

# Sprawl in Maryland

**A Conversation with the Experts**

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# Executive Summary

**A**s a result of sprawling growth patterns in recent decades, development of open space in Maryland has far outpaced population increases.

A growing number of Maryland's citizens have come to recognize the true costs of the poorly planned, widely-dispersed development that is characteristic of sprawl—sprawl that has required the expenditure of billions of taxpayer dollars for new infrastructure, while degrading air quality, increasing traffic congestion, consuming farmland, and contributing to a declining quality of life for the state's residents.

The MaryPIRG Foundation engaged ten individuals with a long-standing interest in and knowledge of land-use issues in a broad discussion of public policy concerns related to sprawl. Though the participants did not agree on all matters, they did reach some broad points of consensus:

- Transportation policy affects growth patterns. For example, roads built in rural areas make new land accessible for development, while an extensive rail system in a city can encourage people to live there.
- Revitalizing Baltimore will require varied housing choices; investment in schools; and regionally balanced economic growth with jobs and housing distributed throughout the area.
- Tackling the problem of sprawl will require retrofitting existing communities to make them more walkable and attractive to current and new residents, in addition to changing the shape of new development.
- Protecting open space will require more than just the state's priority funding areas (PFA) policy. The law, which provides incentives for building new development in designated growth areas rather than in rural areas, must be supported by strong zoning that limits sprawling greenfield development and by planning policies that make it easier to develop in growth areas.
- At least some Maryland residents are ready to change their lifestyles in order to achieve an end to sprawl. The first step is to provide Maryland's citizens with choices in housing and transportation that allow those wishing to live more sustainable lifestyles to do so.

The experts suggested a range of new policy solutions that the state or counties could add to current sprawl-control tools. Their ideas included:

- A split-rate property tax that increases the tax rate on land and decreases the tax rate on buildings to create greater financial incentives for private urban revitalization efforts.
- Long-term buildout maps that show what a community will look like—how many people will live there, how congested the streets will be, how much open space will remain—if construction were completed as permitted by existing zoning.
- Better statewide guidance for county-level planning.
- Greater attention to zoning rural land for rural use rather than low-density development.
- Preservation charges or impact fees on sprawling development to capture the social costs of private decisions about how and where to build.

In conclusion, the MaryPIRG Foundation recommends that public officials adopt a multi-pronged approach to dealing with sprawl in Maryland:

- Protect Maryland's remaining farms, forests, open spaces, and wetlands.
- Create livable communities that are a desirable alternative to sprawling development by retrofitting existing towns and by directing future growth into already developed areas.
- Focus the state's transportation funding on rail, bus, bicycle, and pedestrian options, and away from highway projects that encourage sprawl.
- Reduce taxpayer subsidies for sprawling development.

Details of these policies and how they could be implemented are discussed in the conclusion of this report.

# Introduction

In the past 50 years, Maryland's landscape has changed dramatically. Rustling cornfields have given way to rows of identical ranch houses. Wetlands full of frogs and birds have been drained to allow construction of highways. Forests that provided cool, shady relief in summer have been replaced with asphalt parking lots that radiate heat.

Even the human-built environment is different. Cities that were once full of bustling neighborhoods, each with its distinctive mix of housing and shops, have changed. Local stores have closed and residents have to drive to jobs and shopping centers. Local schools and parks are no longer community gathering points. New developments that have sprung up are single-purpose projects, offering only homes or stores or offices.

At the same time, traffic congestion has gotten worse. And many Marylanders feel that their quality of life is declining.

All of these changes are the result of the sprawling development that has become the norm for accommodating growth in Maryland. The amount of developed land has increased faster than the state's population in recent years, meaning that the average amount of

land consumed for each resident has risen. From 1982 to 1997, the amount of developed land in Maryland increased by 35 percent.<sup>1</sup> In the same period, the number of people living in Maryland grew by only 19 percent.<sup>2</sup>

Maryland's population undoubtedly will continue to grow as the state's natural beauty and strong economy attract new residents. With the Appalachian Mountains to the west, the Atlantic Ocean to the east, and the Chesapeake Bay and extensive farmland in between, Maryland is an appealing state for people new to the region. And the state's two major centers of employment—Washington, D.C., and Baltimore—draw many people. The federal government in Washington is a consistent economic driver and a steady source of jobs. Economic growth in the Baltimore region was strong throughout the 1990s and that likely will continue. These dual economic centers and Maryland's relatively small size mean that a tremendous portion of the state is within commuting distance of jobs—and therefore potentially subject to low-density development.

Construction to accommodate new residents is not the only cause of Maryland's sprawl problem. Lack of investment in existing urban areas pushes

current Maryland residents to new developments where schools are newer and roads are less crowded. Large housing-only suburban developments on greenfields—current undeveloped areas—are more profitable for developers than are smaller urban infill projects.

In the absence of concerted action to promote urban redevelopment and higher-density new projects, population growth and problems in urban areas will foster more sprawling development. An extensive road network has made rural land readily accessible from urban areas. And Maryland's residents are relatively

affluent: they can afford to build big houses on large lots and to buy an additional car when their new home is beyond the reach of transit.

Though a growing population is clearly in Maryland's future, sprawl does not have to be. Maryland can shape future development patterns by adopting policies—at the community, county and state level—that promote urban revitalization and compact development, and protect open space. What those policies are and how they might be implemented are at the center of the conversation that follows.

# The Conversation

Sprawl is a significant problem in Maryland that damages the state's environment, drains government's finances, and affects residents' daily lives. The state and counties have adopted policies to try to reduce future sprawl and undo some of its past impacts. This report engages ten experts in a discussion of which policies are working, which are not, and what else the state, counties, and cities could do.

The people whose opinions are presented here have long experience in studying and curbing sprawl. Their opinions as to the forces causing sprawl and the public policy steps that need to be taken to restrain it are as diverse as their backgrounds. They are current and former government officials, lawyers, planners, and leaders of nonprofit organizations. They are Democrats, Republicans, and Independents.

They were willing to take the time to discuss, from their own perspectives, how sprawl has affected life in Maryland, why the state's current growth management policies have not stopped it, and what kinds of public policies can best safeguard the state's environment and quality of life.

The ten experts whose thoughts form the heart of this report were interviewed individually by telephone and email between May and July 2003. We present their comments here in the form of a "conversation." The reasons to do so are both practical and symbolic: practical because the "roundtable" format provides for a focused discussion of the major growth management issues facing the state, and symbolic because it represents the type of dialogue that needs to take place in Maryland regarding how the state will continue to grow and develop.



## The Participants



**Tom Downs**, *former director of the National Center for Smart Growth Research and Education at the University of Maryland, College Park*

Tom Downs is President and CEO of the Eno Transportation Foundation, a forum for the discussion of emerging issues and policies in all fields of transportation. Previously, he directed the University of Maryland's National Center for Smart Growth Research and Education. He has also served as New Jersey's Commissioner of Transportation, as the District of Columbia's City Administrator, and as the CEO of Amtrak.



**Paul Gilligan**, *Mid Maryland Land Trust Association*

Paul Gilligan, a retired U.S. Public Health Service Officer with 25 years of experience in the health field, is the former Mayor of Burkittsville. He developed the Brunswick Region Planning Committee and the Mid Maryland Land Trust Association, which successfully designed the Rural Legacy Grant for Frederick County. While Mayor of Burkittsville, Paul also attracted federal preservation funds, which combined with Rural Legacy funding resulted in the near-complete preservation of battlefields and historic sites in the Burkittsville area.



**Arnold F. 'Pat' Keller, III**, *Director, Baltimore County Office of Planning*

A member of the American Institute of Certified Planners, Mr. Keller has been director of the Baltimore County Office of Planning since 1994. He manages a \$1.8 million-dollar budget and 42 employees, reports to the County Executive and County Council, and serves as Secretary to the Planning Board. Mr. Keller received a Masters degree in Public Administration from the University of Iowa.



