reinvest Maryland* presents an important opportunity for all levels of government to coordinate and strengthen their efforts and to fully engage the private sector in the task.

Beyond the Recommendations

In addition to recommendations, this report also includes these additional features:

Blue boxes highlight best practices in Maryland communities as identified by the Commission. Read these to see what the public and private sectors are doing to spur reinvestment in the state. Best practices are referenced in the Recommendations, with full stories found in the Best Practices section.

The Commission studied 10 Maryland communities in depth, and their reinvestment efforts are explored in detail starting on page 32. Review these to better understand community challenges, strategies and successes.



Brown boxes highlight national models for reinvestment. These are adjacent to recommendations to which they relate and should be examined further for application in Maryland.

The Smart Growth Toolbox, linked from page 61, collects dozens of federal and state programs that provide financial and technical assistance to advance infill, redevelopment and revitalization. This interactive tool, to be sustained and updated regularly, will serve as an invaluable, dynamic resource for jurisdictions and practitioners seeking resources for reinvestment initiatives.

Introduction

Maryland's smart and sustainable growth efforts must focus on making wise use of the state's finite land and irreplaceable natural resources. As stewards for future generations, we must avoid sprawling out into precious farms and forests, and instead reinvest in our existing communities throughout the state. Under the banner of **"Reinvest Maryland,"** this report of the Maryland Sustainable Growth Commission makes recommendations for investment in Maryland's existing communities and also provides corresponding community profiles, national models, best practices and a toolbox of federal and state programs.

Maryland is often called "America in Miniature" because of the diversity of our people, our landscape, our environment and our communities. From Oakland to Ocean City, Marylanders overall enjoy a high quality of life. However, Maryland is the fifth most densely populated state in the country and it is projected to grow by 1 million people and 800,000 new jobs in the next 30 years. This means we have to grow smarter to accommodate this growth while maintaining our high quality of life, including vibrant communities, farm and forest land, and healthy streams, rivers, and the Chesapeake and Coastal Bays.

Increasing the share of growth that goes to developed areas is not a lofty or unattainable goal. Analysis of land use and zoning demonstrates that Maryland has an adequate supply of land to accommodate all of the projected growth within Priority Funding Areas – a geographic designation established by the 1997 Priority Funding Areas Act indicating areas targeted for state funding of growth-related infrastructure – and this conservative estimate does not account for much of the infill and redevelopment opportunities within them.

Over the past 10 years, approximately 80 percent of residential units built in Maryland were located in Priority Funding Areas. The share of homes built in these areas has increased slightly over the past few years after declining for roughly 25 years. As articulated in PlanMaryland, a statewide growth policy, the state's goal is for 90 percent of residential growth to occur within Priority Funding Areas.

Not only is reinvestment economically and environmentally responsible, but there is also a strong market for it. Demand for more compact, walkable communities is on the rise, fueling a well-documented movement back to towns, older suburbs and cities.

According to a 2014 study by Christopher Leinberger and Patrick Lynch for the George Washington University School of Business, in the 30 largest metropolitan areas, office rents in walkable urban places enjoy a 74 percent premium over rents in auto-oriented places, or 44 percent if New York City is excluded *(Foot Traffic Ahead: Ranking Walkable Urbanism in America's Largest Metros).*

As stewards for future generations, we must avoid sprawling out into precious farms and forests, and instead reinvest in our existing communities throughout the state.

In a June 2014 article in *Fortune*, Bruce Katz and Julie Wagner of the Brookings Institution discuss the shift in the location choices of cutting-edge businesses from isolated corporate campuses to more physically compact, mixed-use communities. Several factors account for the trend, including companies' need to locate near talent and the fact that "now more than ever, talented workers want to live in cities. For millennials especially, 'quality of life' increasingly means proximity to urban amenities such as restaurants, retail, cultural, and social venues." More locally, in August 2014, *The Daily Record* reported on the ongoing transformation of Columbia and Towson into more walkable places, where developers are capitalizing on millennials' and baby boomers' interest in a more convenient, social and affordable lifestyle. Consistent with this trend, over the last five years 70 percent of Maryland's population growth has occurred in the four inner suburban counties of Anne Arundel, Baltimore, Montgomery and Prince George's, and in Baltimore City. On the Eastern Shore and in Western Maryland, some of the most vibrant, walkable communities, including Cambridge, Easton, Hagerstown and Salisbury, have maintained or increased their population. The state has also experienced a shift to more multi-family housing. In the last three years, 39 percent of new housing units were apartments and condos, compared to 23 percent in the three years before the recession.

Reinvestment is also compelled by Maryland law and policy, furthering the state's 12 Planning Visions enacted into law in 2009.

12 Planning Visions

1.Quality of Life and Sustainability
A high quality of life is achieved through universal stewardship of the land, water, and air resulting in sustainable communities and protection of the environment.

2.Public Participation
Citizens are active partners in the planning and implementation of community initiatives and are sensitive to their responsibilities in achieving community goals.

3.Growth Areas
Growth is concentrated in existing population and business centers, growth areas adjacent to these centers, or strategically selected new centers.

4.Community Design
Compact, mixed–use, walkable design consistent with existing community character and located near available or planned transit options is encouraged to ensure efficient use of land and transportation resources and preservation and enhancement of natural systems, open spaces, recreational areas, and historical, cultural, and archeological resources.

5.Infrastructure
Growth areas have the water resources and infrastructure to accommodate population and business expansion in an orderly, efficient, and environmentally sustainable manner.

6.Transportation
A well–maintained, multimodal transportation system facilitates the safe, convenient, affordable, and efficient movement of people, goods, and services within and between population and business centers.

7.Housing
A range of housing densities, types, and sizes provides residential options for citizens of all ages and incomes.

8.Economic Development
Economic development and natural resource–based businesses that promote employment opportunities for all income levels within the capacity of the State's natural resources, public services, and public facilities are encouraged.

9.Environmental Protection
Land and water resources, including the Chesapeake and coastal bays, are carefully managed to restore and maintain healthy air and water, natural systems, and living resources.

10.Resource Conservation
Waterways, forests, agricultural areas, open space, natural systems, and scenic areas are conserved.

11.Stewardship
Government, business entities, and residents are responsible for the creation of sustainable communities by collaborating to balance efficient growth with resource protection.

12.Implementation
Strategies, policies, programs, and funding for growth and development, resource conservation, infrastructure, and transportation are integrated across the local, regional, state, and interstate levels to achieve these Visions

Yet, despite all of these compelling economic and environmental reasons, and the presence of a growing market, reinvestment is difficult to achieve. Financial, regulatory and policy barriers make redevelopment more challenging than sprawl. In short, accelerating reinvestment in Maryland's existing communities will not happen without a deliberate effort.

In January 2014, Governor Martin O'Malley and Lieutenant Governor Anthony Brown asked the Maryland Sustainable Growth Commission to help spur reinvestment in Maryland's existing communities, reminding us that *"we need to protect the Chesapeake Bay, its rivers and streams, preserve farm and forest land, and at the same time accommodate 1 million new Marylanders and 600,000 jobs over the next 25 years. Common sense tells us that much of this growth should be infill and redevelopment in areas where there is already significant public investment in infrastructure." (See page 63)*

The Governor and Lieutenant Governor asked the Commission to make recommendations "specifically to accelerate Maryland's infill, redevelopment, and revitalization efforts" which the Commission has defined as follows:

- **"Infill"** – the development of vacant parcels within previously built areas.
- **"Redevelopment"** – building or rebuilding on parcels that have been previously developed, with redevelopment aiming for a higher and better use of the area for the community.
- **"Revitalization"** – instilling new life and vitality into a community through infill and redevelopment or other activities, such as building reuse and renovations, façade improvements, beautification efforts, small business loans, and special events.

Reinvestment through infill, redevelopment and revitalization is relevant to urban and older suburban communities, cities and towns throughout Maryland, whether municipalities or unincorporated places. Local contexts will influence the look, feel and scale of growth, ranging from the rehabilitation and reuse of a single building – a small business opening on a main street in a town in Western Maryland or the Eastern Shore – to projects encompassing many acres or blocks, such as high-density, mixed-use development next to a metro station in Montgomery or Prince George's County.

The 2010 report, *Sustainable Maryland: Accelerating Investment in the Revitalization of Maryland's Neighborhoods,* by the Task Force on the Future for Growth and Development in Maryland, predecessor to the Commission, identified three "building blocks" that exist in urban, suburban or rural communities where state and local revitalization investment have produced substantial results:

- a specific local target area
- a comprehensive, multi-year investment strategy and plan
- strong local leadership that remains focused on implementing the plan

In response, the General Assembly, with support from state agencies and local stakeholders, passed the Sustainable Communities Act of 2010. Among other things, the act called for a new shared approach to planning for and investing in revitalization priorities, which has been implemented as the Sustainable Communities program. Undeniably, state and local governments share responsibility for facilitating reinvestment in Maryland communities:

- local governments establish and implement land use policy with guidance from state standards
- the state and local governments collaborate on the designation of Priority Funding Areas and Sustainable Communities, which are targeted for growth and revitalization
- local governments can designate Targeted Growth and Revitalization Areas, which are based in policy as part of the PlanMaryland framework for growth.

In addition to supporting reinvestment through sound land use planning, state and local government share responsibility for targeting resources to reinvestment areas, and encouraging and incentivizing the private sector to invest.

In fact, this shared responsibility is the foundation of PlanMaryland, Maryland's statewide growth policy PlanMaryland encourages state and local governments to work collaboratively to identify places where growth, revitalization and resource conservation should occur. With the goals identified and the places mapped, PlanMaryland then encourages state and local governments to make policy, budget, and regulatory decisions that consistently reinforce place designations, support the stated goals, and signal to the private sector where it makes sense to invest.

Local contexts will influence the look, feel and scale of growth, ranging from the rehabilitation and reuse of a single building to projects encompassing many acres or blocks.

"Reinvest Maryland" responds to the Governor and Lt. Governor by providing a blueprint for reinvestment in Maryland's existing communities.

Throughout this report, a few closely related and often overlapping types of targeted areas are noted:

- *Priority Funding Areas* (PFAs) – Established by 1997 legislation, these areas mostly coincide with local governments' growth areas, which are also areas with central sewer service. Development patterns in PFAs range from urban areas to small towns and suburban-scale residential development. It is also worth noting that Thirty-seven percent of the state's PFA land area is of low density or undeveloped land uses, providing opportunities for additional development.

- *Targeted Growth and Revitalization Areas* (TGRAs) – A designation in PlanMaryland, these are areas within PFAs that are targeted by state and local governments for development and redevelopment.
- *Sustainable Communities* (SCs) – Established in 2010 as part of Smart Green and Growing legislation, these areas are designated by local governments and reviewed and mapped by the state. In September 2014, there were 75 Sustainable Communities throughout the state.

In this report, the term "targeted areas" refers to Sustainable Communities and where Sustainable Communities are too limiting, to Targeted Growth and Revitalization Areas.

Recommendations in Brief

The Commission's Reinvest Maryland recommendations reflect extensive outreach to stakeholders throughout the state, including interviews or meetings with:

- local planners, practitioners, and elected officials
- stakeholders in case study communities
- the Maryland Planning Directors' Roundtable, a group of planning directors
- representatives from transit, housing, community, small business, environmental, and historic preservation organizations
- builders/developers and elected officials convened by the Urban Land Institute
- transit-oriented development practitioners
- the Maryland Municipal League and Maryland Association of Counties
- national experts on infill and redevelopment
- leaders of the Partnership for Building Reuse, a project of the Urban Land Institute and the National Trust for Historic Preservation

The Commission also conducted a web-based survey to elicit responses from the general public, and it reviewed numerous recommendations from prior reports relevant to the subject.

Our recommendations are organized and broadly summarized as follows:

Establish a Vision for Reinvestment (See VIS, page 8)

- Infill, redevelopment and revitalization will not succeed unless part of a broader vision for reinvestment in existing communities, and a commitment to support this vision with growth policies, funding education, and technical assistance.
- Local governments must establish a clear vision for reinvestment in targeted areas, and the state and local governments must together make their commitment to reinvestment clear by targeting investments, budgets, regulatory authority actions, and resources to support this vision over the long term.
- The state must develop a **"Reinvest Maryland"** brand and accompanying communications, marketing and education strategies.

Create and Better Fund Innovative, Effective Reinvestment Programs (See PROG, page 11)

- Maryland's core revitalization programs are well-regarded and effective, and many local jurisdictions have their own analogous and complementary programs, but a higher level of investment and better strategic alignment and coordination is needed to achieve their full potential.
- This report recommends many new tools and ways to strengthen specific programs, none more important than the establishment of a Reinvest Maryland aggregate funding source of at least $100 million annually, along with better access to such increased funds. Local governments, too, must develop and/or strengthen their reinvestment programs.
- Both state and local government should pay careful attention to programs that support small businesses because of their critical role in successful community revitalization and reinvestment.

Identify and Address Regulations and Policies That May Impede Reinvestment (See REG, page 14)

- The state and local jurisdictions must identify and address regulations that inhibit reinvestment in our communities and instead lead to development in greenfields and unwanted sprawl.
- To make reinvestment easier to achieve than greenfield development (while still protecting public health and safety, and the environment), state and local governments must improve regulatory review and business permitting processes and address continuing concerns about codes and requirements that may make reinvestment more difficult.

Deploy Targeted Financial Tools (See FIN, page 17)

- Faced with limited resources with which to support development, the public sector must make choices regarding where to direct these resources, and its decisions can either facilitate or derail efforts to attract infill, redevelopment and revitalization. Infill and redevelopment also costs more to build than greenfields development, necessitating more efficient use of existing resources and the development of new sources.

- The state and local governments must use existing resources more efficiently and develop or enable creative and effective financial tools to support targeted reinvestment priorities.

- Proposed new or expanded sources of funding include a state infrastructure fund, a state smart growth investment fund, a state Community Development Financial Institution Fund, Tax Increment Financing, and New Markets Tax Credits.

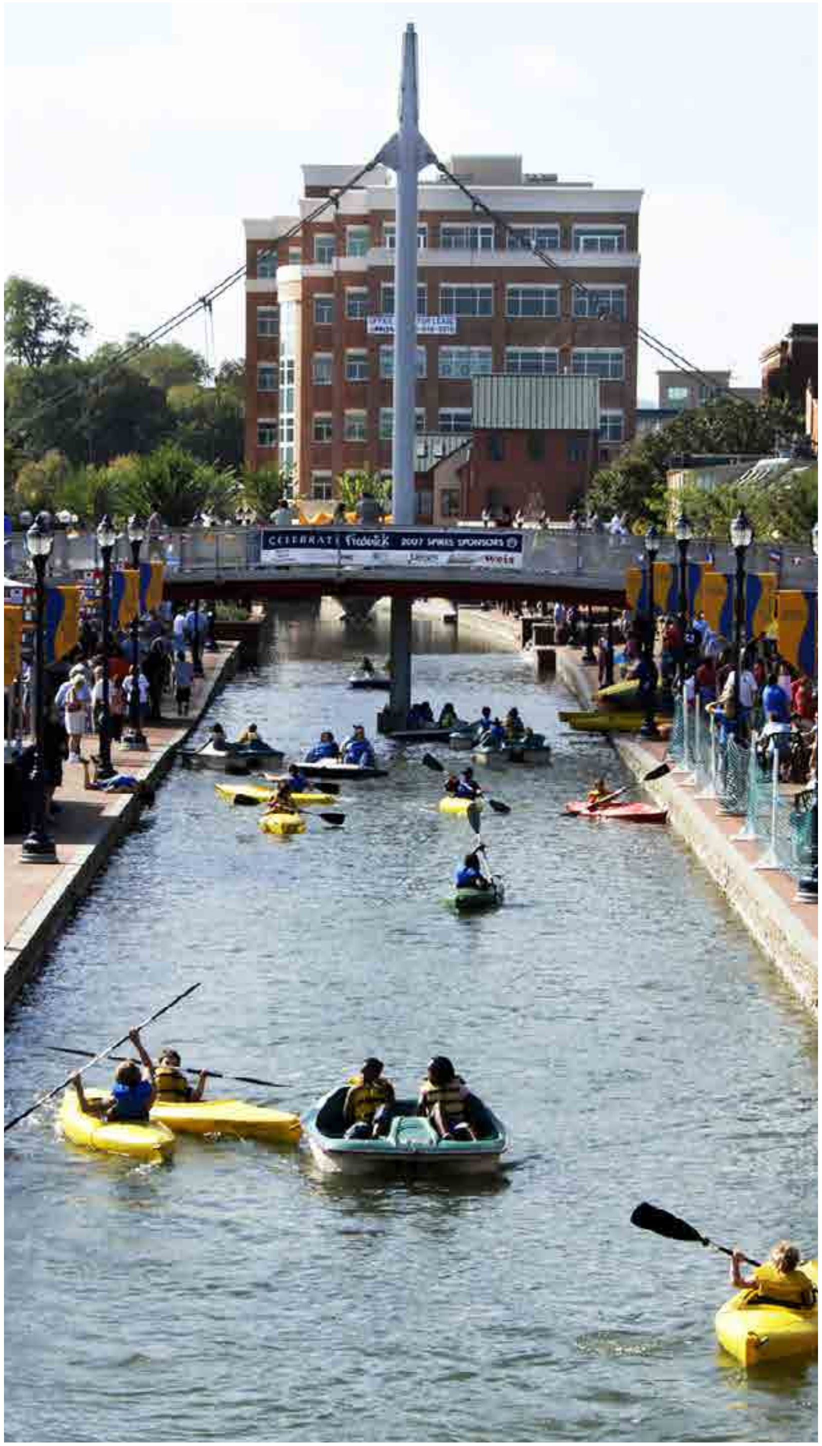
- In addition to targeting existing funds to support reinvestment, more efficient use of funds includes identification of opportunities to reduce the scope of projects that do not support smart growth goals.

Promote Equitable Development (See EQ, page 21)

- Marylanders of all incomes and backgrounds should be able to live in healthy vibrant, and safe communities, with access to jobs, services and great public amenities.

- We must proactively ensure that Marylanders of all incomes and all backgrounds benefit from state and local reinvestment activities.

- The state and local governments must work together to make communities better places to live for all Marylanders, whether that means addressing quality of life issues, strengthening the social fabric of the community, better access to jobs, or providing new sources of affordable housing in places that currently lack a sufficient supply.



Encourage Excellence in Community Design and Preservation (See DES, page 23)

- Development patterns and design over the past half-century have too often resulted in communities that are not particularly attractive or functional.
- The state and local governments must work with community leaders to help them preserve unique community character and historic assets and integrate new investment within the existing community fabric, while also facilitating and encouraging new investment and jobs.