**Dan Pontious**, *Regional Policy Director, Citizens Planning and Housing Association*

Dan Pontious is regional policy director for the Citizens Planning and Housing Association (CPHA), a 63-year-old civic organization working on neighborhood and quality-of-life issues facing the Baltimore metropolitan area. Before joining CPHA in January 2004, Dan served as director of the Baltimore Regional Partnership—a land-use and transportation coalition—and executive director of MaryPIRG.



**Dru Schmidt-Perkins**, *Executive Director, 1000 Friends of Maryland*

Dru Schmidt-Perkins became 1000 Friends of Maryland's first staff person in 1998 after serving on the founding steering committee for two years. Prior to joining 1000 Friends she was the Maryland State and Chesapeake Regional Director of Clean Water Action for nine years. During this time she helped pass the 1997 Smart Growth Legislation. Dru lives in Baltimore City with her husband and three children.

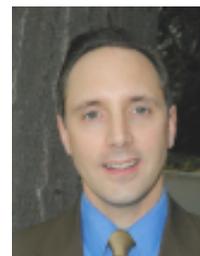
**Terry Schum**, *Planning Director, City of College Park*

Terry Schum is the planning director for the City of College Park, Maryland. She has over 28 years of experience working in local government in the areas of planning and community and economic development. She holds a B.A. degree in Geography from the University of Maryland and an M.S. degree in Urban Planning from the Johns Hopkins University.



**Stewart Schwartz**, *Executive Director, Coalition for Smarter Growth*

Stewart Schwartz is the executive director for the Coalition for Smarter Growth, a network of civic, environmental and transit groups in the National Capital Region. Their Blueprint for a Better Region makes the case for urban revitalization, transit and transit-oriented development, affordable housing, and more walkable communities. An attorney, he was recognized as a Business Person of the Year by the Washington Business Journal.



**Audrey Scott**, *Maryland Secretary of Planning*

Audrey E. Scott was appointed Secretary of Planning for the State of Maryland in January, 2003, by Governor Robert L. Ehrlich, Jr. She has served three terms as Mayor of Bowie and two terms as a Prince George's County Councilwoman. She worked for the U.S. Department of Housing and Urban Development for 10 years. She and her husband reside in Bowie.



**Hilary Spence**, *Talbot County Councilwoman*

Hilary Spence was elected to the Talbot County Council in 1998 and served as President from 2000-2001. She works as a grants management specialist for Talbot County Schools. Hilary serves on numerous local and state advisory boards, including the Legislative Committee for the Maryland Association of Counties. She earned her Masters degree in Educational Administration from Loyola College in Baltimore.



**Bill Struever**, *President and CEO, Struever Bros. Eccles & Rouse*

As President and CEO of Struever Bros. Eccles & Rouse for 30 years, Mr. Struever has led the company in its efforts to “Build Better Communities” through commercial and residential projects throughout the Baltimore and mid-Atlantic region. He has developed SBE&R from a small company to a \$180 million real estate development and general contracting company. His vision for the future is to help Baltimore lead the country in urban revitalization, adaptive reuse of economically obsolete industrial buildings, and Brownfields development.



# Transportation

*What have been the effects of transportation policy on growth patterns? Can transportation policy be a tool for curbing sprawl?*

## **Schum**

Development has traditionally followed transportation. New roads, rather than alleviating congestion, tend to create more congestion over time. The fact that, traditionally, most of the state's money has gone to new road construction rather than transit or improving existing roads has definitely affected us in a negative way.

Also, congestion in existing places has to be managed better. In College Park, U.S. Route 1, a state road, bisects our community. Access management is not effectively dealt with by the State Highway Administration on these old roads. I think retrofit programs for state roadways like ours are very important in helping to improve the places they run through. This land use and transportation nexus is important not just for new roads and how they affect development patterns, but also in how investment in existing roads can help revitalize communities.

I really believe that we need to accept a certain level of congestion until we as a population make personal decisions that help to address that. Nobody's going to be giving up their car, but maybe people will give up one of their several cars, or will live in more mixed use areas and do some of their trips by walking. Maybe more people will end up living where they work and not having to drive there. I think there is some hope.

## **Scott**

Absolutely it has had an impact. It is perhaps one of the main factors affecting any state and any jurisdiction. There hasn't been a coordinated effort

between land use policy and transportation policy. That has been, I believe, one of the errors that has contributed the most to sprawl.

## **Pontious**

Transportation and zoning are two of the strongest shapers of growth, but if you can't get to some areas because roads aren't there, then it doesn't matter what the zoning is. That's the situation we had earlier in this century. There was a lot of land in the region that you couldn't get to in a reasonable time frame and that stopped it from getting developed.

When Baltimore County started their innovative land use policies in the late 1960s and 1970s, it was because they saw that their entire county, which was zoned for one-acre lots at the time, was going to be run over by development if they didn't do something. Prior to that, no one had even thought of developing all that farmland because you couldn't really get to it. But as the Beltway and I-83 were built, people started realizing that these one-acre lots were newly accessible and they were going to get developed very quickly if the county didn't do something about it. So that's when they started looking at their zoning codes again.

In the late 1940s and 1950s, the rise of the automobile and the construction of the interstate highway system allowed people to move farther and farther out from cities. And that's when this much more dispersed pattern of growth started. The automobile, though, which was a tool of freedom of the twentieth century, is going to be something of a prison of the twenty-first century.

Both Baltimore and Washington are experiencing greater growth in traffic congestion than in population growth. Baltimore alone more than doubled the amount of time people spent sitting in traffic congestion between 1982 and 2000. People are realizing that if you can get to things only in your car, that's not the biggest freedom.

We can improve our quality of life with greater transportation choices, whether that's better sidewalks, bike lanes, or a much improved transit system. Having the option to drive or do something else to get where you're going could well shape growth in the twenty-first century, enabling people to live in neighborhoods where you don't have to rely on your car as much.

### Downs

Absolutely. There's an old real estate saying that there are three things about real estate that count: location, location,

**"If you can't get there, you can't develop it."**

**— Downs**

l o c a t i o n .  
Planners say there are three things about location that matter: transportation, transportation, transportation. If you

can't get there, you can't develop it.

Transportation investments are gateways for development. Maryland has tried to construct a framework that prioritizes state transportation capital investments to projects inside priority funding areas (PFAs), has tried to structure capital programs in a way to preserve community, and has set up an office that deals with nothing but transit-oriented development.

Unfortunately, the Maryland state transportation capital investment budget—both its one-year version and five-year version—carry huge numbers

of capital investment projects that are outside of PFAs and are a continuation of business as normal at the state Department of Transportation.

### Schwartz

From the earliest days, development has followed transportation corridors, whether it was rivers in the colonial period where towns were built to where the river was no longer navigable, to the railroads and trolley lines that were used by developers to open up the first suburbs, like Chevy Chase. There's no question that transportation projects, whether highway or rail, can change land use patterns for better or for worse.

Good transportation choices can lead to good land use patterns, but it's not a given. You have to plan well. We have an amazing 103-mile D.C. Metro system that we haven't used to its full potential. Prince George's County has 13 Metro stations with very little development at any of them. Putting development at those stations could mean more jobs for a county that could use jobs and enabling use of the Metro in the reverse commuting direction. In Baltimore also, they didn't tie the light rail system enough to redevelopment.

The current battle is over highway corridors, in particular the Inter-County Connector between I-270 and I-95 as the first segment of an outer beltway around the region. A connecting road, the Techway, and the western bypass across the Potomac, will shift population and jobs away from D.C. and Prince George's. This mirrors the effect of I-270's expansion, which actually did shift population and jobs away from D.C. and Prince George's.