Use Metrics to Gauge Success and Provide Accountability (See MET page 25)

- Currently, Maryland does not have a way to measure its cumulative reinvestment efforts or impact, which makes it difficult to assess how well the state is doing.
- Through StateStat, the state must develop and implement a tracking and forecasting system to measure and evaluate the effectiveness of community reinvestment.

Accelerate Transit-Oriented Development (See TOD, page 26)

- Though the state has some good examples of transit-oriented development, there are many more examples of existing and proposed transit hubs that do not take full advantage of this distinct asset through some form of transit-oriented development.
- In addition to increased funding and streamlining of regulations, successful TOD necessitates increased coordination and greater clarity regarding state, local and private sector roles.

The factors that impact the quality and pace of infill, redevelopment and revitalization are described in greater detail below and are accompanied by a wider range of recommendations.

Recommendations in Detail

Establish a Vision for Reinvestment

We will not succeed in attracting infill, redevelopment and community revitalization without a clear vision, marketed broadly, with all available resources brought to bear over the long term. Stakeholders need to know there will be a sustained commitment by the state and local governments so they can readily invest their own resources.

Accordingly, we need to educate the public, elected officials, and decision-makers about the benefits of infill, redevelopment, and revitalization (including transit-oriented development); market dynamics; the financial benefits of compact, mixed-use development patterns; and the role of small business in revitalization efforts. These stakeholders play critical roles in development, but may not have the direct experience to understand market dynamics, project finance or design techniques. Yet, their actions directly influence infill, redevelopment and revitalization.

Practitioners need access to accurate and timely information about best practices and funding opportunities, and many would appreciate guidance on how to combine different sources of funding to make a project work.

The public sector often lacks the capacity to manage complex and expensive projects, whether publicly led or private initiatives in need of public support. Jurisdictions have identified the need for additional staff with specific expertise, such as design and deal negotiation, or training for staff on specific subjects, such as financing, affordable housing, and sustainability. Smaller jurisdictions, especially, need technical assistance with planning and developing a vision for their communities. Similarly, in some communities, the private and nonprofit community development sectors also have trouble finding people with relevant design and real estate development skills.

Recommendations

VIS 1. To emphasize the state's commitment to reinvestment in our communities, the Governor's office should direct the Smart Growth Subcabinet to:

a. create a "Reinvest Maryland" brand, along with a robust communications and marketing strategy

b. create a comprehensive one-stop online resource dedicated to infill, redevelopment and revitalization, with access to complete information about funding opportunities and best practices

c. establish a staff liaison for reinvestment projects

d. align state investments, budgets, regulatory authority, actions and resources, including surplus and other strategically relevant real property, to support strategies for reinvestment

e. work with local governments to identify, in all regions of the state, targeted areas that are prime candidates for job growth and business stabilization, and direct state infrastructure and economic development funds accordingly.

VIS 2. Local governments, working through appropriate local processes, should establish coordinated economic development and community revitalization strategies that focus on reinvestment and encourage infill, redevelopment, and revitalization, if they have not already done so. Their budgets, zoning, regulations, and policies should reflect their commitment to targeted areas. Strategies should make it easier and more desirable to develop inside rather than outside these areas, and make it easier and more desirable to build compact, mixed-use development where possible.

National Model:
Redevelopment Ready Program, Michigan

A statewide certification program, Michigan's Redevelopment Ready Communities Program is designed to build business and investor confidence in jurisdictions that have adopted innovative redevelopment strategies and efficient development review processes to make them more attractive investment opportunities.

During the certification process, jurisdictions go through a rigorous assessment of their practices with the Michigan Economic Development Corporation and other public and private sector experts. To receive certification, jurisdictions adopt a series of community and economic development practices designed to make the development process more "deliberate, fair, and consistent." Best practices address community plans and public outreach; zoning regulations; development review processes; recruitment and education; redevelopment ready sites; and community prosperity. MEDC provides training opportunities, consultation services, and evaluation support for certified communities and helps market redevelopment ready sites.

VIS 3. State agencies, working with local governments, the development community, nonprofit organizations and other stakeholders, must develop a comprehensive educational strategy. Educational modules should be web-based, but also presented at regional meetings and workshops convenient to elected officials, members of planning and historic district commissions, state and local government staff, town administrators, developers, realtors, business owners, the public and the media.

Topics for the educational/technical assistance strategy might include:

- measuring benefits of compact, mixed-use infill and redevelopment
- planning for and funding projects, and layering state programs
- public-private partnerships
- density's role in the economic viability of infill and redevelopment
- design techniques, such as form-based codes, to foster public support
- transit-oriented development that promotes walkability and transit ridership
- the role of small business in community revitalization, and facilitating small business growth
- mechanisms for dealing with common problems in business districts, such as absentee landlords, inconsistency in businesses' operating hours, code enforcement
- Coast Smart and climate resilient practices
- building, energy and green codes, including the Maryland Building Rehabilitation Code
- stormwater management, Forest Conservation Act and other regulatory requirements
- alternative methods to address water allocation in the Piedmont region
- affordable housing techniques such as inclusionary zoning
- creative approaches to turning public necessities into economic opportunities for residents
- best practices that provide procedural advantages for reinvestment projects

VIS 4. State agencies must work with interested local jurisdictions and other stakeholders, including the National Center for Smart Growth (NCSG) and other academic institutions, to research and share information and data that evaluates the benefits of infill, redevelopment, and revitalization, including the financial return on compact, mixed-use development. Private sector finance partners should be included to identify barriers to their interest in financing this type of reinvestment.

National Model:
Fiscal Metrics Studies, Asheville, NC, and Sarasota, FL

When consulting firm Public Interest Projects studied the fiscal performance of compact, mixed-use development compared to single-use, low-density development in Sarasota, FL, and Asheville, NC, they found that on a per-acre basis, dense, mixed-use development performs much better than low-density, single-use development. Local governments in both cases realized a much higher rate of return on their investments in retail/residential buildings downtown than they did on malls and big box centers. For any jurisdiction concerned about revenues, this metric should matter.

In Sarasota, the firm compared a big box development, the county's premier mall, mid-rise buildings (seven to eight stories) and a 17-story building downtown. The big box development generated the lowest return at $8,350 per acre, followed by the mall ($22,000 per acre), and mid-rise downtown buildings ($500,000 to $800,000 per acre). The 17-story building yields $1.01 million per acre.

The study in Asheville produced similar results. The firm compared a big box store, which generated $3,300 per acre, and suburban mall, which generated $7,995 per acre, to several buildings downtown. Two- to four-story apartment buildings downtown more than double that figure at $18,109 per acre, three- to four-story mixed-use buildings with condos generate upward of $44,000 annually per acre, and a six-story mixed-use building generates close to $250,000 per acre.

VIS 5. To help communities enable infill and redevelopment, the Maryland Department of Planning must work with local governments and other stakeholders to evaluate the adequacy of infrastructure capacity for roads, water, sewer, schools and stormwater. This evaluation should include analysis and mapping and should make use of outputs from PlanMaryland and other state and local government planning efforts.

Create and Better Fund Innovative, Effective Reinvestment Programs

The state has excellent programs to support reinvestment through infill, redevelopment, and revitalization, but there is room for improvement. The state should use the resources of all of its relevant programs via the Smart Growth Subcabinet to support community reinvestment.

For example, local officials and developers often find it difficult to combine multiple sources of funding for a project or to use state funding for a phased project, due to varied grant deadlines, unknown dates for award announcements and receipt of award, requirements to spend the money within a certain timeframe, matching funds, and other restrictions and rules. Even communities that successfully access state funds cannot always plan around them, because future funding levels are known only year to year. Particularly when combined with local programs, the number and complexity of incentives can be overwhelming.

Public funds should also better support mid-market projects, which focus on recipients who do not qualify for income-restricted funds but who are unable to access sufficient private equity or debt. Though the state has some programs for market-rate projects, such as Community Legacy, Neighborhood BusinessWorks and Sustainable Communities Tax Credits, there is a need for additional resources for both commercial and residential projects of this type.

Further, the relative lack of funds for predevelopment work, such as planning, architecture and engineering, can make it difficult to get a project to the point where it is eligible for state funding or private investment, and then the lack of available operating funds makes it difficult to fund ongoing costs like strategic code enforcement, planning and grant administration.

Some applicants who could take advantage of state programs may not be aware of applicable programs or may not understand how to use them. Marketing, outreach and technical assistance to program applicants is important to ensure that existing state programs reach diverse recipients across the state. For example, the Sustainable Communities Tax Credit program is well used in Maryland's larger jurisdictions, but less well known and less used in other areas of the state. Development of an aggressive marketing and community education campaign for that program is now underway to reach target audiences who are unfamiliar with this revitalization tool; this is a good example for all reinvestment programs that are available statewide.

Finally, the success of any program also depends on the efficiency and clarity of the post-award process. Uncertainty and delays surrounding grant agreements and release of funds can jeopardize projects.

Recommendations

PROG 1. The state must establish a sustainable funding source for its infill, redevelopment and revitalization programs. These programs currently include Community Investment Tax Credits, Community Legacy, Neighborhood BusinessWorks, Strategic Demolition and Smart Growth Impact Fund, Baltimore Regional Neighborhoods Initiative, Town Manager Circuit Rider Grant Program, Sustainable Communities Tax Credit, Heritage Areas Grants and Community Parks and Playgrounds. The Governor and General Assembly should provide at least $100 million annually for these programs, which are currently funded at less than half that amount. The state should incorporate existing or potential new programs and funds administered by the Department of Business and Economic Development and Department of Transportation into the Reinvest Maryland umbrella.

PROG 2. The state must expand funds for pre-development soft costs such as architecture and engineering, as well as for ongoing operating costs such as planning, economic feasibility analysis, grant administration, relocations, targeted code enforcement and local staffing. Funds from one program should be eligible as matching funds for another program, and in-kind services should also be eligible as a match.

PROG 3. The Smart Growth Subcabinet must coordinate alignment and streamlining of state application processes for core programs focused on infill, redevelopment and revitalization. State agencies should:

- combine program applications to the greatest extent possible
- make questions as consistent as possible between applications to make applying for multiple programs easier
- streamline the application processes and make the applications shorter and less repetitive

- share, establish, make public and adhere to timeframes for review, award, and other milestones important to applicants

Maryland Best Practice:

Municipal and County Collaboration, Garrett County

The eight municipalities in Garrett County have addressed the challenge of attempting revitalization with limited resources with a formal collaboration, Garrett County Municipalities, Inc., (GCMI).

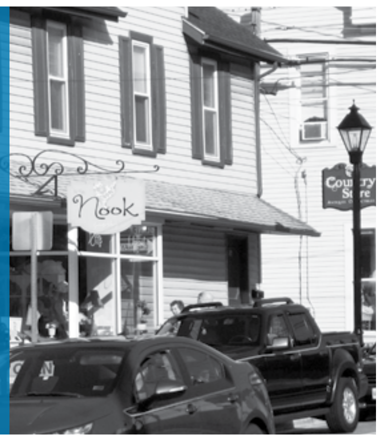
See more, page 43

Maryland Best Practice:

Streetscape, Taneytown

The City of Taneytown's downtown revitalization effort has transformed a once underutilized historic district into a successful commercial and cultural center reminiscent of the city's Victorian past.

See more, page 44



PROG 4. MDP and the Maryland Historical Trust (MHT) must work with federal officials to ensure that Congress sustains the federal Rehabilitation Tax Credit program. With the support of the Commission, MDP and MHT also should seek state legislative support for strengthening the state's Sustainable Communities Tax Credit, returning the commercial credit to a traditional credit instead of an annually appropriated grant/tax credit hybrid. The state should also restore funding for technical support of local nominations to the National Register.

PROG 5. DHCD should develop new products to meet market demand, including at a minimum tools for:

- mid-market projects, including acquisition/rehabilitation tools for homeowners
- adaptive reuse that retains community character but may not necessarily adhere to the Secretary of the Interior's historic preservation standards.

Maryland Best Practice:

Acquisition/Rehab Loans, Baltimore

Healthy Neighborhoods, Inc. works in 14 neighborhoods in Baltimore, providing resources for people to purchase and renovate their homes.

See more, page 46

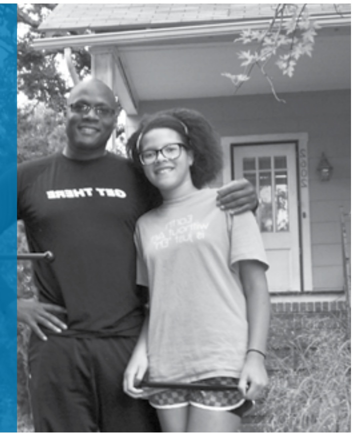


Photo Credit: Healthy Neighborhoods, Inc.

PROG 6. DHCD and MDP should provide technical assistance to local governments interested in establishing a land trust, land bank, and/or an affordable housing trust fund to facilitate reinvestment projects and, particularly, the retention of affordable housing in strong markets.

PROG 7. The Maryland Department of Transportation (MDOT) should develop funding and technical assistance resources to assist local governments with the planning, design and implementation of smaller projects, such as bicycle and pedestrian improvements, for both local and state roads.

Maryland Best Practice:

Revitalization Incentives, Hagerstown

To support economic development in its City Center, Hagerstown leaders offer incentives to inspire building renovation and much more.

See more, page 47

Maryland Best Practice:

Commercial Revitalization Incentives, Baltimore County

Baltimore County offers incentives to support business and property owners in its 16 commercial revitalization districts.

See more, page 48

PROG 8. Local governments should develop new or strengthen existing programs to support reinvestment, such as those employed by the City of Hagerstown and Baltimore County.

PROG 9. The Governor and General Assembly should consider changes to state law to support economic development in targeted areas, including allowing economically distressed municipalities that are not located within economically depressed counties to access the One Maryland program's resources and reducing the approval threshold for the creation of business improvement districts.

PROG 10. The state and local governments must develop initiatives to foster small business development within targeted areas. Initiatives should include:

a. increased number of and resources for designated Main Streets

b. expanded resources for the Neighborhood BusinessWorks program for direct grants and loans to businesses

c. expanded financial, design, and other technical assistance

d. community outreach to identify, encourage and create new business owners

e. financial guarantees for landlords who lease to small business owners

f. reduced permit fees

g. incentives for creative uses of space that foster entrepreneurship, such as pop-up stores, shared business space, urban farming, farmers markets, and special events, along with reduction of regulatory barriers that stifle entrepreneurship

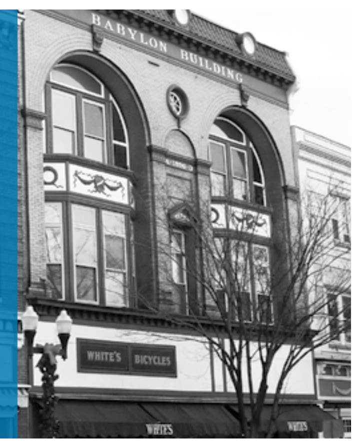
h. legislation permitting periodic tax relief within targeted areas

Maryland Best Practice:

Business Incubators, Westminster

To attract a greater variety of retail businesses to its downtown, the City of Westminster created a business incubator program.

See more, page 48



Identify and Address Regulations and Policies that Impede Reinvestment

The state and local governments should ensure that regulations and policies facilitate reinvestment through infill, redevelopment and revitalization, while still protecting public health and safety, and our environment.

Regulations can increase costs, delay construction, reduce future revenue, or make it more difficult to accommodate a project on a particular site, or deter businesses from opening, renovating, or expanding. Alternatively, regulations can incentivize infill, redevelopment, and revitalization.Some of the most frequently cited issues with respect to regulations and policies include:

- lack of coordination among and within agencies
- duration of and uncertainty related to agency reviews
- lack of communication with the applicant
- inflexibility on the part of permit review staff
- inconsistency in the application and interpretation of regulations among different projects, as well as over the life of a project
- inconsistency in the items that building inspectors require before signing off on occupancy permits, even on subsequent visits to the same site
- conflicts among different building codes
- redundant business licenses and fees
- adequate public facilities ordinances, which can delay projects if adequate facilities do not exist

Identified as potential challenges to achieving the reinvestment goals are regulations related to stormwater management, forest conservation, TMDLs, the energy code, and some State and Federal Highway Administration standards, such as mid-block crossings, curb cuts and access points, and funds for sidewalk construction but not maintenance. Though the stormwater management regulations have built-in flexibility for infill and redevelopment projects, the frequency with which this was identified as a challenge means that there is still opportunity for improvement in communication, education and implementation.

Fee structures generally do not take differences in market conditions into account. Payments that may not present much of a burden in strong markets may be insurmountable in soft markets.

Adequate public facilities ordinances (APFOs) and impact fees are designed to ensure that the public is well-served by infrastructure and public services, which are valid public purposes. Sometimes, however, these ordinances can have unintended consequences of stalling growth in areas designated for growth and where growth is rational and desirable.

Recommendations

REG 1. The Smart Growth Subcabinet must undertake and oversee improvements to state regulatory review and business permitting processes to reduce permitting costs, achieve faster and better response times, and provide more certainty and greater transparency for infill, redevelopment, and revitalization projects in targeted areas. Local governments should be encouraged to do the same. State and local agencies should:

a. establish, publicize and adhere to deadlines for permit review and approval

b. assign a single point person per agency to coordinate review and ensure clear and regular communication between applicants and reviewing staff

c. make certain that permit review staff are current on latest technology/best practices, understand state requirements and goals for revitalization, and have access to policy and technical resources when given the opportunity to consider new approaches to meeting a regulatory requirement

d. investigate methods to expedite permit approvals including, but not limited to, additional resources for reviewing agencies and/or third party reviews

e. review expediting processes that are designed to support reinvestment projects, including the state's Fast Track process, to ensure that they work as intended

f. communicate better to discuss and resolve project-specific issues requiring multiple state agency approvals

g. determine whether approvals can last longer or be extended for infill, redevelopment and revitalization projects, to avoid permits lapsing or the need to re-apply for new entitlements for use changes over time

h. examine the potential for tiered fees to make it less expensive to develop inside targeted areas and adjust for market conditions

Maryland Best Practice:

Redevelopment Overlay Zone, Laurel

The City of Laurel's Revitalization Overlay Program allows property owners greater flexibility to take advantage of economic incentives and market conditions to invest in infill development.

See more, page 49

REG 2. To support infill and redevelopment projects, local jurisdictions should establish procedures to provide as much certainty as possible regarding specific requirements, such as stormwater management, infrastructure, forest conservation, public input and density early in the development process. State agencies and local governments should make efforts to limit reviews of subsequent submittals to those issues identified by prior submittals, issues that arise due to material changes in the plan or new information that has come to light. All rules should be in writing and readily accessible.

REG 3. State agencies and local governments should encourage robust public input during the plan preparation, review and approval process and then commit to greater transparency and predictability during the review of subsequent development projects that are consistent with the adopted plan, particularly in targeted areas. State agencies and local governments should also seek public input at the very beginning of the development process to promote greater transparency and predictability. Within targeted areas, state agencies and local governments should streamline processes, particularly for by-right projects, and strive to minimize frivolous appeals. The Commission will work with amenable local governments to create model mechanisms that may be used by local governments to (a) evaluate a development proposal's consistency with smart growth goals and (b) mediate disputes.

REG 4. DNR, MDE and MDP must work with stakeholders to evaluate and address concerns that certain requirements discourage infill and redevelopment, including stormwater management and forest conservation, using data to inform the evaluation and technical assistance where needed. Agencies should communicate existing flexibility and alternative compliance options to the development community and local agency staff to further their use in infill and redevelopment. Where action is justified, focus on creative alternatives and technical assistance to achieve compliance.

REG 5. The Smart Growth Subcabinet must coordinate state agencies' efforts to engage a broad constituency to evaluate and address concerns that conflicts among historic preservation, green building, ADA, fire and related codes make infill, redevelopment and revitalization more difficult. Agencies should work with interested stakeholders to identify and make every effort to resolve these conflicts.

REG 6. State agencies should maintain and periodically publish or make available public records of variances granted for specific code issues, coupled with explanations of the justification for the variance, so that anyone involved in the rehabilitation or reuse of an existing building can access the information. Local governments should be encouraged to do the same.

REG 7. Local governments should investigate innovative approaches to ensure adequate public facilities and, building on the Commission's continuing work on adequate public facilities ordinances (APFOs), work with the Commission to identify ways to minimize the impact of these ordinances and impact fees on infill, redevelopment, and revitalization in targeted areas where growth is rational and desireable. For cases in which an adequate public facilities ordinance has the effect of stalling a development project in these areas, local governments should strive to rectify the problem that triggered the impediment. Develop strategies for addressing interjurisdictional school and traffic issues to achieve outcomes desired by all impacted jurisdictions. Track compliance with state law that requires local jurisdictions with APFOs to submit reports on their impacts.

REG 8. The Commission and local governments should work together to examine possible improvements to the local development negotiation and agreement process, evaluating the enabling legislation for

Developer Rights & Responsibilities Agreement (DRRA) for ways to enhance DRRAs' ability to support infill, redevelopment, and revitalization in targeted areas.

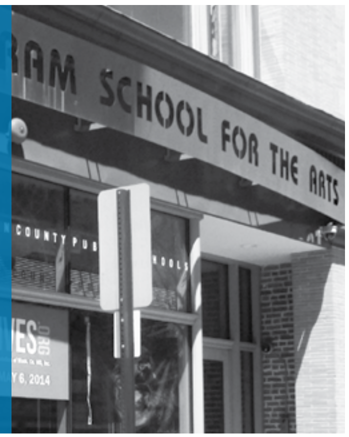
REG 9. The Smart Growth Subcabinet's coordinating committee, composed of agency staff members, should develop a policy to review Priority Funding Areas law exception requests within the context of a Reinvest Maryland policy, in addition to other established considerations.

Deploy Targeted Financial Tools

State and local governments must prioritize reinvestment through their capital and operating budgets.

Faced with increasingly scarce resources with which to support development, the public sector must make choices regarding where to direct these resources, and its decisions can either facilitate or derail efforts to attract infill, redevelopment and revitalization. In some jurisdictions, public sector actions inadvertently continue to subsidize greenfield development at the expense of reinvestment, such as by investing in new infrastructure or offering financial incentives for development outside of the reinvestment area.

Maryland Best Practice:
Innovative Financing, Hagerstown
The 1903 three-story, iron-frame and masonry office building was renovated using an innovative leaseback structure that allowed the project to gain state funding.
See more, page 50



Many jurisdictions need to upgrade the capacity or quality of their infrastructure to attract infill, redevelopment and revitalization. Due to aging infrastructure, municipal permitting fees, stormwater improvement and retrofit needs, water/sewer pipe capacity inadequacies and other challenges with infill development, the cost of development is significantly higher in municipalities and unincorporated older communities. In DHCD's most recent Sustainable Communities trends assessment, 94 percent of Sustainable Community areas identified aging infrastructure as a challenge to becoming more sustainable. Though all jurisdictions struggle to pay for infrastructure, some fiscally constrained jurisdictions also have trouble financing the bare minimum of services, let alone repairing or upgrading infrastructure, and their tax base is already overburdened.

In the past, some service area expansions occurred without a full appreciation for land use and financial impacts, and local jurisdictions are now working to address these impacts.

In addition to the expense of infrastructure upgrades, the level of investment necessary to rehabilitate existing buildings or redevelop existing sites is often greater than development on greenfield sites and can make infill and redevelopment cost-prohibitive. While developers may overcome these barriers in stronger markets, the cost premium still factors into a developer's decision-making process, regardless of market strength.

Increased costs may include land assembly, demolition, historic preservation, complicated adaptive reuse, structured parking, environmental remediation and brownfield clean-up, stormwater management, utilities, vertical construction, traffic mitigation, community amenities, pre-construction costs and delays, and uncertainties for lenders. In many cases, regulations and community opposition make it difficult to achieve the number of units or square footage permitted by zoning, decreasing returns. In addition, it is more difficult to achieve economies of scale, move equipment, and install infrastructure on smaller infill and redevelopment sites.

Both the market and competition exacerbate cost issues. In soft market areas, future revenue streams may be so low that projects are not financially viable. A project must have the ability to attract end-users that generate sufficient revenue for an acceptable level of return on investment; if not, the project is not feasible and will not (and arguably should not) be built. In soft markets, few private sources of funding exist, and the public sector is typically limited to gap financing, so state financial support may be insufficient to overcome market weaknesses. Soft markets have other hurdles to overcome as well, including:

- bank-owned properties
- underwater mortgages
- unrealistic expectations of property value
- low community morale
- lack of financial motivation for property owners to rehabilitate or redevelop because their buildings generate sufficient revenue without improvements or serve as tax write-offs
- the inability of people to envision the potential of the community, which manifests itself in declines in property maintenance, higher return on investment criteria, less favorable loan terms and careless property owners who do not serve the community

Even in more competitive markets, a jurisdiction can still be at a competitive disadvantage compared with a stronger neighbor and have trouble attracting investment, because the private sector invests where the return on investment is greatest and most secure.

Local tax structures are also critical, as they factor into location decisions for residents and business owners, are directly tied to a jurisdiction's ability to pay for public improvements, and can act as an incentive or disincentive for building reuse and development of underutilized land. Municipalities often have higher taxes than counties due to the cumulative tax burden on taxpayers of paying both municipal and county taxes, a factor than can deter investment in those municipalities. Some but not all municipalities receive a tax rebate or tax differential from their counties.

Recommendations

FIN 1. To accelerate reinvestment, the Governor and General Assembly must develop or enable new sources of funding, or better direct existing funding to support infill, redevelopment and revitalization, including:

a. a dedicated Smart Growth Infrastructure Fund or Bank to provide grants and low-cost financing to support infrastructure needs. The Infrastructure Fund could support water and sewer, schools, bicycle and pedestrian facilities, transit-oriented development, tree canopy, parks, and green space and mixed-income housing.

National Model:
MassWorks Infrastructure Program

Municipalities and other public entities in Massachusetts can access multiple sources of infrastructure funding to support housing and economic development through a single grant application, the MassWorks Infrastructure Program. Applicants can seek money for construction-ready projects including but not limited to sewers, utilities, roads, pedestrian and bicycle paths, site preparation and improvements on public land. Program administrators are particularly interested in funding infrastructure projects that can spur private development.

Massworks consolidates six programs previously administered by several agencies. Those agencies now participate jointly in reviewing grant requests. The Commonwealth of Massachusetts hosts a single round of funding annually and calls for applications in late summer or early fall to give applicants time to prepare for spring construction season.

Before Massworks, projects frequently required support from more than one program, but with varied deadlines, funds awarded by one program would languish while applicants sought others. Applicants appreciate the program's straightforward process, transparency and greater flexibility.

b. a Smart Growth Investment Fund to mobilize public and private capital for targeted real estate projects, continuing the work started at the direction of the General Assembly in 2013 legislation

c. a state Community Development Financial Institution (CDFI) Fund, to build the capacity of Maryland's CDFIs, institutions that provide financial products and services to people and communities underserved by traditional banks, and to provide these institutions with more access to capital for community wealth-building, infill, redevelopment and revitalization projects

d. expanded opportunities to use Tax Increment Financing (TIFs) at different scales by using state revenues to support TIF, providing more flexible authority to use local revenues to support TIF, allowing area-based and pay-go TIFs, structuring small-scale TIFs that are more affordable for smaller jurisdictions, and allowing TIFs to be used for a broader range of activities, including mitigation of costs related to regulatory compliance.

e. improved alignment of Highway User Revenues with projects that support infill, redevelopment and revitalization in targeted areas

f. expanded use of New Markets Tax Credits to help make infill, redevelopment, and revitalization projects more feasible in weaker market areas, with DHCD proactively connecting state agencies and holders of New Markets Tax Credits to high value infill, redevelopment, and revitalization projects.

FIN 2. The Smart Growth Subcabinet must work cooperatively with the Maryland Municipal League and Maryland Association of Counties to develop strategies that help municipalities and counties address the cost of infrastructure maintenance and minor upgrades to support IRR infill, redevelopment and revitalization.

FIN 3. State and local agencies must identify opportunities to reduce the scope of new construction and sizable expansion projects that do not support smart growth goals. For example, MDOT should identify opportunities to reduce the scope of state transportation projects that do not support smart growth goals or otherwise amend their design.

FIN 4. Local jurisdictions should build upon the work of the 2013 Local & Regional Transportation Funding Task Force -- which recommended a regional sales tax, expanded local-option vehicle registration fee, expanded local option income tax increment and expanded authority for local jurisdictions' real estate transfer tax -- and further explore long-term financing mechanisms for new or expanded regional transportation systems.

FIN 5. The state must work cooperatively with interested local jurisdictions to determine the incentives or disincentives of local tax codes, fees, exactions and related policies and align them with infill, redevelopment and revitalization goals. Opportunities include examining how reliance on income and real property taxes influences land use decisions, what kind of tax changes could help low-income residents stay in their homes as neighborhoods revitalize, and how adoption of split rate taxes, in which land is assessed at higher property tax rates than improvements to incentivize redevelopment of vacant lots, may benefit infill, redevelopment, and revitalization. The state, led by DBED, and local jurisdictions should also monitor tax policies and incentives for their impact on infill, redevelopment and revitalization.

FIN 6. The state and local governments should take steps to incorporate reinvestment considerations into current and future initiatives aimed at improving job growth.

National Model:
Pennsylvania Community Development Bank

Established in 1994 with an appropriation of $17 million, the Pennsylvania Community Development Bank provides debt financing to Community Development Financial Institutions (CDFIs), which in turn make loans and investments in communities underserved by traditional banks. CDFIs' knowledge of the local market allows them to lend successfully in places typically overlooked.

The bank lends between $6 and $7 million annually, with loans ranging from $250,000 to $5 million. CDFIs must have state accreditation to be eligible for loans.

With consistent repayment of loans and fee income from the state's bond financing program, the bank's loan programs are self-sustaining. Early in the life of the program, the bank also offered capacity building grants to help CDFIs, among other things, attract and retain staff proficient in underwriting, which has been credited with contributing to the strong repayment record.

National Model:
Expedited Project Delivery, Tennessee Department of Transportation

With an $8 million backlog of construction projects and way less money available to fund the projects, the Tennessee Department of Transportation (TDOT) audited the project wish list to find ways to reduce costs without sacrificing benefits. Some of the projects were decades old, stranded in part due to their cost.

Less expensive projects proceed more quickly than their more pricey counterparts, which is why TDOT calls the exercise “Expedited project review” – solutions materialize faster when the project cost decreases. To date, TDOT has reviewed 60 backlogged projects funded 13, and saved $400 million. While the extent to which the program will help foster infill and redevelopment remains to be seen, it is a promising model for aligning the scope of large infrastructure projects with smart growth goals.

Promote Equitable Development

The state must help ensure that residents live in healthy, vibrant mixed-income communities with good schools and a range of housing, employment, and transportation options, regardless of their income, race or region in which they live.

Jurisdictions with good schools, lower rates of crime, access to jobs, and a good quality of life can attract reinvestment but often struggle to maintain economic diversity among their residents.

Communities with strong markets often suffer from a lack of affordable housing and from school overcrowding. According to a housing market report prepared by the Department of Housing and Community Development's (DHCD) Office of Research, "Maryland continues to experience acute shortage of workforce affordable rental housing for families, seniors and individuals with disabilities in Maryland."

Still other communities need to improve their schools, address the reality or perception of crime, provide more open space and parks, access to healthy food, and access to jobs – or all of the above – to attract reinvestment. In these communities, people are concerned about crime, jobs, education, the concentration of social services, a disproportionate number of affordable housing units, an insufficient supply of housing to attract middle-income residents, the poor quality of affordable housing, housing quality, property maintenance, vacant buildings, difficult landlords, nuisance tenants, and access to good parks, shopping and services. All of these issues must be addressed to make these communities better places to live for existing and potential future residents.

Recommendations

EQ1. DHCD, local governments and interested stakeholders must together help communities identify opportunities for integrating mixed-income housing into infill, redevelopment and revitalization activities in communities that lack sufficient affordable housing. DHCD should provide financing expertise and technical assistance to local governments and developers to increase the supply of affordable housing for low-income and workforce residents.

Maryland Best Practice:
Community Parks and Stormwater Management, Baltimore

New Broadway East Community Park transformed 18 vacant residential home sites in Baltimore into a park.

See more, page 52

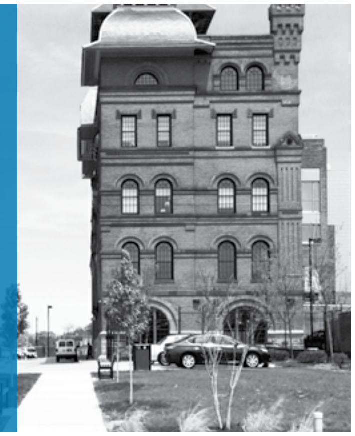


Photo Credit: Baltimore City Department of Planning

Maryland Best Practice:
Economic Development and Adaptive Reuse, Tilghman Island

In the aftermath of Hurricane Isabel, a family of Tilghman Island watermen developed Phillips Wharf Environmental Center (PWEC).

See more, page 53

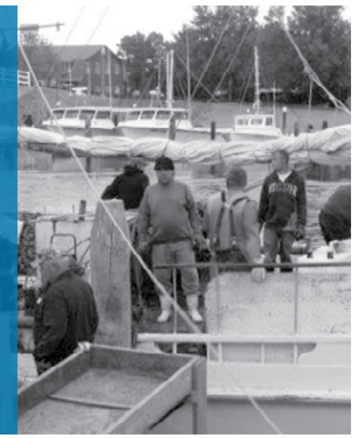


Photo Credit: Phillips Wharf Environmental Center

EQ 2. The Commission will identify novel approaches to community revitalization that also strengthen the social fabric of a community, such as place-based college scholarship or entrepreneurship programs.

EQ 3. The Commission will evaluate and make recommendations on tools that capture a portion of the increased state revenue that results from state investments and how it might be distributed to a local government, community development corporation or similar community-based organization, which can then use the funds for community priorities.

National Model:
The Kalamazoo Promise

The Kalamazoo Promise is a four-year college scholarship awarded to graduates from Kalamazoo, MI, public schools covering tuition and fees at Michigan's public colleges, universities and community colleges. While this place-based scholarship program aims to encourage stronger academic performance, by encouraging families with school-age children to live in Kalamazoo, it also provides an economic development and community revitalization tool. The percentage of tuition covered is adjusted according to the number of years the student spends in Kalamazoo public schools; students must attend Kalamazoo public schools beginning in kindergarten to receive a full scholarship.

Similar programs exist in other communities. Yet, the Kalamazoo Promise is particularly broad-based, because it is not limited by incomes or academic records. It has served as the inspiration for many more communities and academic institutions to establish comparable programs.

EQ 4. The Smart Growth Subcabinet must enlist the State Department of Education and Governor's Office of Crime Control and Prevention to identify ways to improve the quality of public education and public safety in targeted areas.

EQ 5. The Department of Natural Resources must connect underserved communities that have minimal access to nature and develop and implement a comprehensive program to increase access and utilization of public lands and waterways for these communities.

EQ 6. State and local governments should identify barriers, challenges, and opportunities to fully incorporating environmental justice considerations, including potentially adverse environmental, human health, and economic impacts, into state and local planning, permitting and decision-making.

EQ 7. When planning new or contemplating financial aid for public facilities or government-supported services, state and local governments should communicate with one another about how a specific location furthers or detracts from reinvestment goals.

EQ 8. Local governments should share best practices related to and direct resources to support effective code enforcement.

Maryland Best Practice:
Affordable Housing, Denton

After a review of condemned or cited properties, Denton officials decided to target revitalization efforts to remedy a growing problem.

See more, page 54

Maryland Best Practice:
Economic Development, Allegany County, Frostburg and Cumberland

The Trail Town Program® is an economic development and community revitalization initiative in towns along the Great Allegheny Passage (GAP) that maximizes the economic potential of the trail through a collaborative, trail-wide partnership.

See more, page 55

Encourage Excellence in Community Design and Preservation

The state should work with local jurisdictions and communities to preserve their character and historic assets while integrating new investment and encouraging walkable, mixed-use development projects that build upon existing assets and help create or reinforce a distinctive identity. While sometimes perceived as superficial, design is a vital component of livability. Good design can help achieve diverse goals, including:

- creation of vibrant public spaces
- promotion of economic development
- preserving a sense of place and historic character
- increased use of alternative transportation modes and thus healthier lifestyles
- using greenways, corridors and trails to connect schools, residential areas and public buildings
- using green infrastructure to increase the benefits that people in from the natural environment and meet bay restoration goals
- accommodating infill, redevelopment and revitalization in a way that is functional, attractive and environmentally responsible

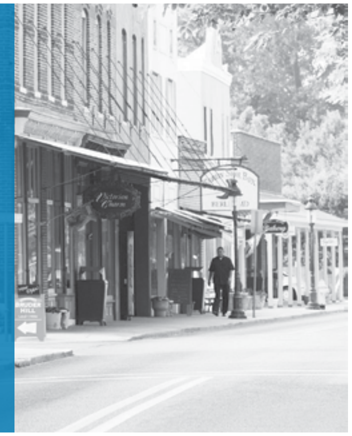
High quality design is also essential to generating public support for a project. Due to their settings within existing communities, infill, redevelopment and revitalization projects frequently face opposition. People particularly object when projects increase density, change traffic patterns, establish new bicycle, pedestrian or vehicular connections, or introduce new housing types or uses – often the very things that ultimately make these projects both popular and financially successful. Good design can help overcome some, if not all, of these objections.