We have one of the best examples of transit-oriented development in this region, so we know that it can happen. That example is the Rosslyn-Ballston corridor in Arlington. Huge numbers of people walk, bike, and use transit in that corridor.

## Two Transportation Plans for Montgomery County

Seeking to improve mobility, protect livability, and maintain a strong economy, the Montgomery County Planning Board initiated a comprehensive review of its transportation options in the late 1990s.<sup>3</sup> In its study, the Planning Board considered two different growth and transportation scenarios: a “status quo” plan that assumed a continuation of current growth trends and emphasized the use of roads to meet growing demand, and a transit/balanced use scenario (balanced plan) that relied more on transit and an altered growth pattern.<sup>4</sup>

Unlike the status quo scenario, the balanced plan envisioned several considerable expansions to transit service in Montgomery County—the addition of an Inner Purple Line to the current network of Metro and MARC commuter lines, extended rail in the I-270 corridor, and new light rail connecting Langley Park to White Oak. While planning no new freeway projects except for high occupancy lanes on I-270, the balanced plan included upgrades of bus service to maximize the usefulness of the existing road network.

The balanced plan also revised the plan for growth in Montgomery County. In the status quo scenario, most job creation was targeted for the western part of the county and most housing was planned for the eastern portion, which would require extensive east-west commuting by workers. To correct this distortion, the balanced plan moved some employment growth to the east and some housing to the west. The plan also emphasized siting more growth near transit stations and reducing the amount of low-density housing in suburban areas.

In the county’s transportation modeling, the balanced scenario showed positive results. The scenario reduced projected vehicle miles traveled, hours of travel, and miles driven in congested conditions. Transit received greater use and more people were projected to walk or ride a bike. The balanced plan also protected more open space than did the road scenario. In a survey of attendees at public meetings on the transportation options, two-thirds favored the balanced scenario.

Though neither the balanced plan nor the status quo growth plan was adopted by the Transportation Policy Task Force that oversaw the modeling process, the Planning Board and the Montgomery County Council have adopted the principles articulated in the balanced plan. As the county’s Master Plan is updated, those principles, including the idea that the county needs better placement of homes near jobs, will be incorporated.

Auto usage and ownership are very low. This is the best proof to date that transit-oriented development can work.

### **Gilligan**

Absolutely. It can be used as a policy to curb sprawl. However, the current transportation policy is that every time there is an outcry for better transportation, the answers tend to be roads as opposed to mass transit.

To change this would be slow, but the results would be profound. You have to train the population, or a generation, back onto public transportation. It doesn't come easily because people who buy big houses in central Maryland certainly have nice cars, and they're perfectly willing to travel by private vehicle. They're not your normal mass transportation population. They don't grow up on it. They're not used to it.

Residents won't be ready for a change until the gridlock really hurts. There's such an attraction to private vehicles. And right now you don't have many options. The train you pick up from Frederick County out of Brunswick and Point of Rocks is well used but the parking is horrific down there.

### **Struever**

The determining factor in the growth and prosperity of cities in the next half-century will be which have a viable regional rail-based transit system and which don't. I say rail-based, because people with choice choose rail and will use bus for supplementary service but will not choose buses as a primary means to get around. I'd define viable as a

comprehensive rail network that reliably and conveniently gets people from where they are to where they want to be.

Rail's impact is enormous in urban redevelopment. Washington, D.C., has a viable regional rail-based transit system and Baltimore has fragments of one. An enormous issue going forward will be the political willpower to invest in implementing the regional rail plan for Baltimore.

Rail-based transit depends on density and a diversity of uses and activities, and density and diversity are the essential elements of prosperous cities and urban neighborhoods. They're inherently linked.

Regional rail works. It's a huge attraction to businesses and to individual families and is a major factor in their decisions on where to locate. You can see this in the prodigious growth even in challenging neighborhoods around Washington's rail stations.

### **Keller**

This is the age old question: does one build the roads after the houses and people come or before? If you build the roads first, then it will be easier for people moving out there and one will then get pressure to rezone. On the other hand, if you wait until people move out there and then build the roads, they start screaming about traffic. In the Baltimore County context, the county has a good history of not letting one affect the other. In other words, I-83 up from Hunt Valley was not allowed to stimulate development and additional zoning. In other cases such as along our commercial corridors, it's not as true.

“Regional rail works. It's a huge attraction to businesses and to individual families and is a major factor in their decisions on where to locate.”

— Struever

## Urban Revitalization

*Baltimore has been losing population even as the state as a whole grows. What steps could the state take to make Baltimore more livable? What are the biggest obstacles to revitalization of Baltimore?*

### Struever

In terms of the state making Baltimore more livable, implementing the regional rail plan would be among the highest priorities. The state can also play a significant role in encouraging property development. Enterprise zones in every jurisdiction in Maryland, especially in older communities, can be a powerful tool to attract and keep business. Other economic development incentives, such as the state historic tax credit, are also enormously effective tools in stimulating reinvestment in our older communities.

Though the state typically isn't involved with permit approvals, it is in certain special circumstances. One is brownfields—contaminated industrial sites—which tend to be in older communities. If you're doing smart growth and infill development, a reasonable, expedited brownfields process is essential to encouraging responsible redevelopment of those sites.

Another example would be in assisting with public infrastructure, such as the promenade and parks along Baltimore's waterfront. The state's been a critical investor in that.

Another important role of the state is investing in our schools. The state's the biggest funder of Baltimore City schools—almost two-and-a-half times as much funding from the state as from the city. Other strategic investments include state funding for higher education

institutions, which are important economic generators for the city in their own right.

It is worth the state spending money on Baltimore because the city should be an engine for and not a brake on the state economy. Strategic investments in the revitalization of Baltimore will have a terrific payback to the state: alleviating problems that cost the state money, stimulating new business, and promoting smart growth.

Most importantly, state investment pays back in terms of creating a stronger economic climate for the state as a whole. An example would be our higher education institutions like University of Maryland-Baltimore and Morgan and Hopkins that both spiritually and economically are important drivers of the larger state economy. For example, a healthy and growing Hopkins biotech park and research campus will pay off for the state as a whole.

Another benefit from investing in the city is encouraging smart growth. By reinvesting in our older communities, the state will protect its magnificent environmental resources—its farmland, woodlands, the bay—and limit congestion and improve air quality. A city dweller consumes, on average, a fraction of the energy and produces a fraction of the air emissions that directly relate to air quality and a healthy environment.

Revitalization creates three kinds of benefits. One, reversing the costs of a de-

“It makes sense for Maryland to invest heavily in Baltimore because it is the largest city in the state...”  
— Scott

clining poverty-stricken city as a drain on the state economy. Two, as a driver of the state economy through the important nature of Baltimore's institutions—art and cultural institutions, educational institutions, and Baltimore as an international symbol for Maryland. Finally, limiting the negative impacts of sprawl and congestion on our environment and our lives.

**Scott**

The biggest obstacles are education and crime. They can't be solved separately. You can't improve the education system and forget about crime. You can't decrease crime and forget about the education system. You can't revitalize neighborhoods and forget about either of the other two. It's got to be done jointly, cooperatively, and with coordination, so that the end result is effective. Otherwise you put in a lot of effort, a lot of money, and you lose.

It makes sense for Maryland to invest heavily in Baltimore because it is the largest city in the state and the hub of our universe. You can't not invest in Baltimore.

We'd be wasting our money if we tackled the pieces of the problem in isolation without a coordinated plan, but with coordination and planning it's an investment that will pay off for Maryland.

**Pontious**

The things that tend to get the most attention from our elected officials and the public are education and crime, and those are certainly important. But a couple of things that often don't get as much attention are attractive choices in transportation and in housing.

One of Baltimore's strengths is its huge variety of housing types, including many historic homes and buildings. Some of its most successful neighborhoods, such as Roland Park and Tuscany Canterbury, tend to be neighborhoods that have a decent array of housing choices, from apartments to row houses to free-standing houses. Baltimore downtown living is increasingly sought-after—a new choice that wasn't nearly as available ten years ago.

I think building on those strengths, as Baltimore City is doing with its "Healthy Neighborhoods" work, is a smart strategy—being strategic about using underserved market demand for certain housing choices to boost up-and-coming neighborhoods. In the long run, the more that we can make Baltimore City and the whole region a place where you can find attractive neighborhoods with a mix of housing types and opportunities, the more it will help us foster places with a mix of backgrounds and income levels and make both the city and the whole region more successful.

Another key for revitalizing Baltimore City and the region, as I mentioned before, is giving people transportation choices. Baltimore City doesn't have the road space to accommodate tons of traffic. It can't provide the same parking a suburban location can. You would destroy its historic appeal with big ugly parking garages if you tried, which would be a blow to the whole region. We need to have a world class transit system in Baltimore, that's easy to use, that gets you where you need to go quickly, without worrying about driving and parking.

"Another key for revitalizing Baltimore City and the region . . . is giving people transportation choices."

— Pontious

“The more we reinvest in our older communities, especially older schools . . . the better those schools and neighborhoods will be, encouraging people to move back or not leave in the first place.”

— Schmidt-Perkins

#### **Schmidt-Perkins**

There are a number of factors. There’s the sucking of people out of Baltimore and the pushing of people out of Baltimore. As we’ve continued to build out in the cornfields and the soybean fields, people are chasing new schools and new development. At the same time, they’re being pushed out by higher taxes, crime, and poor public schools. They feel that if they want to improve their kind of quality of life they need to relocate to one of these other communities that’s so well advertised in the Sunday newspaper.

So what do we need to do to make Baltimore more livable? We need to work on both ends. We need to stop the giant sucking sound by curbing sprawl. The better we protect our remaining open space, the fewer homes will be built out there.

The more we reinvest in our older communities, especially older schools, and start making up for 50 years of disinvestment, the better those schools and neighborhoods will be, encouraging people to move back or not leave in the first place. And it’s all, as I like to say, intertwined. You can’t work on any of these policies in isolation. Crime and schools go together. Schools and neighborhoods go together. We have to work very comprehensively on all these policies.

But we also need to be giving places like Baltimore City better press. It doesn’t help when the lead story every night is someone getting shot in Baltimore City. We need our media to start telling all the positive things that are happening.

A great example of the degree to which Baltimore gets a bad rap is a story on a Baltimore City school that made it into the final round of a major national academic competition. The headline in the *Baltimore Sun* was “City School Loses in the Fourth,” not “City School Wins, Makes the Final Four.” The story was how they lost, missing the opportunity to say the city school is great, it’s done this wonderful thing. We need to be marketing the city more. The city of Baltimore and a number of organizations are doing it, and it’s paying off. But we need the media to be doing more.

#### **Downs**

Baltimore is one of four major jurisdictions, along with Detroit, St. Louis and Pittsburgh, that continued to lose population from 1990 to 2000. Like Detroit, Baltimore’s local economy was based on manufacturing and the assembly from raw materials of hard manufactured goods. Manufacturing jobs lost over the last decade probably number near one million. There wasn’t a definable substitute tax base in Baltimore.

The city, the governor and the General Assembly did several things that are important if they’re managed right. One is that the city decided to take down all traditional high rise public housing and replace it with a series of projects that are infill and new urbanist in design. They have created a smart growth building code—like New Jersey and Delaware did—that makes it much easier to rehabilitate older houses. In addition, the state has the most aggressive preservation tax credit in the country.

They'll not only give tax credits, but they'll reimburse you in cash for some preservation expenses.

### **Schwartz**

Social programs within a city are doomed to failure if you don't have a regional approach that creates more balanced economic growth. This can include a number of things, not just the location of jobs in a downtown, but each of the jurisdictions also having a fair share of affordable housing for all income levels. A lot of different pieces have to fit together, from reducing the supply of land you can

sprawl on in the outer areas, to investment in transit, to smart codes to promote downtown revitalization, to affordable housing policies, and perhaps tax base sharing.

The incentive for suburbs not to fight the state's efforts to invest in older neighborhoods is that most suburbs lose out if the state focuses on a new ring of development. Many suburbs wind up on the wrong side of the favored corridor of growth. In the D.C. region, Prince George's County lost out to Montgomery County. Inner suburbs have many urban problems now and thus have an incentive to ally with the city.

### **The Baltimore Regional Rail Plan**

**G**ood transit in urban areas is a vital component of any effort to limit sprawling development and to urban revitalization efforts. In 2002, the Maryland Transit Administration proposed expanding Baltimore's rail system to create a full-fledged network of six lines, 109 miles of track, and 122 stations.<sup>5</sup> This rail system would provide numerous benefits to Baltimore and the state.

A rail system would offer Baltimore-area residents transportation choices and would make urban living more attractive. More than half the region's 1.4 million jobs and more than one third of its 2.5 million residents would be within one mile of a transit station.<sup>6</sup> As more people commute to work or travel to entertainment venues by rail, miles driven will be reduced from what they otherwise would have been. This will help protect air quality, reduce the strain on existing roads, and slow demand for new roads that consume open space.

The rail system will stimulate economic activity in growth areas. An estimated 6,900 to 12,800 new jobs will be created by construction of the rail system and by easier travel throughout the region.<sup>7</sup> Personal income could rise by \$113 million to \$209 million due to new employment and greater profitability of businesses.<sup>8</sup>

The commitment of public funds to such a substantial project in Maryland's older communities could help spur the private development that is important to revitalizing existing urban areas. Increased development near rail stations would improve the usefulness of transit for commuters and could raise property values by \$641 million to \$1.2 billion.<sup>9</sup>

## Retrofitting Older Suburbs

*Sprawling development patterns have been the norm for decades in Maryland. What can be done to retrofit these sprawling communities to lessen their impacts on traffic and to make them more pedestrian- and transit-friendly?*

### **Gilligan**

Interspersing commercial and residential buildings. Years ago, businesses naturally accumulated in residential neighborhoods, concentrated around each other for mutual support. There were little shopping areas within the neighborhoods. Everyone had some stores they could walk to. They weren't anything big or overpowering. They were called squares and those squares had ten or twenty business. They were allowed to grow up interspersed within the neighborhoods.

Zoning has mostly been used as a means of separating commercial from residential. When it went into effect, zoning did not allow the businesses that went into these neighborhoods to fit themselves in. Now we do dumb things like level 40, 50, 60 houses and put a box store in. They don't fit anymore. When I'm talking about commercial interspersed within a neighborhood, it has to fit the neighborhood and allow some degree of attractiveness. Make it profitable for the commercial interest but also pleasant for the surrounding neighbors, so they're not driven out by 5-acre parking lots.

Zoning messed things up by not allowing businesses to grow up on their own within neighborhoods, but now we need zoning to get the businesses back there.

### **Scott**

Jobs, jobs, jobs. You've got to create employment centers in the bedroom communities. You've got to bring the jobs to the people. There has not been a real commitment to that.

Bowie is a good example. It's a bedroom community with 54,000 people and no employment base. Everyone gets in their car to go anywhere. There's no public transportation. So they created a special science and technology park on hundreds of acres in the city. Infrastructure was provided through state dollars to be an enticement for marketing the site. Then the county council approved a bill to modify the zoning and the covenants there to allow housing on the site. Now that, to me, is compromising the integrity of the master plan and counter-

"You've got to create  
employment centers in the  
bedroom communities.