Maryland Best Practice:

Economic Development, Berlin

Berlin business owners and town leaders undertook a deliberate strategy of reinvestment and economic development to reverse a decline in its agricultural base and flight of businesses from the downtown.

See more, page 56



Maryland Best Practice:

Arts District, Hyattsville

Many good things are happening in Hyattsville, including Arts District Hyattsville, a $213 million, 25-acre project that has become a cornerstone of Hyattsville's revitalization efforts.

See more, page 57

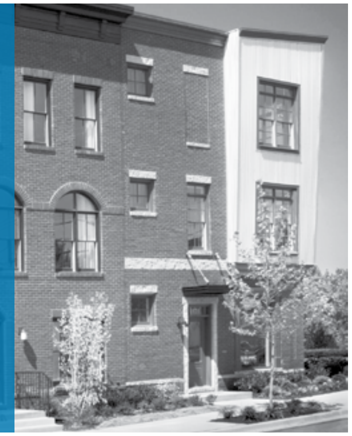


Photo Credit: EYA Arts District Hyattsville

Maryland Best Practice:

Complete Street, Edmonston

With a location straddling the Anacostia River, the Town of Edmonston in Prince George's County is prone to flooding, leading town leaders to reconceive their main street with cutting-edge envornmental practices

See more, page 58

Good design is necessary to realize the benefits and desirable characteristics of density, such as walkability, vitality, support for improved transit service, and synergy with local business districts. If designed correctly, this synergy can strengthen business districts, as more residents shop and spend money in their neighborhoods.

Reinvestment also provides opportunities to improve quality of life through design, such as conversion of vacant, blighted property into quality public open space with stormwater management or widened sidewalks to accommodate sidewalk cafes. Examples of design improvements that have had a positive impact on quality of life within existing communities abound and range from façade improvements making commercial districts more appealing to a new development that improves pedestrian connections from one part of town to another. Unfortunately, many places face physical barriers to infill, redevelopment and revitalization that require creative solutions. For example:

- An area targeted for revitalization is physically disconnected from other parts of downtown and key anchors.
- A highway or railroad track divides the targeted area.
- The existing physical environment is difficult to retrofit for reasons such as location of below-grade infrastructure, complicated intersections or small parcels.
- Site and design requirements of national retailers can make it more difficult to attract these tenants and protect community character.

Local governments regulate, to varying degrees, the following development design aspects: the public realm, building form (features and configuration), architecture, signs, environmental resources and landscaping. In recent years, some jurisdictions have turned to form-based codes, which focus more on regulating physical form and less on regulating land uses, as a way to achieve higher quality design.

Recommendations

DES 1. State agencies must facilitate the development and delivery of public education and technical assistance on design techniques, best practices and regulations to provide more communities the opportunity to realize functional and attractive infill, redevelopment and revitalization.

DES 2. In targeted areas, local governments should consider using approaches to fostering excellence in community design during the planning process, such as form based codes, charrettes and/or pattern books, illustrative guides that show people how to build places using local examples of well-loved buildings and streets, which can enhance support for the project.

DES 3. The state must support the Neighborhood Design Center, Eastern Shore Land Conservancy's Center for Towns and other similar groups in developing strategies and designs for improving the sense of place, connectivity, and the reuse of buildings and places in communities.

DES 4. The Commission will explore creating a consortium of college and university design, architecture and planning schools to support communities that want to pursue reinvestment through infill, redevelopment and revitalization.

Use Metrics to Gauge Success and Provide Accountability

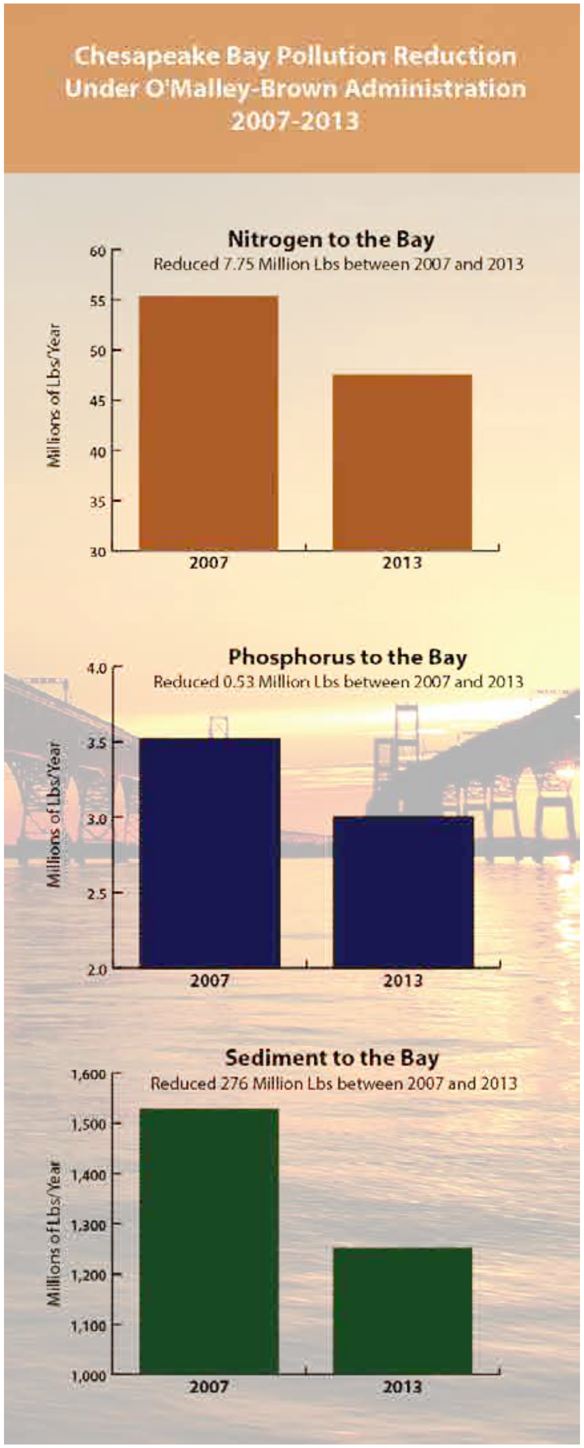
The state tracks a wide range of performance measures, from student achievement to workforce development, from the health of Maryland's citizens to the health of the Chesapeake Bay, and adjusts policies and investments as necessary to encourage positive trends. It is equally important that the state track the health of Maryland's existing communities and state efforts to improve key indicators of their health. The state, local jurisdictions, residents and business owners should understand how a Reinvest Maryland policy affects existing communities, and the state should make adjustments to its policies as necessary to focus and drive its reinvestment activity.

Recommendations

MET 1. State agencies, in conjunction with the Maryland Municipal League and Maryland Association of Counties, must develop metrics to assess the success of the state's efforts to support infill, redevelopment and revitalization, including at minimum:

- targeting of state resources
- growth in economic activity
- jobs
- Main Street business development
- tax revenue
- population
- capital investment
- volunteer engagement
- improved environmental quality within targeted communities
- improved walkability and mix of uses.

MET 2. The Smart Growth Subcabinet must institute a process within the StateStat structure for ongoing review and evaluation of progress, which should be used to help focus resources on programs and projects which most effectively achieve community revitalization, economic development and related environmental benefits.



Recommendations MET

Accelerate Transit-Oriented Development (TOD)

To assist the Commission in responding to the Governor's and Lieutenant Governor's request, a panel of TOD stakeholders was convened on June 4 and July 24, 2014 to solicit input on TOD issues and to identify potential solutions to those issues. At the June 4 panel meeting, participants identified TOD success and shortfalls in the state; outlined issues that need to be addressed; and tentatively suggested a series of recommendations for specific actions to address TOD issues in the State. At the July 24 meeting, panel participants refined and finalized those recommendations. The following observations and recommendations H1 to H19 stem from this panel. Recommendations H20 to H23 were identified through other Commission outreach.

After considering background on TOD in Maryland provided by MDOT and WMATA, and informed by their own project experience within Maryland and elsewhere, the members of the TOD Roundtable reaffirmed the environmental, social, and economic benefits of TOD – efficient use of land and infrastructure, reduced vehicle miles traveled, expanded mobility choices, improved access to jobs. They agreed that TOD could be accelerated in Maryland, and that specific challenges should be addressed to enable the state to reach its TOD goals and potential. The full report, "Recommendations of the TOD Roundtable to the Maryland Sustainable Growth Commission," is available for download at planning.maryland.gov/RMd

During the course of their meeting TOD Roundtable participants raised the following issues:

- Community and local government stakeholders continue to be concerned that TOD poses more of a threat than an opportunity in terms of parking scarcity and traffic growth, fiscal burden on schools and, in some cases, crime and safety. There are also wide gaps in awareness of the ways TOD can strengthen local economies and promote community vitality, and there is a need to summarize the most recent research for all interested parties. The combination of concerns and lack of information about benefits slow the progress of TOD projects statewide by supporting political opposition to local TOD initiatives.

- Engineering standards that prioritize automobiles in suburban settings create impediments to successful TOD and pose obstacles for station area access and walkability.

- Regulations, permitting and other costs and uncertainties related to infill development continue to make greenfield development easier, more certain and more attractive for prospective developers compared to TOD.

- Related to the three above items, there are inadequate resources available to address local concerns and justify/support exceptions to standard rules.

- Benefits of TOD to state and local governments and to community and business stakeholders are insufficiently documented and quantified, either at a policy level or on a project-by-project basis.

- Public and private TOD participants have unrealistic expectations about what their partners can and should do to advance projects.

- The policy of providing free parking and/or requiring that all existing parking for commuters be replaced can make TOD considerably more difficult to achieve. Accommodating replacement parking for commuters can impose considerable site and funding constraints for prospective TOD projects.

- Affordable housing is recognized as a desirable element of TOD but it is often difficult to achieve given the complexity and cost of infrastructure and other elements of the TOD development program. Proceeds associated with transportation land values are often required to address other infrastructure needs (parking garages, station improvements, etc.), and other stakeholders may not agree to include affordable housing as a priority in the area.

Maryland Best Practice:
Affordable Housing and Transit-Oriented Development, Wheaton
Located at the Wheaton Metro Station in Montgomery County, MetroPointe combines close to 200 units of rental housing with immediate access to Metro's Red Line.
See more, page 59

- Not enough places in Maryland have all the necessary ingredients for successful TOD, e.g., strong real estate markets to leverage; complete streets, high-quality transit service; and walkable/bike-able settings surrounding transit routes and stations.

- In several key jurisdictions, the market for TOD is inadequately supported by transit infrastructure. Funding is needed to complete the transit network as the backbone on which to create viable TOD and to improve the connecting road and transit network to achieve desired efficiencies.

- In many cases, local regulations impose burdensome zoning, bulk regulations and design features that increase costs (e.g. parking) and restrict the flexibility of developers to program land uses that are tailored to markets. Flexible approaches are needed to ensure TOD projects can evolve over time.

- The magnitude and the processes for allocating TOD incentives is often uncertain and/or insufficient, in part due to a lack of clarity in how state and local jurisdictions define TOD and how state and local policies and resources (including state TOD Designation) will support TOD.

- Businesses that receive public support to build project-serving infrastructure or other guarantees need to be willing to accept lower rates of return. Developers' anticipated return on investment should reflect that the public sector has assumed some of the project risks when that is the case.

- Assembling land to facilitate action on TOD opportunities is expensive, time-consuming and politically challenging for government sponsors, and economically challenging for private developers.

- Developers are often asked to provide TOD project elements that would normally be undertaken by government. Necessary improvements associated with the development may not have been allocated or prioritized in the state or local budgeting process.

Recommendations

TOD projects are complex, and their success depends on many factors. This is because every TOD project consists of diverse public and private project elements; advances a broad range of public and private goals; and is supported by a diverse range of state, local and private partners. TOD projects are also subject to a wide range of citizen and regulatory reviews, making the TOD implementation and approval environment extraordinarily complex.

Six factors must be in place to support TOD, and there is a need for action on all fronts:

Policy and Planning Frameworks – policy and regulatory reform to support TOD and facilitate implementation

Market for TOD Products – definition and development of markets for TOD products

Financial Feasibility of TOD Products – identification of ways to make TOD more financially feasible

Financing – identification and creation of funding sources and mechanisms for TOD projects

Quality Transit Service – improvement, expansion and maintenance of quality transit services

Community Support – outreach to educate stakeholders on the public benefits of TOD and clarification of roles and responsibilities associated with the implementation of successful TOD projects.

A seventh factor, scale of the project and its impact, is also important to the determination of where to focus TOD resources.

TOD 1. Develop mechanisms to address each of these areas. State agencies should take a lead in cultivating support and undertake or facilitate collaborative initiatives at the state and local levels and in the private sector. Partnerships in promoting TOD should be encouraged. Public sector actions should confront the financial challenges of TOD and infill by structuring their incentive programs, as well as general budget, regulatory and permitting processes to support successful TOD outcomes.

In addition, stakeholders in Maryland's TOD enterprise must understand not only their own goals and roles in promoting TOD, but those of other participants as well. To help create productive partnerships and manage the complexity of TOD, stakeholders should take action to define and communicate anticipated roles, resources, and expectations they bring to the TOD process. Stakeholders at the state and local governments must educate themselves on what their roles and responsibilities could and should be. State agencies in the Smart Growth Subcabinet should coordinate and communicate accordingly to help educate their key contacts.

The complete TOD Roundtable Report includes a matrix that identifies key factors that need to be in place for successful TOD to occur, summarizes actions that can affect factors, and identifies actors who can play roles in the factors.

For each TOD project, a project-level matrix should be created by its participants to confirm, clarify and understand:

a. What precisely the TOD project needs to move ahead;
b. What actions can be taken to help accelerate the TOD project given its particular needs; and,
c. The range of participants who can play a supportive role in TOD implementation.

At the policy or program level – at state, county, and/or municipal levels – review of this matrix would help TOD advocates, planners and policy-makers diagnose TOD issues and devise plans, policies, and programs to address project-specific and jurisdiction-specific needs.

TOD 2. TOD project partners and stakeholders need to develop mechanisms that clearly delineate lead and supportive roles and responsibilities; provide guidance on available resources; and help coordinate and navigate decision-making processes. Potential partners will benefit from clarifying their own goals and from developing a realistic understanding of how their objectives can be supported by TOD-related activity.

TOD 3. Provide ongoing outreach to stakeholders and conduct research that clearly articulates what TOD means in terms of policy objectives including:

- a study to quantify how TOD benefits the state to create a stronger basis for use of state resources to support TOD.
- a study to quantify how TOD benefits local governments to create a stronger basis for use of local resources to support TOD.
- outreach and provide further tools for education, planning and outreach.

TOD 4. Invest in state-of-the art stakeholder engagement tools to identify TOD supporters in community settings, and to educate, motivate and engage them so that public comment on TOD projects is more balanced. Examples include charrettes, scenario building, interactive mapping, visualization tools and social media strategies.

TOD 5. Explore mechanisms that the state and/or local jurisdictions can use to assemble land that avoid the need to exercise the power of eminent domain and that do not impose economic strains on development partners.

TOD 6. Consider a dedicated source of funding for TOD, such as a TOD revolving loan fund to provide gap financing for TODs. Seed money for such a fund could be identified as part of a broader funding strategy for infill projects or could be tied to broader adjustments in local or state property tax levels or through the creation of special taxing districts.

TOD 7. Parking provisions should be managed to better reflect market demand and to achieve efficient use of the transit network. For example, alter MDOT's policy of free parking for commuters at TOD locations and consider reducing amount of replacement parking provided in appropriate areas. Studies should be conducted to inform a strategy to implement these policy changes over time to reflect market conditions.

TOD 8. Local governments should ensure that parking requirements do not exceed what the market requires. Provision of parking in a TOD project should be tied to the specific local user markets to be served, rather than dictated by generalized zoning or other regulations that are not site-specific. Mechanisms should also be put in place to facilitate shared parking. This could reduce the incidence of potentially unnecessary construction costs, and make it easier to address other priorities for TOD investment (e.g. transit infrastructure, or affordable housing).

TOD 9. Adopt and use complete streets policies, including road standards for local and state roadways in TOD areas that recognize the specific multi-modal needs of TOD areas for bike, pedestrian, transit, auto, and freight/service needs. Urban road standards may be a useful guide, but in any event road standards tailored to TOD areas' specific mobility and accessibility needs (e.g. walkability, pedestrian safety/convenience, and bicycle accommodation) are critical to have in place.

TOD 10. MDP, with assistance from other agencies, should provide technical assistance to support pre-development planning and coordination of resources towards achieving TOD. Local governments need to take responsibility for using the best information available to establish TOD-supportive planning and zoning processes and regulations. Planning efforts should include the whole community around each TOD site to expand the area of benefit and opportunity.

TOD 11. Give local governments more flexible authority to use local revenue sources to support Tax Increment Financing (TIF) or bonds towards achieving TOD outcomes (including infrastructure, land use mix, affordability, etc.). The state should consider use of revenue from state taxes, such as property tax, as a means to support TIF debt for TOD projects.

TOD 12. Provide enhanced incentives for TOD projects that incorporate housing that is affordable to the workforce at a range of income levels. Incentives should be explored by both state and local agencies to include both regulatory (zoning), and financial (funding/loan programs) approaches.

TOD 13. Define and implement a program for financing bicycle and pedestrian facilities in all TODs, financing structured parking and other public amenities for TODs.

TOD 14. Streamline project entitlements and permitting and undertake efforts to meet regulatory requirements (e.g. environmental standards) required for TOD projects that may be non-traditional offsets. For example, explore land/wetland banking to address mitigation for forest, wetland or other environmental features.

Maryland Best Practice:

Transit Oriented Development, White Flint

Located a quarter mile from the White Flint Metro Station, Mid-Pike Plaza mark the northern anchor of the larger White Flint redevelopment sector.

See more page 60

TOD 15. Assist private sector partners in their efforts to attract conventional financing for TOD projects. For example:

- provide letters of support or endorsements to financial institutions on a developer's behalf.
- investigate opportunities on if and how state financial actions with financial institutions could be leveraged to encourage TOD lending.

TOD 16. Use more transactional approaches in the public sector to negotiate agreements and features in TOD. In other words, public sector TOD participants should try to think more like a partner with a stake in development outcomes – including projects actually occurring – and less like a regulator with a more distant, arms-length relationship to project outcomes.

TOD 17. Consider use of incentives such as Tax Increment Financing, Special Improvement Districts, and Special Tax Districts, Payments in Lieu of Taxes, as well as property tax and other potential tax freezes or negotiated reductions, to support TOD projects.

TOD 18. Use incremental increases in tax benefits to help mitigate costs associated with stormwater management and other elements for those TOD developers who agree to support other TOD-related public amenities.

TOD 19. Take time to review, communicate and understand Urban Land Institute (ULI) best practices and ULI Technical Assistance Panel recommendations for TOD, and apply them. Consider ULI as a technical resource to engage on various issues, practices and in specific areas.

TOD 20. MDOT should work with jurisdictions to coordinate transit schedules with TOD within and outside the Baltimore/Washington core, to better coordinate and integrate development with the transit system.

TOD 21. In targeted areas that have few transit opportunities, especially in towns in more rural areas, Smart Growth Subcabinet agencies should work with the local government to enhance pedestrian and bicycle activity and growth of alternative modes of transportation, including but not limited to increased bus service and car sharing, with incentives targeted to these communities.

TOD 22. MDOT and WMATA should streamline the requests for proposals submittal requirements and processes for TOD development sites.

TOD 23. Include the objective of fostering transit-oriented development and creating long-term real estate value into criteria for requests for proposals for transit construction projects.

Conclusion

As requested by the Governor and Lieutenant Governor, the Reinvest Maryland recommendations and supporting materials contained in this report will help accelerate quality infill, redevelopment, and revitalization in our state. Based on extensive input from diverse stakeholders, followed by the Commission's assessment, analysis, and review, they provide a strong foundation for essential reinvestment in Maryland's existing communities.

The Commission views these recommendations as a starting place for development of detailed implementation strategies by the next state administration, working in concert with its local government partners. While both state and local governments can readily point to ongoing and impactful revitalization efforts throughout the state, Reinvest Maryland presents an important opportunity for all levels of government to coordinate and strengthen their efforts, and to fully engage the private sector in the task as well. The Commission will evaluate implementation progress in summer 2015.

We are grateful to Governor O'Malley and Lt. Governor Brown for the opportunity to deliver this report and look forward to participating with all interested stakeholders in the implementation of ***Reinvest Maryland.***

Community Profiles

To gain insight into the challenges, strategies, successes and lessons learned in 10 geographically diverse communities, the Maryland Department of Planning (MDP) interviewed public, private and nonprofit leaders familiar with each community's efforts to revitalize, redevelop or attract infill development. In many cases, the Department of Housing and Community Development also participated in the interviews. Through the interviews, staff gathered meaningful background for the recommendations.

The Community Profiles are broad summaries of the 10 communities' approaches to infill, redevelopment and revitalization.

Aberdeen Transit Oriented Development District

The Johnson Family Pharmacy provides residents of Aberdeen with easy pedestrian access to necessities.

Aberdeen leaders are well aware of the significant asset the MARC train station provides to their city and plan to take greater advantage of the station by fostering more compact, mixed-use development in a designated Transit-Oriented Development (TOD) district. The city incorporated transit-oriented development objectives into its 2011 **Comprehensive Plan**, adopted the 2012 Aberdeen **TOD Master Plan**, and established in 2012 the **Transit-Oriented Development Zoning district**. The planning documents clearly articulate the city's support for TOD, and the zoning code is designed to make transit-supportive land use patterns the norm in the area.

While Aberdeen benefits from a grid pattern of streets, the city is challenged by impediments including U.S. Route 40, which separates downtown from the Aberdeen Train Station and makes it difficult to create a synergy between the train station and surrounding land uses. The auto-centric development pattern on Route 40 hurts pedestrian access both along the over-improved highway and to the train station. The TOD Master Plan recommends Route 40 improvements that will make it more bicycle- and pedestrian-friendly, with a green boulevard, and signal to all that Aberdeen is a place to stop and enjoy.
The TOD Master Plan also calls for replacing the current dark, narrow pedestrian underpass and ugly, unwelcoming pedestrian overpass with a more open below-grade plaza named "Station Square" that will lead to a wide and highly visible underpass. The 2012 Station Square Feasibility Study refines the concept with a preliminary engineering analysis and states that the plaza could have "potentially significant beneficial impacts to the economic development of the City of Aberdeen and the re-connection of the east and west side of the city."

In addition to being a state-designated TOD, the area is also an Enterprise Zone, HUB Zone, Sustainable Community and BRAC zone, all of which offer benefits and opportunities. For example, city leaders and business owners have taken advantage of the Sustainable Community designation, which opens the door to several state funding programs focused on revitalization. Through that, the city received state Strategic Demolition and Smart Growth Impact funds to acquire and demolish several buildings on Station Square and Festival Square, an area identified in the TOD Master Plan as a civic hub with the opportunity for four- to six-story mixed use development. Local businesses such as Johnson Family Pharmacy, J.P. Chevrolet, Inc., Aberdeen Family Chiropractic Center, and have used local incentives for new construction and redevelopment.

The TOD designation made it possible for Aberdeen to work with the Maryland Department of Transportation, Maryland Department of Planning, Maryland Transit Administration and their consultants on the TOD Master Plan, the Station Square Feasibility Study and Transit-Oriented Development form-based zoning.

The historic downtown has few vacancies, but there is a desire for a better mix of uses that will attract more people, as well as an intensification of land uses to create a more vibrant place with new residents, shops and services. Parcels close to the station are relatively small, with fragmented ownership, meaning that land assembly may be necessary to accommodate the compact, mixed-use development that will help achieve that goal. Currently, new development downtown is limited, but the relatively new Harford Bank building signals interest in downtown investment and sets a standard for transit-supportive and pedestrian-friendly design. The front doors of the building open directly onto the sidewalk, parking is accommodated in the rear, and even the drive-through is ensconced within the building itself. Development potential at the train station itself is somewhat limited due to the small land area adjacent to the station; however, there is great potential for redevelopment in the area.

The City of Aberdeen would like the Maryland Transit Administration to increase MARC service beyond the current seven daily southbound six daily northbound stops so more people can use the train to commute to and from the city and jobs at Aberdeen Proving Ground.

Due to its proximity to the Aberdeen Proving Ground (APG), the City of Aberdeen faces a unique opportunity as well as competition. With the 2005 Base Realignment and Closure decision to bring new military to APG, Aberdeen was in the enviable position of being able to attract new residents and jobs. However, many new jobs and residents moved to or near APG, but not into downtown Aberdeen. APG entered into an agreement with a developer to develop 413 acres for the purposes of developing a business community within APG.

Despite this, though, APG is still a major economic generator at Aberdeen's doorstep. City leaders say they are determined to take advantage of this world class research and development facility and rail transit access to improve their downtown with more infill, redevelopment, and revitalization.

Charles North, Greenmount West, Barclay Neighborhoods, Baltimore

Tapas Teatro patrons enjoy a meal before catching a movie at the Charles Theatre. Both businesses were at the forefront of revitalization efforts in the area.

Located in the heart of Baltimore, the Charles North, Greenmount West and Barclay neighborhoods are experiencing a renaissance that many people unfamiliar with Baltimore may find surprising given their distance from the Inner Harbor. Their revival – along with many other communities not blessed with waterfront locations – proves that Baltimore's appeal extends beyond the harbor. Rather, these neighborhoods benefit from a growing demand and appreciation for walkability, transit access, diversity, historic architecture, the presence of universities and a thriving arts scene.

Envisioned as an exciting and economically diverse place for living, working, playing and learning, these neighborhoods have space to accommodate an increase in density and population. Two community plans, the June 2005 **Barclay-Midway-Old Goucher** plan and the December 2010 **Greenmount West Master Plan**, reflect public support for population growth, residential construction and homeownership, the intermingling of market rate and affordable housing, and continued ethnic, racial and lifestyle diversity.

Residents and community leaders recognize the value of their diversity and want to maintain it. Station North holds great promise as a model for a gentrified neighborhood with a healthy mix of residents from different racial, ethnic and socioeconomic backgrounds, as well as new and long-time residents.

A broad array of entities and individuals work collaboratively to further this vision. These neighborhoods are located within the boundaries of the **Central Baltimore Partnership (CBP)**, a powerful coalition of neighborhood, private, public and institutional interests that are implementing a comprehensive community development strategy in 10 Central Baltimore neighborhoods. CBP helps bring greater resources and attention to the area. With its full calendar of eclectic events, including the internationally recognized Open Walls "festival of street art," Community Supported Art program, and increasing physical presence, the **Station North Arts & Entertainment District** helps build buzz and attracts people to the area, embodying arts-based revitalization.

Companies working to redevelop the area include Telesis, EVI Investments and Stuart Alexander and Associates, The Reinvestment Fund, Homes for America and Jubilee Baltimore. Universities, too, are making their presence known. The Maryland Institute College of Art has a growing physical presence on North Avenue, Johns Hopkins University is a partner in several development projects and contributes financially to revitalization efforts, and the University of Baltimore's nearby growth contributes positive spillover benefits.

The city has supported revitalization efforts with changes to zoning and an urban renewal plan to permit higher density with design review and investments in streetscaping, parks and bike lanes, increased code enforcement, and selling land for development. The Housing Authority of Baltimore awarded a large development site to Telesis Corporation, which is developing or rehabbing 325 dwelling units, with a mix of affordable, market rate, for lease and for sale units. The area is a state-designated Enterprise Zone and Sustainable Community, and the state recently increased MARC train service, enhancing the communities' strategic location within walking distance of Penn Station.

Despite significant positive changes and a clear demand for housing in these communities, it still costs more to renovate or build than properties are worth. Moreover, the developers, contractors and design-build contractors working here tend to be smaller companies or individuals with less of an ability to wait until properties appreciate to realize a financial return on their investment. Public resources are still necessary to fill the gap.

Downtown Cumberland, South Cumberland

Pedestrians enjoy a stroll in Downtown Cumberland, where small businesses and upper story renovations are doing their part to revitalize the historic center.

With compact building forms, interconnected streets, extensive sidewalk network, buildings that front on sidewalks rather than parking lots, and mingling of businesses and homes, Downtown Cumberland and South Cumberland embody the physical ideal of a mixed-use, walkable community.

Ringed by mountains, Cumberland offers scenic beauty in addition to small town ambiance. Beyond that, it is home to an Amtrak train station and an enviable array of heritage and recreation assets, including the Western Maryland Scenic Railroad, C&O Canal National Historic Park and Towpath, and the Great Allegheny Passage bicycle trail.

Cumberland's promise as a center for increased infill, redevelopment, and revitalization and the interest of city leaders to build on their assets is reflected in participation in numerous state programs. The city has received designation as a Sustainable Community, Enterprise Zone, local and national historic district, Main Street, Maple Street, Arts & Entertainment District, Certified Heritage Area, and HUB zone, providing the City of Cumberland, nonprofit organizations, residents, business owners and developers access to a range of incentives. The city and its partners have used these resources to support the reuse of the upper stories of commercial buildings, events like Cumberland Comes Alive!, and the development of new businesses. In 2013, Be Smart energy incentives and the Neighborhood BusinessWorks program helped support the launch of Creation Laundry, a green laundromat with upper story residential in South Cumberland. Downtown Cumberland is a special taxing district, meaning that property owners pay an additional fee to support supplementary downtown management services.

Despite its many assets, Cumberland struggles with a soft economy and real estate market and fiscal constraints, making it challenging to attract infill and redevelopment or make some of the necessary investments to do so. Downtown and South Cumberland compete for residential and business growth with West Virginia, Pennsylvania, Allegany County and even some spots within the municipal borders. Cumberland is working to diversify its economic base, supporting both small business owners and institutions such as the Western Maryland Health System and Allegany College of Maryland. The city used federal Community Development Block Grant funds to offer microenterprise grants to business owners who received technical assistance from SCORE (Service Corps of Retired Executives) and the Small Business Technical Development Center to develop business plans. The South Cumberland Business and Civic Association is particularly active in bringing residents, business owners, and elected and city officials together to maintain open lines of communication and promote the business district with events such as the long-running Halloween parade.

To help stimulate infill, redevelopment, and revitalization downtown, Cumberland does not require any off-street parking within the central business district zone, offers zoning and subdivision incentives, and allows developers building new homes to delay paying fees until the houses are sold. Cumberland also established an adaptive reuse floating zone, in which the development process is streamlined for building reuse.

Within South Cumberland's Virginia Avenue corridor, the city coupled a heightened code compliance effort with small Community Legacy-funded grants to help building owners make necessary repairs.

Hagerstown City Center

The Maryland Theatre, part of Hagerstown's burgeoning arts and entertainment scene, maintains a full schedule throughout the year.

The City of Hagerstown boasts a largely intact National Register Historic District characterized by a compact mix of residential, mixed-use and commercial buildings laid out on a grid street pattern, with wide sidewalks and a public square. The city aims to increase infill, redevelopment and revitalization in this area by focusing on arts, entertainment, education and culture; building on anchors such as the Barbara Ingram School for the Arts, the Maryland Theatre, the Washington County Free Library, the University System of Maryland at Hagerstown (USMH), and the Washington County Museum of Fine Arts; and attracting technology businesses and residents with disposable income.

City government leaders take a proactive approach to accelerating the City Center renaissance. As one tool in that effort, the district has been designated a state Arts & Entertainment District, which provides financial incentives and cross-promotion opportunities. The city developed new financial incentives, passed regulations for rental residential units and vacant buildings, and hired a consultant to prepare a market analysis of Hagerstown's Sustainable Community Plan. The consultant also helped identify potential catalytic projects to implement the Community's City Center Plan.

The Community's City Center Plan outlines the details to implement a number of high impact development projects to bring added vitality, including student housing, an office development/recruitment project, expansion of the Maryland Theatre, a hotel/conference center, new housing units (both rehabs and new construction) and a trail to link City Park and the Washington County Museum of Fine Arts with the A&E District.

The city also actively pursues development projects. For example, the city used Community Legacy funds to assist with the acquisition and rehabilitation of a N. Potomac Street building into four artist lofts and a restaurant, with an art gallery on the way. City staff also used Community Legacy funds to assist with three other adaptive re-use or prep-for-resale projects on W. Washington Street. Building upon the success of USMH, the city recently leased space to the school for more classrooms and built University Plaza, the site of small concerts and events.

Financial incentives include Enterprise Zone tax credits, a revolving loan fund, façade programs, Arts & Entertainment tax incentives, and a grant program designed to inspire renovation and reuse of existing buildings.

Projects within a defined area that meet investment criteria are eligible for additional incentives through the city's Partners in Economic Progress (PEP) program, in which the city:

- waives development fees
- expedites project review
- encourages use of the Maryland Building Rehabilitation Code for greater code flexibility
- pays for two hours of a consultant's time to help applicants understand how to apply for historic tax credits
- offers other creative forms of financial assistance
- The PEP program financial assistance includes:
- an annual grant equal to the city property tax for five years
- two free "equivalent dwelling units" valued at $13,800
- free tenant parking for one year and reduced parking costs for the following four years
- rental assistance for non-storefront and upper floor tenants of up to $24,000 paid to the property owner but tied to business occupancy.

The Community's City Center Plan recommends additional efforts to facilitate home ownership in the neighborhoods surrounding the A&E District, including enhanced code enforcement of problem rental properties and targeted acquisition/rehab projects for home ownership.

Some private sector developers have taken advantage of the city's investments and strong incentives. The city used Maryland Heritage Area Program funds to assist with the establishment of a sidewalk café district on Potomac Street in the heart of the A&E District. New, wider sidewalks complemented a private development that included a ground floor restaurant and retail space, upper-story offices, and a residential loft. Other restaurants have opened to create sidewalk dining along the first blocks of N. and S. Potomac Street, enriching pedestrian life on the street.

Hagerstown continues to work to generate more positive momentum and address challenges, such as the slow pace of recovery from the economic downturn of 2008, the concentration of social services, the need for greater income diversity, the scarcity of Class A office space, and the abundance Class B & C space.

In the meantime, though, Hagerstown is benefiting from public and private investments and a wealth of events. In addition to signature events such as the Western Maryland Blues Fest and Augustoberfest, the city also assists with smaller activities, such as Wind Down Fridays, Thunder in the Square, the Washington County Kick-off Classic Criterium, St. Patricks' Day Run for Your Luck, and more, all designed to attract people downtown on a regular basis.

Leonardtown Commercial Business District

Infill development in Leonardtown is subtle, as shown here with the new hotel on Park Avenue and upper story additions on the adjacent buildings, which blend seamlessly with existing development.

The Town of Leonardtown recognizes its many assets, particularly its waterfront location on Breton Bay and a historic downtown and plans to enhance them. The downtown, known locally as the Commercial Business District (CBD), is a designated Sustainable Community and Arts & Entertainment District.

Leonardtown's **2010 Comprehensive Land Use Plan** envisions downtown as a vibrant, mixed-use center, with strong bicycle, pedestrian and vehicular connections to the waterfront and adjacent residential communities, both existing and planned. As a follow-up to its comprehensive plan, the town updated its zoning code to incorporate an infill and redevelopment overlay zone in the CBD, which relaxes setback and parking requirements to facilitate development. Public access to the waterfront improved dramatically when the town, with support from the county and state, in 2012 replaced the remains of a vacant former industrial site, with the Leonardtown Wharf Park, giving residents and visitors unprecedented access to the bay. The **2012 Concept Vision for the Leonardtown Waterfront** guides the future character of the waterfront, following objectives like providing continuous public access from the wharf west to McIntosh Run, protecting the natural shoreline, slopes and water quality, accommodating increased demand for recreational boating and extending the town development pattern through future upland residential development.

The Commercial Business District, wisely situated on higher ground, is located a short but hilly walk from the waterfront. Town officials are enhancing connections between the two with new sidewalk construction, funded in part by the state. Characterized by mostly one- and two-story brick buildings that sit close to the street and a central square, the CBD features a recently refurbished gateway with new sidewalks and landscaping on Washington and Fenwick Streets, also funded in part by the state. The town intends to strengthen the CBD by maintaining key institutions downtown, encouraging infill development within the existing CBD, recruiting new businesses, expanding downtown to incorporate more potential infill sites, and ensuring strong pedestrian and vehicular connections to future residential growth. The town has successfully retained the court house and post office, where Leonardtown residents and business owners still pick up their mail, despite threats to relocate these important traffic generators.

Thanks to strong business recruitment and retention efforts by the town and the Leonardtown Business Association, which receives support from both the town and St. Mary's County, new businesses like a coffee shop and hotel have popped up near the square. Town leaders are particularly interested in businesses that will give people more reasons to spend time downtown in the evening. Infill development near the square is subtle, because the new development blends so well with existing buildings. Several buildings on Park Avenue and Courthouse Drive morphed from one and two to three stories, but it is hard to tell that the upper stories are new.

Significant opportunities exist within the town boundaries for residential growth, and town leaders remain cognizant of the need to maximize connectivity so residents have easy access and truly feel connected to the downtown. Synergy between residential neighborhoods and downtown manifests itself in residents spending time downtown and patronizing downtown businesses, which contribute to the CBD's economic health. The town encourages and is receiving proposals from developers for multi-family housing developments within walking distance of the CBD, which will further diversify housing and increase the appeal of downtown, particularly to young professionals and seniors.