You've got to bring the jobs  
to the people."

— Scott

productive to the efforts to provide employment so that people will get off the roads, work where they live, and provide a self-contained community.

### **Downs**

Transit-oriented development. Neither the Mass Transit Administration nor the Maryland Department of Transportation had any serious strategy until recently for dealing with issues related to infill development around transit stations on the Washington Metro rail lines or in Balti-

more on the light rail and subway lines. The state incentives are not clear enough and certain enough about investment in those station areas.

The state Department of Planning doesn't know what to do about transit-oriented development. The Baltimore planning office has no real focus about transit-oriented development. This affects hundreds of transit stations in both Baltimore and the Washington metropolitan area. This is a tremendously powerful resource that is languishing for lack of focus and attention.

We need to look at rail transit that is already in all of these neighborhoods as the resource to build infill and mixed use around, and start from that premise, not from the premise that road corridors are what you concentrate your development around. The planning almost by gravity tends to focus on corridors that are developed as a result of major road investments. The I-270 corridor and the I-70 corridor and the two beltways are in effect the focus of most of the planning process.

### **Schwartz**

There's a decade-old movement called new urbanism, or traditional neighborhood development. It's about re-creating walkable towns and cities, places with real main streets, places where kids can walk to school or to the store or the library, instead of separate pockets of development with the townhouses in one area, the single family homes in another, the retail in another, and the office space in another. It uses mixed-use development, often mixed vertically. You can have ground floor retail, perhaps a layer of offices, and then some apartments above that. There are a number of developers who are building this now.

It's important that we use these design techniques to fix the existing suburbs first before building new communities. There's a huge opportunity—what I call

“We need to look at rail transit that is already in all of these neighborhoods as the resource to build infill and mixed use around...”

— Downs

a land bank—in all of the land that we've already put aside in strip malls and their parking lots, and office parks and their parking lots. These places can be turned into high-quality, well-designed communities, with a mix of housing, retail, and offices.

Many local planners, a number of developers, and certainly some architects have seen this. Fewer average citizens are aware of this. There's a significant amount of additional public education for local elected officials to local citizens that needs to be done by the architecture community, planners, the non-profit community, and by developers themselves.

### **Keller**

Retrofitting is the future for Baltimore County. We've been working on redevelopment and revitalization for the last eight years and will be working on it in the future. The County's struggle is to take suburban-type development and make it workable and usable for the future. This effort involves a whole range of things. One has to have a really big tool chest, because what works in one neighborhood doesn't work in another.

The fundamental issue is improving the quality of life, and one has to think about what would be helpful to the community. This might involve providing incentives to upgrade older structures for central air and heat, rehabbing interiors to make the spaces more modern, little things like more closet space. And then conversely not taxing people

or increasing their taxes due to the improvements, rather provide some incentives. In some cases we need to introduce mixed uses to make the community more vibrant. In other cases it means providing more open space, maybe little local parks. Some communities in Baltimore County have no sidewalks. Some have parking problems. Some have street and infrastructure problems.

### **Schum**

College Park is an example of retrofitting. We're trying to get more compact development. We have very little vacant land left. We have a Metro station and a commercial corridor, so we're trying to create more density in these areas and more mixed use development. It's not rocket science, but it's hard to do. We need it to enable our community to prosper.

By helping to put in place tools to achieve more density and more mixed use we're ultimately going to get a better quality of life in the community, because we'll be able to give folks what they want to have close by. They want better shopping. They want jobs within the community. They want better retail and restaurant options within town. You can't do that without creating more density. In order to do that the community needs to be more inclusive, because by more density it usually means more multi-family housing.

What we've done here recently is to rezone our commercial corridor to a mixed use zone that permits housing. It

never did before. It's a strip commercial corridor because that's what the zoning allowed. We have a pent up demand for housing. If we get it—and we've seen a lot of developer interest—it's going to be in the form of multi-family housing.

You have to build on what you have. In most instances that doesn't mean a wholesale urban renewal of areas, although in some instances it could. In most places there are opportunities for retrofitting, whether a mall that has shut down or a big commercial shopping center where you have no quality tenants and a huge parking space. Most communities are looking at creating town centers that provide a mix of uses—services, shopping, jobs, and recreation—combined in a single area. It's more costly, but developers will do it and make money at it, and that's ultimately what you need. You need examples of successes and that breeds more success.

### **Schmidt-Perkins**

Retrofitting many of these places is tough. But it can be done well. One thing that's always needed is excellent citizen participation. Without that, you get increased resistance to more density, increased resistance to the changes that we need to make. That resistance can be avoided if we incorporate people better into the process.

### **Spence**

Silver Spring is a wonderful example of the revitalization of a downtown that

“By helping to put in place tools to achieve more density and more mixed use we're ultimately going to get a better quality of life in the community ...”

— Schum

was decaying. The Discovery Channel located there and the Silver Theater was revitalized with a combination of public and private dollars. They're investing hundred of millions of dollars in that core area, and it seems to be quite successful. They put a Metro stop right at the epicenter of where this multiplex is going to be, and they're building parking garages and office space.

We're trying to do the same thing in Easton using county dollars to keep the county administrative office building downtown. We needed more space for the Talbot County administrative offices and were looking at a site about a mile and a half away—still in a commercial area but not in the core historic down-

town. After meeting with town officials and having public meetings about it, we decided not to do that. We instead bought a building in the historic area and have rehabbed it, and now we're looking to expand it even further. We're also trying to build a new library nearby.

Government will hopefully be making this investment and then the private sector will come along with it. That's one way to keep these older and more interesting downtown areas more attractive to tourists as well as residents. And it isn't only for retail shopping—a lot of it is for entertainment. All our best restaurants are in downtown Easton, the historic area.

### **Retrofitting a Sprawling Development: Bethesda Row**

In 1993, Bethesda Row was a five block-long strip of offices on the edge of a business district, but today is a vibrant, pedestrian-oriented mixed use area. Montgomery County planners hoped the district could become a pedestrian-oriented mixed use area and make better use of its proximity to a Metro stop.

Federal Realty Investment Trust purchased the entire area and began to rehabilitate the neighborhood. The project took place in phases, enabling the developer to fund each part sequentially.<sup>10</sup> The first phase resulted in a 37,000-square-foot Barnes & Noble bookstore and 14,000 square feet for specialty shops. The next three phases added over 100,000 additional square feet of retail space and over 100,000 square feet of office space. Ultimately the project will contain 600,000 square feet of commercial and office space.

The final product is a pedestrian-friendly area with outdoor cafés, local and national restaurants and retailers, and a mix of neighborhood services such as dry cleaners and hair salons. The architecture is varied, suggesting shops that were built independently over time and adding to the urban feel of the area. This approach has worked: the area is busy during both day and evening, a variety of businesses have flourished, and nearby property values have risen.<sup>11</sup>

The redevelopment has attracted significant acclaim. In 2002, the project received the Small-Scale Mixed-Use Award for Excellence from the Urban Land Institute, a national organization focusing on urban planning, development, and growth whose awards are regarded as the most prestigious in the development community.<sup>12</sup>

## Priority Funding Areas

*The Baltimore Regional Partnership and 1000 Friends of Maryland predict that most counties in the Baltimore area will experience substantial growth outside their PFAs, contrary to the purpose of the legislation that created them. Why is this happening? What can be done to channel growth into PFAs?*

### **Pontious**

When we did our analysis of the counties' projected residential growth in the Baltimore region, it really showed how much growth they're planning to have outside of their growth areas. It showed us the power of county zoning policies: if the land is zoned for development, the likelihood is that it will be developed.

In the Baltimore region only Baltimore County has firmly decided "we really want to preserve agriculture and so we will zone our agricultural land to allow only one house per fifty acres."