The CBD's economic well-being also receives a regular boost from special events. The town recently hired an events coordinator to execute First Friday activities, Beach Party (in which the square turns into a beach for the weekend), Earth Day, Wharf Celebration, and Christmas on the Square.

Prince George's Plaza

The Metropolitan Shops at Prince George's Plaza makes the most of its location at the Metro station, with pedestrian-friendly walkways.

Prince George's Plaza has been a nexus of transportation, commerce and housing in Prince George's County for over 50 years, evolving from an automobile-oriented suburb to a multi-modal regional urban center. The Prince George's Plaza Metro Rail Station opened in 1993; since then, Prince George's County has been planning and promoting transit-oriented development (TOD) in the area, beginning with the adoption of a Transit District Development Plan and a Transit District Overlay Zone in 1998.

Located on the Washington Metropolitan Area Transit Authority's (WMATA) Green Line, Prince George's Plaza Metro Station is situated on the south side of East-West Highway – one of the few inter-county corridors inside the Capital Beltway. With exceptional access to major highways and an adjacent 1,000-space parking garage, Prince George's Plaza is a preferred commuter connection to the Metro. Recognized in Prince George's 2035 Approved General Plan as one of five major regional centers, Prince George's Plaza is also a designated "Priority Investment District" for county capital investment due to its potential as a regional economic engine. Transit-oriented development is a top priority of the county; the county created a $50 million Economic Development Incentive Fund focused on transit-oriented development, economic development and investment in communities located inside the Beltway. In collaboration with the City of Hyattsville, the county provided tax credits and other financial incentives to attract a $23 million retail-office development named University Town Center, which will include a new Safeway grocery store.

Hyattsville has a number of ongoing economic and community development programs that promote revitalization in this part of the city. To complement this effort, Prince George's County Planning Department is currently updating the 1998 Transit District Plan. The plan, scheduled for completion in the summer of 2015, is to implement the vision for a regionally competitive walkable, transit-oriented center that attracts investment, jobs, visitors and residents.

Prince George's County and Hyattsville leaders are working on multiple fronts to maximize the potential of TOD at Prince George's Plaza and enhance its connection with the surrounding residential communities of Hyattsville and University Park. The City of Hyattsville included the Prince George's Plaza Transit District Plan area as part its designated Sustainable Community, noting "this area is an existing regional high density commercial district that remains economically viable, but would greatly benefit from additional investment, connectivity, and intensification to become more pedestrian friendly, and to capitalize on the Metro Station transit opportunities."
Most of the TOD opportunities around the Prince George's Plaza Metro Station are located north of East-West Highway. With the exception of the recently constructed Mosaic at Metro Apartments, the area south of the Metro Station includes mostly well-established single-family detached residential neighborhoods. In those neighborhoods, increased pedestrian and bicycle access to the Metro and local shopping is the priority.

The major challenge to TOD north of the Prince George's Plaza Metro is crossing East-West Highway – a four-lane divided arterial with 27,000 average daily vehicle trips. A pedestrian bridge spans East-West Highway connecting the Metro station with the parking lots for the Mall at Prince George's, though many on foot remain uncomfortable crossing the multi-lane highway. Participants at a recent Prince George's Plaza Transit District Development Plan meeting commented that sidewalks are too narrow and the lack of street trees and other amenities discourage walking to shops, restaurants and the Metro. Others noted the area's large parking lots and expressed a vision for the mall and other stores to front along the sidewalks along East-West Highway and Belcrest Road.

There are a great deal of retail, entertainment and public uses within walking distance of the Prince George's Plaza Metro, including attractions located at Belcrest Center, the Mall at Prince George's and University Town Center. There are also a number of new apartment and condo developments, reflecting strong market opportunities. While the recent recession slowed development in this part of Prince George's County, resulting in some bank foreclosures, the private sector has continued to invest in Prince George's Plaza area in projects like the 3350 at Alterra Apartments.

TOD in the Prince George's Plaza environs has continued to change and improve, and with this continued investment, is now unifying a once disparate set of uses into a cohesive community with a recognized identity.

Downtown Salisbury

The Wicomico River winds through downtown Salisbury, giving the city a unique and attractive asset.

Downtown Salisbury, the historic heart of the most populous city on Maryland's Eastern Shore, boasts a location on the Wicomico River, city and county government offices, a pedestrian-friendly historic area, faith-based, social, arts and business organizations, and ample opportunity for new growth through infill, redevelopment and revitalization. Downtown Salisbury lies within a Maryland Sustainable Community, Arts and Entertainment District, and Enterprise Zone. A portion of Downtown Salisbury is also designated as a Maryland Main Street and a Targeted Heritage Area Investment Zone.

City officials and business and civic leaders are focused on making downtown a wonderful place to live, work and play. They recognize the downtown's potential to attract the increasing number of people who want to live in vibrant, walkable places; by improving quality of life and branding, they expect more people to choose downtown for living, working and accessing services.

Though not located within the boundaries of downtown, the Peninsula Regional Medical Center (PRMC) and Salisbury University (SU) feature prominently in downtown revitalization plans and are making their presences known. With the new Salisbury University Art Galleries Downtown Campus, SU recently established its first physical presence downtown, and PRMC plans to expand its medical campus on property immediately adjacent to downtown, in partnership with several educational institutions.

The city highlighted downtown revitalization in its Comprehensive Plan in 2010 and provided more details in A Plan for Transformation 2012 – 2020, which includes specific goals for increasing the number of jobs and residents downtown, among other things. Within the downtown, the city's zoning code allows mixed-use compact development by right and does not require parking for new businesses. The city also may waive Equivalent Dwelling Unit fees in the downtown, has embarked on an ambitious $8 million streetscape for Main Street, and hired a business district specialist. Recognizing the fact that any development outside downtown creates new competition for jobs and residents, the city amended its annexation policy to require an assessment of the impacts of proposed annexations on neighborhood revitalization. In spring 2014, the city solicited development proposals for three city-owned surface parking lots downtown and is currently negotiating with a developer for a mixed-use project on two of the lots. With more and more people seeking unique, walkable places to live and work, leaders are striving to enhance pedestrian, bicycle and transit connections between downtown, PRMC, SU, neighboring communities, the Salisbury Zoo, and City Park. The ability of university students to ride their bicycles safely from the campus to downtown remains a priority. The city and Shore Transit joined forces and expect to introduce a circulator bus system in fall 2014.

To foster entrepreneurship, SU, Salisbury-Wicomico Economic Development, Inc. and the Chamber of Commerce sponsor and engage in activities such as business plan competitions, networking events for university students and entrepreneurs, and Startup Maryland Bus visits to the university.

Special events are also a big part of a community's identity, and downtown Salisbury has an increasingly robust calendar of activities, from Third Fridays, which feature local artisans, live music, and specials at shops and businesses, to the annual Salisbury Festival and the first-ever 2014 New Year's Eve Ball Drop.

Interest in and optimism about downtown revitalization is palpable. Over 100 people took part in "Envision Salisbury," a series of events sponsored by the University of Maryland School of Architecture, Planning, and Design.

The private sector is responding to the city's efforts and the increased energy downtown. New businesses have opened, including a coffee shop, restaurants, and a dance school. A developer is rehabilitating a historic building on the river into retail space, and another developer recently redeveloped 309 E. Main Street, which houses the Office of the State's Attorney and Child Advocacy Center.

Silver Spring Central Business District

The success of downtown Silver Spring came in part thanks to public investment like the Civic Building and popular retail lining — and activating — Ellsworth Drive.

In the 1950s, Silver Spring was a thriving business district that beckoned residents seeking to buy a pair of shoes at Hecht's or a lawn mower at Sears. But, like so many other mid-century shopping meccas, downtown Silver Spring declined when enclosed suburban malls became king of retail in the 1970s and 1980s. Shops shuttered, sidewalks emptied and people stayed away.

It took a concerted effort from Montgomery County officials and planners to re-envision and plan for a downtown Silver Spring resurgence, as well as strong leadership and a commitment to a vision that would withstand changes in administration. Their efforts bore fruit. Today, a mix of civic, retail, arts and entertainment uses thrive in close proximity to the Metro station.

Montgomery County planners created a framework to remake downtown Silver Spring in the 2000 Silver Spring CBD Sector Plan that allowed mixed uses and created active streetscapes leading to the Metro station. The framework captured residents' preference for a pedestrian-friendly downtown with amenities such as a grocery store, a hardware store, restaurants and community gathering spaces. Residents also expressed their desire to live in a racially and economically diverse community.

The sector plan created a foundation for redevelopment, identifying locations for community facilities, parks and green spaces, as well as opportunities to reconnect the street grid and create a bike network. It also specified a street hierarchy and appropriate levels of density for different parts of the downtown, with the highest density in the core. The sector plan was implemented through a public/private partnership between a private developer, the county, and the state and focused on a 22.5-acre parcel between Colesville and Wayne Avenues. This site became the heart of the Downtown Silver Spring redevelopment project, now a wildly successful retail area that includes Ellsworth Drive, a mixed street flanked by stores and restaurants. On weekends and for special events, the street is closed to vehicular traffic and used as a pedestrian mall. The project benefited from creation of an urban renewal area, which allowed for assemblage of land, a green tape policy, in which the county expedited all reviews, and tough compromises to allow demolition of the historically designated Silver Spring Armory.

The county's urban renewal plan for Silver Spring emphasized the role of cultural activities. The historic Silver Theatre on Georgia Avenue, which had fallen into disrepair and was slated for demolition, became a focal point. County officials took ownership of the building in 1996, sought a tenant and selected the American Film Institute, which agreed to restore the theatre. Today, AFI draws movie buffs to both popular and off-beat films – independent features, foreign films, documentaries and classics.

A Montgomery County civic building and public plaza that opened in 2010 on Ellsworth Drive furthered revitalization efforts. The site serves as a public gathering place, with an ice rink in the winter and performances and fairs throughout the year, and the building hosts community events.

Downtown Silver Spring offers a rich mix of transportation options, with a pedestrian-friendly network of streets, four trail systems, Capital Bikeshare, the Metro Red Line, the MARC Brunswick Line, two bus systems, and the VanGo Circulator. In the future, the Purple Line and a Bus Rapid Transit system will add to the mix.

The community also has evolved into a thriving employment hub, retail district and residential community. Thanks to its proximity to Washington, D.C., corporations and government agencies have a large presence downtown, and developers built more than 2,500 new residences between 2000 and 2011, with many more units on the way. With such a strong housing market, prices have escalated, but Montgomery County's moderately priced dwelling unit program and bonus densities for affordable housing help safeguard economic diversity. Montgomery County is constructing a new library and is partnering with a developer to build a new library and 155 dwelling units, 20 percent of which are designated as affordable, at a site immediately adjacent to a future Purple Line stop.

Silver Spring is an urban district that funds improvements and activities to promote downtown activities. The urban district is managed by a committee that advises county government on management and finances. Downtown Silver Spring is also a state-designated Enterprise Zone and Arts & Entertainment District, which offer a variety of incentives to businesses, developers and artists. In addition to ensuring continued economic diversity, remaining challenges for downtown Silver Spring include the scarcity of locations for quality public green space, and the physical challenges to connectivity posed by Georgia Avenue and Colesville Road.

Downtown Towson

Patrons dine at the base of Towson City Center, a building reuse that has helped bring more activity downtown.

Towson is the urban center of Baltimore County, the seat of county government, and the site of a substantial business district, three large hospitals, the circuit court and district court, two universities, and a regional mall. The urban core of Towson, dominated for years by office and retail uses, is becoming a residential center as well, with several large apartment/condominium developments recently completed or proposed, that are strengthening the downtown.

While some say that Towson has not realized its potential as an attractive, walkable, 24/7 community – Baltimore County's Master Plan 2020 cites an urban core that has "historically underperformed as a commercial center, with recurring vacancies and a lack of commercial investment" – recent county planning efforts and public investment have helped generate new interest. Recent press releases cite over $600 million in private investment planned or under construction in downtown Towson, including Towson Row, Towson City Center, residences at The Palisades (market rate housing), 101 York (student housing), and the Towson Square movie theatres and restaurants. Baltimore County leaders and Towson residents and business owners have worked for several years to revitalize the downtown, making a concerted effort to bring back its unique character and create a more vibrant, lively downtown attractive to and connected to the rest of the community. Recently, downtown Towson has become an eclectic mix of old and new.

Towson's urban form evolved over the years from a traditional small town to an auto-oriented suburban center – and is now shifting to a walkable, mixed use, vibrant downtown, evident by areas with short blocks, narrow streets in a grid pattern and buildings set to the sidewalk line. Other portions of the downtown have wide curvilinear boulevards with buildings set back from the street. With the introduction of one and two-way streets, the downtown has seen more growth in businesses and retail development.

The county is focusing staff resources and dollars to upgrade the public realm as private development projects come on board in the wake of an improved development climate. These efforts include capital projects such as new lighting throughout the urban core; streetscape improvements on York Road and Allegheny, Washington, Delaware and Shealy Avenues;, a public plaza in the courthouse block of Washington Avenue; and wayfinding signage and public art near the new entertainment center, as well as social media and marketing efforts publicizing business openings and events. In addition to public works improvements, public safety funding is being increased, and commercial revitalization incentives are being actively marketed for downtown Towson.

Public involvement is critical to the success of Towson's revitalization. Towson's neighborhood associations collaborate on issues that affect greater Towson through an umbrella organization – the Greater Towson Council of Community Associations (GTCCA). On the business side, the Greater Towson Committee (GTC) promotes investment in Towson through development and revitalization of property and infrastructure. Both GTCCA and GTC play important roles in helping shape and implement the vision of a revitalized downtown Towson.

Walkability is one of the community's highest priorities. Using a charrette process, Baltimore County prepared the Walkable Towson Plan, which established policies that will create a vibrant, mixed-use community diverse enough to withstand changing markets and shopping trends. The plan advocates compact, mixed-use, walkable development that is compatible with Towson's urban character. While the plan examines walkability for the entire business district, it focuses on a three-block section of York Road from the roundabout south to Towsontown Boulevard as downtown Towson's "Main Street."

One of the most transformative initiatives in the plan involved the county planners working with the Maryland State Highway Administration to redesign York Road, reducing travel lanes from four to two and adding full-time on-street parking. The road narrowing reduced vehicles speeds, made it safer to cross York Road, and created a pedestrian-friendly retail environment. County staff are making significant streetscape improvements along York Road, and continue to improve pedestrian connections between Towson University and the downtown to improve its identity as an attractive college town. The county also made improvements to Washington Avenue, which runs parallel to York Road, as secondary pedestrian-oriented commercial corridor in the downtown. New developments, such as Towson Row which will feature an upscale, full-service grocery store, are capitalizing on Towson's new walkability.

Baltimore County has established an interdepartmental task force that works on redevelopment projects in downtown Towson. Additionally, the Baltimore County Revenue Authority, which manages five public garages in downtown Towson, has recently partnered with the developer of Towson Square project to operate an 850-space parking garage.

Best Practices

Communities throughout Maryland are facilitating reinvestment in many creative ways, often in partnership with the state, private sector or nonprofit organizations. Highlighting strategies from across Maryland reinforces recommendations and demonstrates the breadth of revitalization options. Best practice stories will be showcased and updated online in response to a recommendation in the report to create a comprehensive one-stop online Reinvest Maryland resource for infill, redevelopment and revitalization.

Municipal and County Collaboration, Garrett County

Best practices

- Interjurisdictional collaboration

Summary

Redevelopment is difficult in any community, but especially challenging in small towns with limited resources to provide services and incentivize private investment. The eight municipalities in Garrett County, with populations that range in size from 321 in the Town of Kitzmiller to 2,092 in the Town of Mountain Lake Park, have addressed this challenge with a formal collaboration, Garrett County Municipalities, Inc., (GCMI).

Recognizing the importance of working together, the town mayors began meeting regularly in 2004 to discuss similar problems and the possibility of sharing services among the towns. Now, the municipalities are able to provide services they previously could not afford and receive state funds they may not have been able to receive or administer.

GCMI has become the vehicle through which collaboration with other stakeholder groups and government agencies is made possible. At monthly mayors' forums, attendees discuss the needs of the towns with invited guests from agencies and organizations that can most effectively aid the towns in their revitalization efforts.

Revitalization efforts in the towns are better linked in with and included with the county's efforts on economic development, zoning, transportation, recreation and infrastructure needs. For example, GCMI regularly accesses information from the Garrett County Community Action Committee, Inc. (GCCAC), a nonprofit organization dedicated to improving quality of life for Garrett County residents, for help with grant applications and coordination with state agencies. The county Economic Development and Planning & Land Management offices maintain open communication about grant applications to better coordinate county efforts. The Office of Planning & Land Management administers the zoning ordinances for the towns of Friendsville, Oakland, Accident, Mountain Lake Park, Grantsville and Loch Lynn Heights. In addition, that office supports creation of all the towns' comprehensive plans and ensures their goals and objectives are accurately reflected in the county's comprehensive plan.

Using Community Legacy funding, town representatives prepared strategic revitalization plans to capitalize on the unique character of each community. The ability to coordinate efforts among the incorporated towns produced a more complete and viable plan for each community. The revitalization plans revealed a set of commonalities among the towns related to poorly maintained properties, lack of enforcement mechanisms and zoning codes insufficient to adequately promote revitalization goals. To address these common challenges, the municipalities pooled resources to hire a shared code enforcement officer, who is an employee of the GCCAC. After operating informally for about two years, the towns decided in March 2006 to incorporate the group as a nonprofit organization. The organization's purpose is to enhance and strengthen the cultural, environmental, commercial, educational, civic and community infrastructure of the eight municipalities; and to provide services to each of the eight communities and their citizens at reasonable cost through sharing of services, equipment, supplies, insurance and staff. GCMI has a wide range of powers and is governed by a board of directors upon which all of the municipal mayors serve. The organization has the power to acquire and operate property through purchase, lease or donation. For example, after conducting a survey of equipment needs from the public works department in each town, GCMI purchased a towable wood chipper and a road paving/patching machine that the towns share. The process of soliciting bids through GCMI provides the eight towns with the economy of scale to attract better pricing. GCMI members evaluate each town's needs within the context of their relationship to the other municipalities.

Working with the GCAC, GCMI seeks grants and donations that further enhance their mission, based on collaborative deliberation and prioritization of needs. Since GCMI's inception in 2006, Garrett County has received more than $1 million in Community Legacy funding for 26 projects, increasing the county's share of state Community Legacy funding by 30 percent compared to pre-2006 figures.

This structure was advantageous in the municipalities' efforts to obtain a Sustainable Community designation. After receiving the designation, the group formed a Sustainable Communities Committee to review and assist the communities with their plans. That committee consists of representatives of the Garrett County Office of Economic Development, GCMI, the local heritage program, the Maryland Rural Development Corporation, GCCAC, Garrett Trails, the Circuit Rider program and most recently, the Garrett County Office of Planning & Land Management.

Streetscape, Taneytown

Best practices

- Stormwater management
- Community parks and green space
- Education and outreach
- Public/private partnership

Summary

The City of Taneytown's three-year downtown revitalization effort, the largest ever Maryland streetscape project, has transformed a once underutilized historic district into a successful commercial and cultural center reminiscent of the city's Victorian past.
Once nationally known as a retail and performing arts center, by the mid-2000s, Taneytown was in need of upgrades: neither street repaving nor replacements to public water and sewer infrastructure had occurred since the 1950s.

Starting in 2008, a city partnership with the State Highway Administration brought roadway reconstruction, sewer and water line replacement, and significant streetscape and signage improvements to the city center, which triggered additional investment. Revitalization projects to create an inviting atmosphere for visitors and shop owners included new downtown branding, sidewalks with amenities such as lighting, benches, message/events boards and seasonal banners. The reclaimed community space encouraged the activities like a weekly farmers market, weekend downtown concerts, sidewalk sales and other outdoor events, all raised Taneytown's visibility.

City leaders supplemented the area's physical conversion with an aggressive real estate development plan to make it attractive to commercial developers. With sustained state, business and community support, the historic downtown has achieved:

- $2 million in private investment
- $25 million in public improvements
- 59 new businesses
- 142 new jobs
- 9,621 hours of volunteer service

As a complement to the infrastructure upgrades and streetscape, the city created an Economic Restructuring Committee, which rebranded downtown, updated downtown's logo, and marketed available properties with redevelopment potential, identified via a market analysis. Leveraging the streetscape improvements, the city formalized an ordinance establishing a Redevelopment Zone, giving certain properties priority recognition in all facets of redevelopment, permitting, tax accounting, use and marketing. The city also created a financial package to incentivize reinvestment, including:

- monetary incentives for minimum investments and creation of new, full time employment positions
- real estate tax credits against increased property value assessments
- incentives for conversion of residential properties to commercial uses
- special purchasing and financing of any required impact fees
- streamlining of new development applications
- mass marketing through Taneytown's website and network

Adding to their business improvement efforts to attract private investment, the city also sought to attract more visitors to use the improved roadways and infrastructure. The streetscape project installed interpretive panels that highlight and explain Taneytown's architectural, social religious and transportation history. In addition to providing the markers, State Highway Administration worked with the city to create a self-guided walking tour and provided plaques to identify the buildings.

Taneytown is state-designated Main Street. The national and state Main Street programs are a historic preservation-driven economic development tool that allow communities to revitalize business districts by leveraging local assets, including historic and cultural resources, local businesses and community pride. The city is on the National Register of Historic Places and part of the Heart of the Civil War Heritage Area. Like the Main Streets program, the Heart of the Civil War Heritage designation encourages preservation-based economic development and tourism.

Programs

- Main Street
- Community Legacy
- Neighborhood BusinessWorks
- Maryland Historic Trust grant
- Maryland Heart of the Civil War Trail
- State Highway Administration improvements

Aquisition/Rehab Loans, Baltimore

Photo Credit: Healthy Neighborhoods, Inc.

Best practices

- Acquire/renovate loans
- Middle market tool

Summary

Every city and town can point to established but undervalued neighborhoods that, with creative strategies, could bolster their market values. Few places, however, have access to programs and resources designed specifically for so-called middle markets, where working class people form strong bonds and want to build a future, but where property values lag and the community's image needs a boost. Strategic investments in those neighborhoods can generate a big return.

Forged from that philosophy, Healthy Neighborhoods, Inc., (HNI) is a nonprofit organization that works in 14 neighborhoods throughout Baltimore. HNI provides resources for people to purchase and renovate their homes, professional advice for rehabbers, support for community projects that project a positive image, and assistance with neighborhood marketing.

Each Healthy Neighborhood has target blocks, where potential homebuyers can access below-market loans to purchase and renovate homes. Elsewhere in the neighborhood, the organization markets vacant foreclosed homes for sale. Buyers must purchase the homes for owner occupancy, though eligible properties may contain up to four properly zoned units.

Buyers must meet Fannie Mae/Freddie Mac underwriting standards but the program is not income-restricted. Borrowers may receive a loan of up to 110 percent of the after-renovation appraised value of the home, but they must contribute a minimum of 3 percent of their own funds to the purchase price. Rates are fixed; they are always 1 point lower than the 60-day Fannie Mae rate but never lower than 4 percent. Six banks contributed to the $23 million loan pool, and three foundations and one nonprofit organization acts as guarantors.
The loans stimulate not just home buying, but "standard setting" renovations, facilitated by pro bono design advice. In addition, to ensure the process goes smoothly, professionals are available to help renovators review contractor documents.

Revitalization Incentives, Hagerstown

Best practices

- Incentive programs

Summary

The City of Hagerstown offers an impressive set of tools to support economic development in its City Center. In addition to accessing city- and state-supported Enterprise Zone and Arts & Entertainment incentives, City Center projects may qualify for incentives including revolving loan funds, façade programs, a grant program designed to inspire building renovation and reuse and an innovative Partners in Economic Progress (PEP) incentive package. The city also supports grand opening ceremonies and anniversary celebrations with public relations assistance.

Small business owners and developers can apply for a Hagerstown Revolving Loan Fund (HRLF) loan of up to $200,000 or 80 percent of project costs to support rehabilitation and expansion. The HRLF also offers smaller microenterprise and working capital loans.
The Hagerstown Sign & Façade Grant Program offers 50 percent matching grants for properties in the City Center with commercial or institutional storefronts or office buildings. The program distinguishes between sign grants, which have a $300 maximum, minor façade improvements like exterior painting and installing awnings, which have a $1,000 maximum, and major improvements, which have a $5,000 limit. The Neighborhood Façade & Exterior Enhancement Program provides low-interest loans of up to $20,000 to help residential and mixed-use property owners in certain parts of the city improve building exteriors. This program is income-restricted.

The First-Third Grant Program aims to facilitate the reuse and repurposing of vacant and underutilized properties by offering grants to help cover project costs. The city's financial commitment helps attract other financing. Though the program is available citywide, City Center projects are eligible for the greatest incentives. In City Center, commercial, professional office, retail, and mixed-use projects are eligible to receive grants between $150,000 and $250,000, with a 2:1 match. The funds are awarded upon project completion.

Through its PEP program, the city offers additional incentives to projects within a specific part of City Center that meet investment criteria. There is a minimum investment requirement of $250,000 for commercial, $100,000 for residential, and $200,000 for mixed-use projects, and the minimum investment amount excludes acquisition costs. For eligible PEP projects, the city:

- Waives development fees
- Expedites project review
- Encourages use of the Maryland Building Rehabilitation Code for greater code flexibility
- Pays for two hours of a consultant's time to help applicants understand how to apply for historic tax credits
- Offers other creative forms of financial assistance

The PEP program financial assistance includes:

- An annual grant equal to the city property tax for five years
- Two free "equivalent dwelling units" valued at $13,800
- free tenant parking for one year and reduced parking costs for the following four years
- Rental assistance for non-storefront and upper floor tenants of up to $24,000 paid to the property owner but tied to business occupancy

Commercial Revitalization Incentives, Baltimore County

Best practices

- Commercial Revitalization Incentives

Summary

Baltimore County offers three incentives to support business and property owners in its 16 commercial revitalization districts. Businesses owners interested in making improvements to building exteriors can request 10 hours of pro bono architectural services through the Architect-on-Call program. The Perry Hall Animal Hospital recently used this service to modernize the building exterior and landscape the pets' play area.

Business and property owners can access interest-free loans of up to $30,000 through the Building Improvement Loan Program and use the funds for a range of capital improvements, from new windows, doors, and signs to lighting and landscaping. Program priorities include upgrades to longtime problem buildings; upgrades to buildings significant to the district; retention of a critical use; contribution to a critical mass of improvements; ability to leverage private investment; and potential for job creation and retention. The Pikes Theatre, Pikesville's two-screen movie house that reopened in 2013 almost three decades after it had closed, received a loan to improve its marquee and façade.

For capital improvements that increase assessed property value by $100,000 or more, the county offers a five-year real property tax credit. If the improvements cost more than $10 million, the credit lasts for 10 years.

Business Incubators, Westminster

Best practices

- New business support
- Strengthening downtown markets

Summary

The City of Westminster's historic downtown is a charming, pedestrian-friendly place where shops and restaurants occupy small store fronts, and the Historical Society of Carroll County and the Carroll Arts Center enhance the mix of uses with arts and cultural options. A state-designated Main Street, Downtown Westminster follows the time-tested national program approach to economic development developed by the National Trust for Historic Preservation. One of the model's four principles is the cultivation of a healthy mix of businesses on the main street.

To attract a greater variety of retail businesses to enhance the shopping and dining experience in Downtown Westminster, the City of Westminster in early 2014 created a business incubator program in partnership with the Community Preservation and Stewardship Corporation (CPSC). The program offers financial assistance and mentoring to new businesses that meet the following criteria:

- Potential for business sustainability
- Readiness to start operations
- Ability to benefit from resources and services provided by the incubator program
- Compatibility with other businesses along the Main Street corridor
- Availability of needed space.

The program offers grants of up to $5,000 from the CPSC to assist businesses with start-up costs such as rent subsidy, marketing or software. The Carroll County Business Revolving Loan Fund offers low interest loans of up to $25,000. Recognizing that access to funds is only one part of the equation that leads to sustainable business growth, the program calls for businesses to work with a mentor for 12 to 18 months. Mentors are assigned to incubator participants on the basis of fit, expertise and needs. Business owners also have access to training through the Carroll Business Path or courses at Carroll Community College's Miller Center for Small Business.

The first incubator business, By the Bay Botanicals, opened in June 2014 and offers homemade candles, many of them made on site in a visible workroom, lavender products and other local items. By the Bay Botanicals received $2,500 to cover start-up costs.

Seven other businesses, including a natural food store, bakery and auto-repair shop, have submitted applications to participate in the business incubator program.

Redevelopment Overlay Zone, Laurel

Best practices

- Flexible zoning
- Streamlining

Summary

The City of Laurel's Revitalization Overlay Program allows property owners greater flexibility to take advantage of economic incentives and market conditions to invest in infill development. The overlay system identifies six different overlays within the city, ranging from City Center, which is the most intense, to transit oriented development and the Main Street. An additional category targets aging apartment complexes within city neighborhoods, allowing flexibility in replacement or renovation. The overlay system permits greater density and design flexibility in return for provision of specific public amenities for the project, necessary highway improvements, transit proximity, and enhanced architectural design through community appearance standards review. Applicants may access all necessary procedures and criteria within the city's **Unified Land Development Code** online. Through streamlining procedures, the process takes a few months, depending on the size of the proposal.

The city's Revitalization Overlay program has resulted in several development projects, most notably Towne Centre at Laurel, which replaces an obsolete shopping mall at the geographic core of the city. Not simply a suburban project, Town Centre was reviewed and approved as a major mixed use facility and embodies many smart growth essentials. It contains retail, restaurants, a 12-screen cinema complex and housing, as well as a post office and medical facilities. Many residents can walk to Towne Centre due to its central location, and bicyclists have easy access from Towne Centre to Laurel's bikeway system, with connections to the Main Street area, Laurel Lakes and Wellington. Towne Centre is also directly adjacent stops for regional bus lines and Metrobus service to the Greenbelt and Silver Spring Metro Stations, providing access to Metro's green and red lines. Planning for an improved bus staging area adjacent to the site is also underway. The city employed tax increment financing to assist with necessary road improvements.

In effect since 2012, the city's Revitalization Overlay system has resulted in one-half billion dollars of investment since its inception. In addition to Towne Center at Laurel, projects include the C Streets Flat, an arts oriented apartment community in the city's designated Arts and Entertainment District off Main Street, and the proposed 100 Main Street mixed use project, a proposed transit oriented development at the Laurel MARC Rail Station, which the city is working on in conjunction with the Maryland Department of Transportation.

Innovative Financing, Hagerstown

Best practices

- Innovative financing
- Strategic use of shared facilities
- Green building features
- Adaptive reuse of historic structure

Summary

One of the centerpieces of Hagerstown's Arts and Entertainment District, the Barbara Ingram School for the Arts is the first arts magnet school in Washington County and western Maryland and has served as a downtown anchor since opening in 2009. Washington County Public Schools, in collaboration with the City of Hagerstown and a community development non-profit organization, renovated the 1903 three-story iron-frame and masonry office building using an innovative leaseback structure that allowed the project to gain state funding.

The Barbara Ingram School for the Arts, a four-year public academic high school, provides young people the opportunity to experience a rigorous college preparatory program that focuses on a balance between artistic skills and conceptual thinking in one of six arts disciplines — dance, instrumental music, literary arts, theatre, visual arts or vocal music.

The conversion from the former office building into a thriving visual and performing arts high school is noteworthy not only for its financing approach, but also because of its central role as part of the redevelopment of downtown Hagerstown into a cultural and arts center for Western Maryland. The educational program uses the nearby public library, a downtown theater and a University of Maryland facility to supplement the facility requirements of the program, with the renovated building serving core program offerings in the arts.

While in many respects this educational program is modeled on the successful Baltimore School for the Arts, its use of nearby public and private institutions to extend educational opportunities for students is an innovation that has larger planning implications. If schools are to be built within growth areas to promote walkability and become centers of community activity, it is likely that school districts will need to consider smaller sites that require alternatives to a full array of on-site physical education and sports facilities. Joint use of neighboring facilities owned by different entities may make it easier for school districts to use smaller sites without sacrificing their educational programs.

The building was donated to the City of Hagerstown specifically to house the school. In turn, city officials transferred the building title to a local nonprofit corporation, the Hagerstown Neighborhood Development Partnership (HNDP). Washington County Public Schools (WCPS) entered into a 20-year, triple-net lease with HNDP, which stipulates a transfer of ownership to the school system at the end of the term. The deal was aided with the input of a private consultant, private counsel and the Public School Construction Program.
The project cost $10.93 million and was funded through a variety of sources. WCPS and HNDP engaged a consultant to solicit financing for $8.3 million to pay for the most of the renovations and additions. The results on bid day exceeded expectations, and thanks to a Maryland Sustainable Communities Tax Credit (SCTC) for historic properties, delivered project financing at below conventional general obligation bonds. As a private entity, HNDP is eligible for the SCTC, equal to 20 percent of the eligible costs of construction, which resulted in a credit equaling $1.3 million. The balance of the renovation funds — about $1 million — was obtained through Legislative bond bills and grants from the Maryland Department of Business and Economic Development (DBED) and the Community Legacy Program.

For the past five years, students have studied in an environment that emphasizes professionalism and scholarship. Students are selected on the basis of artistic talent, experience or potential and their ability to commit to serious and purposeful study. In its most recent report, *U.S. News & World Report* ranks Barbara Ingram School for the Arts the fifth best high school in Maryland.

Hagerstown's A & E District, one of the first in Maryland, also includes the Maryland Theatre, home of the Maryland Symphony Orchestra and the Miss Maryland Pageant; the Washington County Arts Council that showcases the work of local artists; the newly transformed Washington County Free Library, a state-of-the-art educational, research, and entertainment destination; and several art galleries, unique urban architecture, museums and restaurants.

Programs

- Sustainable Communities Tax Credit
- Public School Construction Program
- Community Legacy
- Department of Business and Economic Development grant
- Bond bills

Community Parks and Stormwater Management, Baltimore

Photo Credit: Baltimore City Department of Planning

Best practices

- Stormwater management
- Community parks and green space
- Education and outreach
- Public/private partnership

Summary

Where a line of vacant, blighted rowhouses once stood, visitors now enjoy the New Broadway East Community Park, which transformed 18 vacant residential home sites in Baltimore into a park, providing residents with access to quality public open space as well as improving water quality and the health of the Chesapeake Bay. The park stands out for its innovative approach to stormwater retrofits and a public/private partnership focused on the long term.

Once the homes were demolished, the site lacked stormwater management and the soil was compacted. To create a healthier environment for trees and plants and allow rainwater to infiltrate, park construction included subsoil replacement and soil de-compaction. The new park features paths, a small parking lot and a community gathering space constructed with pervious concrete and pavers, as well as landscaping with native species. Project organizers point to the fact that they changed the site from 100 percent impervious to 100 percent pervious surfaces.

In addition to helping design the project, community volunteers planted 30 trees and hundreds of shrubs and bedding plants, while neighborhood children stenciled storm drains. True to their commitment to the environment, the project partners installed two benches and a trash/recycling container made of recycled materials.

The New Broadway East Community Park represented a true collaborative effort. Project management was split between the Parks & People Foundation, the City of Baltimore, and Humanim, and is located on city-owned property. Parks & People Foundation initiated the project, worked with the Broadway East Community Association, area churches, and elderly residents to plan the park, and raised funds for implementation. The Baltimore Office of Sustainability prepared concept plans, and the Baltimore Department of Housing and Community Development demolished the homes. The city paid for improvements to perimeter sidewalks.

Neighboring property owner Humanim, a nonprofit workforce development and health services organization, committed to long-term maintenance and stewardship of the property. City budget constraints prevent the Department of Recreation and Parks from assuming the responsibility for new parks, so Humanim's pledge was critical. Parks & People secured funds from the Maryland Chesapeake and Atlantic Coastal Bays Trust Fund through the Department of Natural Resources, Boise, ASPEN Recycled Papers, and Alliance for Community Trees.

Programs

Maryland Chesapeake and Atlantic Coastal Bays Trust Fund, DNR

Economic Development and Adaptive Reuse, Tilghman Island

Photo Credit: Phillips Wharf Environmental Center

Best practices

- Preservation and adaptive reuse of a historic property
- Economic development
- Heritage tourism
- Local food
- Education and outreach

Summary

In 2003, Hurricane Isabel hit the Chesapeake Bay and destroyed much of a seafood buying dock owned by a family of watermen on Tilghman Island. Family member Kelley Cox saw an opportunity to preserve the working waterfront in this Talbot County island community, which for generations has harvested and sold crabs and other shellfish, as well as foster additional economic development and natural resource stewardship.

After thoughtful planning, by 2005, the former marine biologist with the state Department of Natural Resources, had opened the Phillips Wharf Environmental Center (PWEC). Named for her father, Garland Phillips, who owned and operated Phillips Wharf Seafood, PWEC began offering educational programing and tours of the Chesapeake Bay. In 2013, PWEC purchased the property next door to expand the center's operations and preserve the last waterfront oyster shucking house in Talbot County. PWEC will continue to allow watermen and seafood distributors to conduct business, as they always have at the site, while also providing space for an aquaculture resource center where watermen and others can work on techniques for growing oysters, an emerging industry within the Bay region.