On the other end of the spectrum, Howard County allows houses every four acres in its rural western portion, and since that jurisdiction is in a prime location between Washington and Baltimore, the pressure is really on to develop it. In Harford County the most restrictive zoning category is one house per ten acres, but they allow more development than that by letting landowners build extra houses supposedly for family members.

What the PFAs have done is provide a framework that wasn't there before to look at how to focus our limited state funds and target our public policies. It stopped schools, for example, from being located in outlying areas and helping to fuel growth out there. It's had a certain amount of effect on transportation decisions.

It has also helped fuel the success of revitalization efforts around Route 40 in Harford County and Route 1 in Howard County, because people realize these are efforts to capitalize on available land within growth areas. So

it's helped, but what our report showed was that doing all those things and not looking at rural zoning is still going to hurt us a lot in terms of stopping rural sprawl over the next few decades.

### **Schmidt-Perkins**

It was never envisioned that PFAs would be the solution to sprawl problems. What was envisioned was that the state would no longer be funding sprawl development. We have to be clear on the expectation of that law.

Why is it happening? Number one because development is in the pipeline for decades. It was approved a long time ago, before the Smart Growth Act was passed, and we're seeing the results of it now. Two, because we don't have the other policies in place that steer growth to the priority funding areas and away from areas that shouldn't be developed. Our counties make the vast majority of land use decisions and they are not using their tools effectively, especially zoning.

We need to look at existing policies—parking policies, zoning, street widths, all those different policies—to figure out what is driving development somewhere else, making it more difficult to develop within a PFA. PFAs have been effective at using state dollars more effectively, which is the law's purpose. It has been somewhat less effective at actually steering growth to the PFA areas, because there are so many other things impacting those decisions—the price of land, zoning, availability, ease, policies.

The law was never envisioned as the

sole solution to rampant sprawl. It was just one part. The year that the Smart Growth Act was passed five other pieces of legislation accompanied it. So it was always seen that we needed a whole suite of policies that had to work hand in hand to control growth.

**Downs**

It’s happening because residential zoning densities that look like greenfields are already on the maps all over the Baltimore and Washington regions of Maryland. Counties never thought about the cumulative effect of all of the subdivisions they approved over the years.

The other reason is that the law is an incentive-based and not a regulatory-based framework. That’s both its weakness and its genius. You cannot build a house outside the growth boundary of any city in Oregon unless the family that lives in it receives more than 40% of the family income from the land. Here it’s an incentive: if you want state funding for schools, water, and sewer, you can get that if you’re building inside of a priority funding area. If you’re outside of a PFA you’ve got to pay for it all yourself. In some places, developers will simply cough up all of the necessary funds for roads, water, sewer, and schools as part of the price of development.

One big problem with PFAs generally is that they’re not dense enough. The minimum density for a PFA is 3.5 units per acre, while a realistic number is between 6 and 10 units per acre. Making the density requirement inside a PFA realistic would allow better utilization of land.

Another big problem is that there are no priorities—all land within priority funding areas is treated the same. There are no gradations of areas to develop densely. A greenfield adjacent to a stream inside a PFA has the same densities and

the same requirements as land adjacent to a transit station, which is pretty stupid.

**Schum**

Plans and land use regulations have not been updated or revised to the extent needed to address growth outside of PFAs. Partly it is the cost of housing. Partly it’s that the inner suburbs now have urban problems. It takes a lot of money to make better schools and to lower crime rates, and it’s easier just to move further out. As long as land use plans enable sprawl, that’s what people will do. Until we can create more desirable, more attractive communities—really build community character in your priority funding areas—this is going to continue to happen.

**Struever**

The issue here is the commitment of the state to follow through on its stated policy of trying to use incentives to encourage redevelopment in infill areas and older communities, and to work with local

**Table 1. Non-PFA Residential Growth in the Baltimore Region<sup>13</sup>**

County	Proportion of New Homes Outside PFA 1990-1999	Proportion of Projected Household Growth 2000-2020
Anne Arundel	21%	30%
Baltimore	15%	9%
Carroll	39%	58%
Harford	17%	26%
Howard	16%	17%

**Table 2. Non-PFA Residential Growth in the Upper Eastern Shore<sup>14</sup>**

County	% of Residential Units Constructed Outside PFA 1990-1999	% of Projected Residential Units to Be Constructed Outside PFA 2000-2020
Caroline	76%	72%
Cecil	60%	50%
Kent	51%	54%
Queen Anne’s	45%	74%
Talbot	40%	26%

## Significant Growth Projected Outside of PFAs

Where growth occurs in Maryland is determined by county regulations and zoning laws, and is influenced by state policies such as the priority funding areas (PFA) legislation. Maryland adopted PFA regulations in 1997, restricting state subsidy of growth-related infrastructure improvements such as roads, housing, and sewage systems to priority areas designated for growth by the counties.

Though counties have identified selected areas for receiving more concentrated growth, projected development patterns show that PFAs alone cannot end sprawling development. The Baltimore Regional Partnership—a coalition of 1000 Friends of Maryland, the Baltimore Urban League, the Citizens Planning and Housing Association, the Chesapeake Bay Foundation, and Environmental Defense—and 1000 Friends of Maryland studied projected residential growth patterns in Baltimore-area and Upper Eastern Shore counties to evaluate how well existing policies steer growth into PFAs.

In the Baltimore area, four of the five counties studied expect substantial residential growth outside the PFAs. (See Table 1.) Over half of the residential growth in Carroll County, for example, is planned for outside of designated growth areas. The situation is worse on the Eastern Shore, where more growth will occur outside PFAs than inside for three of the five counties. (See Table 2.)

These findings reveal that though the counties have identified areas to receive relatively compact development, they are planning for a different, less-compact growth pattern.

governments to discourage growth outside of those areas. That takes a sustained focus and leadership effort by the state in partnering with local governments.

### **Schwartz**

It's hard to put the cat back in the bag once it's out. Most counties have overplanned and overzoned. Many counties should have set aside land in pure agricultural no-development zones, and did not. They put land into low-density residential zoning overlaid

on an existing agricultural fabric, and for years nothing happened because there was no demand. Now the demand is hitting.

The first thing a county should do is a build-out analysis: how many people, how many houses, and what that means in infrastructure. How many schools, etc, and what's it going to cost. Usually the picture is so scary that it wakes the county up to realize they have got to change the comprehensive plan and their zoning to reduce the sprawling development in rural areas, because they simply can't afford it

and they're going to have a taxpayers' revolt. That level of awareness is probably the first stage.

The second is to do what is legally permissible in downplanning areas for a reasonable rate of population growth, and with your comprehensive plan, recreate real agriculturally zoned land. Use very large lot sizes, 50 acres or more is best, not because those are necessarily farm acreages but because those will allow you some time to use delegated conservation easements and purchase of development rights to get that land off the market for development.

The priority funding areas in many counties were defined abnormally large, far beyond the amount of growth that the county really needed. The PFAs were always a compromise between

then-Governor Glendening and the localities to get the localities' support for what was perceived as more state government involvement in local land use. In other words, they were given a role—that they could define their PFAs—and then it became a negotiation between the Department of Planning and the localities to try to define the PFAs more compactly.

One of the fundamental problems is that most jurisdictions don't understand that we've already paved over enough land for at least the next 20 years of growth, not what we've zoned but just what we've paved over. If we were to make communities on a more walkable scale, you would use significantly less land, have more open space in each community, and certainly not have to go outside the PFAs.

## Other Policies

*What one policy could the state or counties adopt that would have the greatest impact on controlling sprawl in Maryland?*

### **Schwartz**

One very useful tool would be the split rate property tax, used for urban revitalization in a number of cities in Pennsylvania. It's very much for cities and downtowns. The tax basically increases the rate of tax on the underlying land and decreases the tax on buildings and improvements. This lowers the price of land in downtown areas, land that's been held by speculators for far too long. It increases the taxes so that there's more incentive to redevelop the land to a higher use. And in turn when a landlord adds buildings or rehabs existing housing buildings, they're not punished with a higher tax rate for doing a good thing.

It's been used in Pittsburgh, Harrisburg, and about 15 other Pennsylvania cities. It's been used in Australia and some European cities. That would be a terrific tool for the cities and towns of Maryland. It's not a tool to use in isolation but it's a very good tool.

### **Downs**

I was a bit of a cynic about Massachusetts' mandatory buildout maps that require municipalities to project population size and infrastructure needs from existing zoning, thinking it's just

“...show counties and cities and communities what their places are going to look like in 20 years...”

— Downs

another stunt. Counting the units, counting the people, counting the cars, counting the water, counting the sewer, counting the schools, counting the parks. And then what does it look like on a map. What does your county, what does your borough, what does your municipality look like when it's all built out.

It's actually a very powerful intervention tool to show counties and cities and communities what their places are going to look like in 20 years and whether that looks like anything they want for their kids. I've become a convert to counties and local jurisdictions showing the buildout visibly. It's too arbitrary and abstract when you talk about an FAR4 in a C2 zone. Nobody knows what that means.

### **Schum**

Statewide planning is not popular in Maryland, so any policy you introduce that would be really effective probably will never be implemented. It would be great if state planning were more politically acceptable. You could create statewide standards or benchmarks that would have some teeth, be monitored by the state, and maybe be tied to funding. But that's politically very tricky.

I think you need more of a stick to force better planning in localities. Planning is still a local issue in the State of Maryland. I think that's right—I think it should be—but there needs to be better statewide guidance.

### **Spence**

Former Governor Glendening pretty aggressively touted state funding for infrastructure to support development in PFAs or incorporated towns to keep it

from sprawling outside. I don't know if it's because of the budget crisis in the state, but we haven't heard much about that. In other words, increasing funding in areas where you want development. That is a real financial incentive, particularly for rural areas. A lot of these towns are small. They don't have capital to put into infrastructure projects. Using state dollars for infrastructure would go a long way in rural areas to support smart growth and anti-sprawl measures.

### **Pontious**

Following the findings of our report on growth outside of growth areas, I think county rural zoning is an incredibly powerful tool that is not on the table as much as it could be.

Historically, it has made a huge difference. Look at the difference between Baltimore County, for example, and the other suburban counties in the region. Zoning is the main thing. It's not the only thing—they created a line where county water and sewer service ends, and they stopped a proposed outer beltway, too. But they also decided that they needed to zone the land outside their growth area for rural uses, not for development, because they realized that the other things alone would not do the job. Other counties have just not taken that idea as seriously.

For the other counties to take action along the lines of Baltimore County's, it would take an organized local constituency to push for it. It is very difficult—developers, land speculators, and those who want to build as many houses as possible on their land tend to be wealthy and well-connected. So it's going to take an organized, ideally well-funded effort to put together a constituency to push through important reforms if people in their counties want to preserve their rural way of life.

One small example of citizen power

on zoning issues occurred last year when the Carroll County commissioners downzoned some land around the town of Hampstead, something the town of Hampstead had been trying to get them to do for years. Hampstead decided "We don't want a lot of burdensome growth around the town, we want to have rural land, and we want you to zone the land around the town for agriculture rather than for development."

The previous board of commissioners always rejected their pleas. That board was ousted by county voters—Republican voters, I might add—who were so fed up with growth that they kicked out the two pro-growth, laissez-faire county commissioners, and instead elected two moderate-growth reform candidates. This new board then quickly approved Hampstead's request to downzone land around Hampstead.

### **Keller**

If one's goal is to keep people in developed areas where services and jobs are located, then one has to provide disincentives for going out. In other words if you buy into the concept of rural preservation then one should be paying a preservation fee if one chooses to live in the rural areas because one is enjoying the benefits of living in that rural area and one is actually impacting the rural area. That's a real far-fetched kind of a deal.

Providing incentives is probably a more realistic way to go. If you live within a certain distance of work or travel by public transit you are having less impact on the air and the water quality, so shouldn't we give people incentives to do that? Lower taxes? Tax rebates? In other words, use the private market as your way of dealing with where people choose to locate.

### **Gilligan**

Restriction on land use development in rural areas. There's considerable lack of

understanding of the public cost of sprawl development. What the public doesn't seem to understand is that building and supporting a neighborhood costs you as a citizen of the county a substantial amount of money. You get taxed for it every day, even if you don't know it. That's the kind of policy decision that really needs to be talked about more, to understand the cost of development the way it currently exists.

One option is to charge more for that development. You're going to have to drive school buses out there. You have to get fire and police out there. Now they have to drive, instead of one or two miles in the city, five or ten miles up the road. Water and sewer is even worse, but now the money's simply squeezing that down. The public pays for all amenities.

Some counties put an impact fee on that. Well, most of the impact fees being charged right now are mostly going to school funding. Is it enough? I suspect not. Quite often, if you simply do the tally of your total impact fees based on the housing that is being created and calculate if that will buy a new school,

the answer is no. Public funding gets thrown in there, in a lot of ways, just for the physical building.

Just as an example, Program Open Space gave a small town substantial money and they acquired 20 or 25 acres for parkland. They acquired and developed a park at public expense and as soon as that was completed, all the land around that public park went into housing. Did that town charge enough to have that land developed into housing? The developer who acquired the land was able to sell those houses like hotcakes because they overlook the park. That park benefited the developer. Did he share in any way the income or profit that came from that development with the public sector that paid for the park? I doubt that he coughed up a nickel for it. In other words, he paid the same fees as anyone else, yet those houses are all sold out because of their location. Local government has to begin to understand how they create benefits for developers, and those developers basically should cough up the money to reimburse the public for the substantial benefits they're getting.

## History of Sprawl Control Efforts in Maryland

**1969:** Program Open Space was created, funded through a small tax on the sale of homes or land.<sup>15</sup> For decades, this program has been nationally recognized as an effective model for land preservation. More recently, its funding has been diverted for other purposes. This year, the state has allocated no general funds to support the purchase of state park land and just \$2.25 million for protection of ecologically significant spaces.<sup>16</sup>

**1980s:** The Critical Area Act, adopted in 1984, placed mild limits on development in rural areas within 1,000 feet of the Chesapeake Bay and imposed strict limits on development within 100 feet of the water.

**1992:** The General Assembly passed a law known as the Economic Growth, Resource Protection and Planning Act with seven vision points for future growth in Maryland.<sup>17</sup> Though the law had little practical impact, it did begin to lay out a broader vision of concentrating growth in appropriate areas, protecting sensitive areas and natural resources, and using funding mechanisms to further those goals. Local governments were required to include these visions in their comprehensive plans.

**1997:** The General Assembly passed several components of Governor Glendening's Smart Growth legislation.<sup>18</sup> This created five separate tools for directing growth.

**1. Priority Funding Areas:** The legislation recognized that state expenditures for infrastructure could be better used if they were focused on specific areas. Following guidelines established by the state and reviewing existing and anticipated local growth patterns, counties identified priority funding areas (PFAs) targeted for growth. State money for transportation, housing, economic development, and environmental projects can support growth inside PFAs only. Growth can continue outside of PFAs, but will not necessarily receive any state infrastructure funding.

**2. Rural Legacy Program:** Previous land protection programs targeted small patches of land for protection. The Rural Legacy Program's goal is to protect large contiguous stretches of threatened open space or agricultural land by permitting the use of state funds for creating conservation easements that maintain the broader context for open space. The program's sole funding for the coming year is through \$2 million of bond funding allocated by the General Assembly.