PWEC also plans to expand its environmental education to year-round, rain or shine programming. Combining these components at one site will bring additional jobs to the organization and increase heritage tourism in the small community, while helping to grow local seafood operations and respond to renewed interest in local, sustainable seafood.

The PWEC will renovate the property in phases over five years.

Programs

Maryland Heritage Areas Authority grant

Low-Moderate Income Infill, Denton

Best practices

- Infill development
- Affordable housing
- Energy efficiency
- Creative partnership

Summary

Like many small older communities, Town of Denton officials sought creative ways to improve derelict properties. A comprehensive review of properties that had been condemned or cited under the town's Property Maintenance Program and Ordinances revealed more than 120 homes needing attention. In a town with a population of less than 4,500 residents, Denton leaders decided to target revitalization efforts within the town quadrant with the highest number of condemned and cited properties.

Staff from Denton's Planning Office reached out to the State Department of Housing and Community Development (DHCD) for funding assistance and to the Caroline County Habitat for Humanity (Habitat) to create a comprehensive strategy of demolition, repair and rebuilding. Denton received $400,000 from DHCD for home purchase and demolition costs and partners with Caroline Habitat to turn newly cleared parcels into low to moderate income housing close to town amenities.

The first project saw new infill houses rise on three vacant parcels the town had acquired. Habitat's first new home was built alongside another condemned home they were able to repair, which was the first occupied property under the initiative.

In mid-2014, the town had contracts on five more condemned homes, for which they have requested additional demolition funding. A total of 39 properties within this quadrant of the town are targeted for similar acquisition, demolition and redevelopment.

Because the focus of Denton's revitalization is providing affordable housing, the town also has prioritized energy efficiency as part of its efforts for existing and newly rebuilt homes. With grant funds from the Maryland Energy Administration, Carolina Habitat was able to complete energy efficiency upgrades for six low- to moderate-income families in town, each of which produced an estimated annual savings of more than $11,000 per family by reducing electricity, propane and water consumption.

Programs

- Department of Housing and Community Development blight grant for property purchase and demolition
- Maryland Energy Administration energy efficiency grant to Caroline County Habitat for Humanity
- EmPOWER Maryland Clean Energy Communities Low-to-Moderate Income grant for energy efficiency upgrades in existing homes and newly rebuild properties.

Economic Development, Allegany County, Frostburg and Cumberland

Best practices

- Economic Development
- Rural strategy
- Green teatures
- Community partnerships

Summary

The Trail Town Program® is an economic development and community revitalization initiative in towns along the Great Allegheny Passage (GAP) that maximizes the economic potential of the trail through a collaborative, trail-wide partnership. The Certified Trail Friendly program builds on the Trail Town Program by strengthening the link between recreational users and local businesses, injecting new life into the western Maryland towns of Cumberland and Frostburg. Developed by the Maryland Department of Planning (MDP), the Certified Trail Friendly program is a business certification program that acts as a "seal of approval" to trail users on the Maryland portion of the trail.

MDP, the Allegheny Trail Alliance and the Progress Fund won a 2014 National Planning Achievement Award for Innovation in Economic Planning and Development from the American Planning Association for the Certified Trail Friendly program.

The programs link a popular recreation route for bikers and hikers, the Great Allegheny Passage (GAP) that stretches from Pittsburgh to Cumberland, to downtown areas. Their most positive contribution is the economic spin-off benefits realized in Appalachian communities that have experienced population loss and economic decline. The Certified Trail Friendly Program builds on trailside community assets by strengthening links between retail establishments and GAP Trail users. The result: increased profitability of participating business and an improved experience for trail users, who number in the tens of thousands.

In 2009, MDP obtained a grant from the Appalachian Regional Commission to expand the Trail Town initiative to the Western Maryland communities of Cumberland and Frostburg. Not only did the project allow MDP to coordinate physical improvements and wayfaring between Cumberland and the Mason Dixon Line, but it also helped create the Certified Trail Friendly program, a business certification program that assists local businesses that cater to trail users by encouraging trail cyclists and hikers to patronize them. The marketing program now includes 18 local businesses.

Both trail programs provide multiple benefits. First, they affirm community revitalization by creating economic benefits through an inclusive process involving elected officials, residents and the business community. It also contributes to smart growth by encouraging business development in existing towns rather than expanding into less developed areas. The programs are an element of local comprehensive plans.

The two programs are jumpstarting the revitalization of Appalachian downtowns by sending an influx of new tourists to local businesses, showcasing the effectiveness of collaborative, strategic economic development planning. Trail Towns programs has received tremendous public support; since 2007, the GAP trail has averaged about 800,000 trips a year, with 28 percent of trail users spending the night in a trail-side community. In 2010, that translated to more than $40 million in spending in local communities.

Economic Development, Berlin

Best practices

- Economic development
- Tourism
- Mixed-use zoning

Summary

Berlin business owners and town leaders undertook a deliberate strategy of reinvestment and economic development to reverse a decline in its agricultural base and flight of businesses from the downtown. In the 1970s, the town in Worcester County had plummeted from a bustling peach distribution hub at the confluence of two rail lines to a nowhere town. As its population dropped to about 1,200, its Main Street jewel, the historic Atlantic Hotel, fell into disrepair and became an emblem of its descent.

Today, that vision of Berlin is unrecognizable. The charming town, with quaint streets lined by Victorian-era homes and one-of-a-kind businesses, exudes appeal. The town's regular population of 4,500 swells during the summer with spillover beach traffic and throughout the year during a series of popular events and festivals – the Fiddler's Convention, Victorian Christmas, High Heels Race and Bathtub Race.

Yet, it also has become a destination itself. In early 2014, Berlin was named America's Coolest Small Town in a national contest. Reversing the town's decline began with the business community. In the 1980s, a group of business owners put up money to renovate the Atlantic Hotel, and its revival sparked a domino effect along Main Street. Independent store owners began to invest and businesses opened.

Town leaders decided to invest, too, hiring a part-time economic development director to take a strategic look at how to put Berlin back on the map. He sought and won grant money, conducted an analysis of the town's assets and weaknesses, worked with business owners to promote the town collectively and organized events. The job later became a full-time position.

To further encourage the right kind of growth, officials invigorated Berlin's downtown by encouraging property owners to mix uses – establishing dwellings above first-floor commercial uses – and creating the zoning to allow it. A Maryland Arts and Entertainment District designation helped promote the growing arts community.

State programs such as the Community Legacy program boosted sidewalk appeal with façade improvements and helped fund the conversion of downtown warehouses into office/retail uses. The plethora of programs funded projects that rejuvenated pride in downtown thanks to storefront facelifts and sidewalks lined with hanging flower pots.

Berlin's location in Worcester County, which embraces farming with some of Maryland's most effective preservation policies, gives it access to a bounty of farm goods that boosts the draw of its weekly farmers market. Moreover, Berlin is home to a full-production brewery that uses locally grown hops and other ingredients.

The town's historic small-town America look attracted movie production studios, who filmed "Runaway Bride" and "Tuck Everlasting" there.

Programs

- Community Legacy (façade improvements)
- Arts & Entertainment Program
- Main Street Maryland

Arts District, Hyattsville

Photo Credit: EYA Arts Districts Hyattsville

Best practices

- Mixed-use infill development
- Public-private partnership
- Green features
- Adaptive reuse of historic structure

Summary

Hyattsville, a state-designated Sustainable Community and Arts & Entertainment District, is an eclectic neighborhood located on the edge of Washington, D.C. Many good things are happening in Hyattsville, but the most prominent development is Arts District Hyattsville, a $213 million, 25-acre project that has become a cornerstone of Hyattsville's revitalization efforts. Located on Route 1 and close to part of the Hyattsville Historic District, the mixed-use the project brought new row homes, condominiums, live-work units, shops, and renovated the Lustine Center, a 1950s automobile showroom that now serves as a community and fitness center. When complete, the development will feature 500 new homes.

Through innovative site planning, unique architecture, quality building materials and a mix of uses, the project creates an attractive pedestrian-oriented community with an artistic vibe. The design combines industrial and main street elements and serves as a model for high density redevelopment enhancing the appeal and functionality of an aging neighborhood.

In keeping with the artsy, socially and environmentally conscious ethos that Hyattsville and the Gateway Arts District has cultivated, many of retail tenants come with environmental and social ethos, including Yes Organic Market, Busboys and Poets (a restaurant serving organic and local foods and advocates for green policies), and Big Bad Woof, an organic pet store acclaimed for sustainable practices. The retail portion of the development features a green roof.

Also a model for public-private partnerships, Arts District Hyattsville reflects a nearly $2 million investment in infrastructure improvements from state, county and local government partners.

Complete Street, Edmonston

Best practices

- Stormwater management
- Complete street

Summary

With a low elevation and a location straddling the Anacostia River, the Town of Edmonston in Prince George's County is prone to flooding. Floods have been catastrophic to the small town, destroying homes and, in one storm, impacting more than 50 properties. Some people lost everything they owned.

Town officials had to address the flooding. After learning that stormwater runoff was the primary culprit, they undertook an ambitious effort to reconceive Edmonston's main street, Decatur Street, with cutting-edge environmental practices.

Taking a crash course in how impervious surfaces accelerated the effects of storm water, former Mayor Adam Ortiz and other town leaders convened a team to plan a new Decatur Street. Given that Decatur Street was approaching a maintenance milestone and needed re-engineering, it was a perfect time to reconceive of how it would be rebuilt.

With a $30,000 grant from the Chesapeake Bay Trust (CBT) for design, the town contracted with the Low Impact Development Center in Beltsville and received guidance from the University of Maryland School of Architecture to create a plan for a complete street that would manage stormwater but also create a more inviting and safer throughway for pedestrians and cyclists. The fledgling Complete Streets movement calls for reconstructing streets to expand beyond their traditional vehicular focus, including access to transit as well as those on foot or bikes.

When the design was complete, the town applied for a grant, with assistance from the Maryland Department of the Environment and CBT, under a federal stimulus program seeking shovel-ready projects. The small town of Edmonston landed a $1.1 million federal grant.

The Decatur Street renovation, which was completed in 2009, includes tree canopy, an underground stormwater system and vegetated bump-outs to slow traffic. The vegetation contains natural species planted as rain gardens to absorb and slow runoff. The gardens are designed to capture a 1.33" rainfall, which comprise about 90 percent of storm events in a typical year. To improve public safety, the town painted crosswalks and installed new street lamps powered with LED lighting. By July 2015, the town will have recovered the costs for the LED lights, thanks to the savings over conventional lighting. Educational signs introduce various complete street features to visitors.

After completion, the street was recognized with a White House "Champions of Change" award, which went to both the Town of Edmonston and The Chesapeake Bay Trust. Former Mayor Ortiz feels proud that the town constructed Maryland's first environmentally sustainable complete street as a model for how future infrastructure should be built.

Affordable Housing and Transit-Oriented Development, Wheaton

Best practices

- Transit-Oriented Development
- Affordable Housing/Housing for People with Disabilities
- Public-private partnership

Summary

Located above the Wheaton Metro Station in Montgomery County, MetroPointe provides 173 units of rental housing with immediate access to Metro's Red Line. MetroPointe accommodates households with a range of incomes, with 120 market-rate units and 53 affordable units indistinguishable from one another interspersed through the building. Eighteen of the affordable units are reserved for occupancy by households with incomes at or below 50 percent of the statewide median income, and six of these are set aside for persons with disabilities.

Amenities at MetroPointe are structured for the competitive Montgomery County rental market and include a fitness center, a business center, a club house and space for after-school programs.

The Washington Metropolitan Area Transit Authority (WMATA) issued a request for proposals for this three-acre site, and the Maryland Department of Transportation provided financial assistance for pre-development activities. The Housing Opportunities Commission of Montgomery County partnered with Bozzuto Development Corporation to develop the project.

The Montgomery County Council approved the Wheaton Central Business District and Vicinity Sector Plan in January 2012. The plan aims to facilitate the transition of the central business district near the Metro station into a great mixed-use urban center by permitting greater density in the area while protecting its eclectic character. An increase in density will accommodate more residents and office workers, creating a synergy with existing businesses and invigorating the downtown. The plan also provides a framework for a more pedestrian- and bicycle-friendly downtown with quality public open space and amenities, streetscaping, improved stormwater management and increased tree canopy.

Programs

- State Partnership Rental Housing Program, DHCD
- Low Income Housing Tax Credits allocation, DHCD
- State-Designated Transit-Oriented Development, MDOT
- State-Designated Enterprise Zone, DBED

Transit-Oriented Development, White Flint

Best practices

- Transit-oriented development (TOD)
- Green features
- Mixed-use

Summary

Mid-Pike Plaza was, like many properties along Rockville Pike, an auto-oriented, single-story retail center fronting a massive parking lot. But while the development was fully leased and the uses were profitable, developer Federal Realty Investment Trust saw a bigger opportunity, given the plaza's location in an area targeted by Montgomery County planners as the next best place to remake a car-centric suburban shopping district into a dynamic mixed-use center.

The North Bethesda community was considered an ideal choice to apply smart growth principles thanks to the presence of the White Flint Metro Station. County planners wanted to increase density near transit with a mix of uses – housing, office, retail, entertainment – and create a favorable environment for walking and cycling. For a community straddling the eight-lane, perpetually congested Rockville Pike, that was a tall order.
Located a quarter mile from the White Flint Metro Station, Mid-Pike marked the northern anchor of the larger White Flint redevelopment sector. At build-out, the property, now called Pike & Rose, will feature nine pedestrian-friendly urban blocks with a hotel, movie theater and buildings of varying heights containing 1,500 dwellings, 450,000 square feet of retail and 1 million square feet of office. Parks, plazas and bike lanes totaling nearly two acres will weave through the property.

The plan is for Pike and Rose to be not only a place to live, but also a destination, where a person could spend a good part of a day dining, catching a movie, shopping, relaxing in a park. Many of those visitors would arrive and depart on foot from the Metro or from area neighborhoods using bicycles. Some years in the future, if county plans are realized, they could take bus rapid transit along Rockville Pike.

The nearness to Metro was a strong draw for new residents and store owners. Federal Realty's Rockville Town Center and Bethesda Row, both successful, pedestrian-oriented mixed-use projects, provided evidence to potential tenants worried that less parking would discourage shoppers that their businesses could flourish in the new model.

Together with the other major landowners organized as the White Flint Partnership, Federal Realty committed to emphasize non-auto travel, reduce environmental impacts and create a joint financing mechanism to build road infrastructure. The partnership supported the county's new Commercial Residential Zone that allows for higher densities in exchange for providing a range of community amenities. For redeveloping the site at 1½ times the previously allowed density, Federal Realty agreed to provide public art, green roofs, reduced parking and exceptional design.

Federal Realty also took stock of the site's environmental challenges. Before Pike and Rose, nearly the entire 24 acres was impervious, with stormwater flowing unimpeded off site. The new development uses a series of bio-swales under sidewalks and parking lots that, combined with green roofs on most of the buildings, will filter stormwater on site.

Programs

- Fast Track, a state program that expedites state agency review of development projects, promotes economic development and smart growth through coordinated permitting and approval processes.

Smart Growth Planning Topics

Smart Growth Toolbox

Ever wonder what federal and state resources you might tap for your upcoming project, but don't know where to start?

More than 100 programs support infill, redevelopment and revitalization in Maryland. How to find the best ones to support your work? The Maryland Department of Planning developed the **Smart Growth Toolbox** as a searchable, online resource to point you to the right programs.

Go to planning.maryland.gov/sgtoolbox to get started.
Search options:

1. Pick among seven categories, such as "downtown improvements"
2. Filter by the type of assistance, such as "loan or grant"
3. Keyword search

Results will include programs and links to more information.


Show 10 entries Search:

Agency	Program
DBED	BRAC Revitalization and Incentive Zone Program
DBED	Brownfields Revitalization Incentive Program
DBED	Community Development Block Grant Program - Economic Development (CBDG_ED)
DBED	Maryland Industrial Development Financing Authority (MIDFA)
DBED	Maryland Enterprise Zones
DBED	Maryland Small Business Development Financing Authority (MSBDFA)
DBED	Maryland Economic Adjustment Fund (MEAF)
DBED	U.S. Small Business Administration (SBA) 7(a) Loan Program
DBED	Regional Institution Strategic Enterprise (RISE) Zone Program
DBED	One Maryland Tax Credit

Showing 1 to 10 of 124 entries Previous 1 2 3 4 5 ... 13 Next

Programs that meet your criteria

This table lists the programs that contain the categories and assistance types you selected. The list will build and change as you select and unselect filter items. To view further information about a program, click on the ⊕ symbol to expand the details. Each program will contain a hyperlink to the sponsoring agency's website.

Letter from the Governor / Lt. Governor

STATE OF MARYLAND

MARTIN O'MALLEY
GOVERNOR

ANTHONY BROWN
LIEUTENANT GOVERNOR

January 22, 2014

Mr. Jon Laria, Chairman
Maryland Sustainable Growth Commission
301 West Preston Street , Suite 1101
Baltimore, Maryland 21201

Dear Chairman Laria:

We want to express our appreciation for the good work of the Sustainable Growth Commission. In a relatively short period of time, you have successfully addressed a significant number of smart growth and resource protection issues, advanced our smart and sustainable growth goals, and raised awareness of these important issues among Maryland citizens. Building on this success, we are requesting that the Commission make recommendations specifically to accelerate Maryland's infill, redevelopment, and revitalization efforts.

As you know, smart and sustainable growth seeks to limit development on farm and forest land while encouraging it in growth areas. We need to protect the Chesapeake Bay, its rivers and streams, preserve farm and forest land, and at the same time accommodate 1 million new Marylanders and 600,000 jobs over the next 25 years. Common sense tells us that much of this growth should be infill and redevelopment in areas where there is already significant public investment in infrastructure.

Accordingly, please address the following in your recommendations:

- Making the best use of existing redevelopment and revitalization programs;
- Implementing Transit Oriented Development in ways that maximize community and economic
- development benefits;
- Funding and financing recommendations, making use of the recent Smart Growth Investment Task Force recommendations;
- Streamlining and other regulatory relief;
- Adequacy of existing plans such as PlanMaryland to address these issues;
- Educational and training tools;
- Tools for quality community design elements in redevelopment and infill projects; and
- The role of the Smart Growth Subcabinet and its member agencies in implementing these recommendations.

Please work with the Maryland Department of Planning and other smart growth agencies within the Administration to accomplish this task, and submit your recommendations to us no later than August 31, 2014.

Thank you again fo for your service to the citizens of Maryland. We look forward to receiving your report and recommendations.

Governor

Lt. Governor

Martin O'Malley, Governor
Anthony G. Brown, Lt. Governor

MARYLAND