**3. Brownfields Cleanup:** This voluntary cleanup program limits the legal liability of those who purchase and redevelop abandoned or unused properties that are polluted. A developer must explain to the state how the proposed remediation will satisfy public health and environmental

protection criteria. By limiting the liability of those who seek to clean up contaminated sites, the state hopes to encourage redevelopment on typically urban sites and reduce greenfield development pressure.

**4. Live Near Your Work:** Through this program, the state seeks to encourage home ownership in neighborhoods surrounding major employers and to make living in established cities more attractive, reducing pressure to construct sprawling new development on the urban fringe. Additionally, locating homes near jobs reduces the need for workers to commute long distances and eases congestion. Finally, high home ownership rates add stability to older neighborhoods. However, this program is not funded for the coming year.

**5. Job Creation Tax Credits:** Owners of small businesses that create 25 or more jobs that pay at least 150 percent of the minimum wage and that are located inside PFAs can receive an income tax credit from the state of Maryland. With this program, the state promotes the creation of jobs near existing labor pools.

**Also in 1997:** The Heritage Preservation Tax Credit offers a state income tax credit equal to 20 percent of the cost of renovating a historic structure.<sup>19</sup> The program has been important in encouraging redevelopment of Baltimore's Hippodrome and thousands of smaller projects throughout the state.<sup>20</sup>

**2000:** The General Assembly passed the Building Rehabilitation Code. Known as "Smart Codes," the Maryland Building Rehabilitation Code allows renovations of buildings to improve health and safety conditions without requiring that all work comply with modern building codes regulating plumbing, electrical, fire, mechanical and other standards. This removes a possible barrier to investment in existing buildings.<sup>21</sup>

**2001:** The General Assembly adopted five more programs to further the state's efforts to direct growth to appropriate areas and to protect open space. Two particularly notable programs are:

**1. Community Legacy:** This program, modeled on the Rural Legacy program, provides state funds to cities and counties for community revitalization projects such as streetscape improvements and housing initiatives.<sup>22</sup> The program is currently funded through \$5 million in bonds and \$250,000 in state general fund support.

**2. Office of Smart Growth:** The Office of Smart Growth has three goals: 1) directly support and facilitate non-sprawling development in line with the state's growth plans; 2) educate the public about the benefits of planned growth; and 3) coordinate the state's growth-related resources.<sup>23</sup>

## Personal Choice

*Are people in Maryland willing to give up big lawns, three-car garages, and quiet cul-de-sacs in exchange for an end to sprawl?*

### Schum

Not everybody is, but I think more and more people are making that personal choice, having reached their limit on how far they're willing to commute and how much traffic they're willing to sit in. People reach a point where they say enough is enough. But I think ultimately people have to be given choice. If they feel like people are telling them where they have to live and how they have to travel they get resentful.

Once there are better choices, when there's great housing and safe streets and cities that are more desirable, more people will make the choice to live there. It's important for our planning regulations and processes to provide people with more choice so they can more clearly compare the costs and benefits of living in one place versus another.

### Spence

Here in Talbot County, we have a developer who has put together a project called Cook's Hope. It's within the town of Easton, albeit on the border between the county and the town. The development is divided into an area the developer calls the village and an area where people have 2-acre properties. The village homes are single-family homes on little postage-stamp lots and townhouses, so it's good density. Those

things are selling like hotcakes and the developer is getting an incredible amount of money for them. My sense is, particularly for people in their late 40s, early 50s, baby boomers, that market is very popular.

If you are a younger person with three kids and you want a yard, the village-style development is going to be less appealing. There's always going to be the appeal of a one-acre lot or a two-acre lot. The Cook's Hope development, however, has proven to me that you can create these higher density developments with lots of open space around them and still make a very good profit.

### Schmidt-Perkins

I don't think smart growth is about asking for any personal sacrifices. I think in Maryland we want to offer a choice of lifestyles. All we have been offering for a long time are big lawns, cul-de-sacs, and three car garages, and so that's what people have bought. But when we offer other alternatives—whether it's living downtown in an historic older home with incentives to fix them up or a wonderful condo on the water or a mixed use new urbanism community—people flock to those.

We want to make sure that we maintain a level of choice in Maryland to meet

**"The Cook's Hope development...has proven...that you can create these higher density developments with lots of open space around them and still make a very good profit."**

**— Spence**

all needs at every stage of people's lives. There should be an appropriate place for a person starting out and an appropriate place for people whose kids have left. It's about having all options available, not denying anybody any of the options, because that's really what we did with sprawl.

Unfortunately, we disinvested in a number of different perfectly wonderful community types that people had enjoyed for generations and gave them one type. Harriet Tregoning has this wonderful analogy about lettuce. For years and years we ate iceberg lettuce, because that's what there was on the grocer's shelf. But when we were offered all sorts of different lettuces like red leaf, and Boston, and so many others, people began to eat all different kinds of lettuce. But they could still buy iceberg.

We need to be offering people a full choice of living options. People shouldn't be required to live in a high-rise, nor forbidden to live in rural areas. We need to provide all the different alternatives, for all the different affordability levels, mobility levels, and options.

### **Downs**

Some are, some aren't. The younger generation, as shown in preference polls and marketing studies, has a propensity to like urban neighborhoods, denser, lots of choices, walkability. About half of the aging boomers have that preference as well. The other half of aging boomers want an even bigger house further out on a suburban tract of ground. So like everything in America there are all kinds of contradictory signs, but there are more people now willing to choose something other than traditional suburban than any time probably since the early 1950s.

### **Struever**

The market demonstrates that a growing and diverse array of Marylanders do

“...there are more people now willing to choose something other than traditional suburban than any time probably since the early 1950s.”

— Downs

put high value on smart growth ideals. This is important in the growing demand for a variety of housing types in a wide range of urban neighborhoods—from the infill suburban revitalization projects of southeast Baltimore County to Baltimore's waterfront to neighborhoods around its colleges and major institutions—that reflect smart growth's appeal to empty-nesters and retirees at the older end of the market to young college graduates and urban workers.

I've been satisfied with the demand for our projects, and I think the residential market continues to gain strength in the city, evidenced by the rapidly increasing market values and accelerating rental housing absorption and home purchases. If anything, the issue is the lack of appropriate housing stock in Baltimore.

One example of this growing demand would be downtown housing, where just a few years ago there were only a handful of apartment buildings in all of downtown, and now you have 2,000 units nearing completion or completed, and that much again in the advanced planning stage. Also, rents today are higher than they were when all the downtown housing started.

That kind of accelerating demand demonstrates the market truth of the contention that cities prosper with more density and more diversity, so that the more you offer of well-planned, well-executed mixed-uses—uses which include office development as drivers of

urban economies; residential, because they create the activity on evenings and weekends; hotels and restaurants that attract visitors; and the public spaces and cultural institutions that create the richness of urban life—all of the above sustain the retail and restaurants that are the life of our streets and the social fabric of our neighborhoods. So the more redevelopment that happens the more attractive older neighborhoods become, and the more likely people will abandon suburban sprawl.

### **Gilligan**

No, because sprawl is a nebulous concept to them. They don't know what it costs them. They don't know what it does to them. It's simple, "I want."

If you want them to give up sprawl, what's in it for them? We can influence this by making it better to live in an urban area as opposed to the five-acre lot development. Residents in the quasi-rural developments complain about fire, police, the condition of roads, the inconvenience of the school bus, and all

### **Choosing Alternatives to Sprawl: The Market for Downtown Living**

A city facing growing housing demand would seem to have the option of building up or building out. However, a third option has become important in Baltimore. New upscale apartment complexes in the Atrium, the Munsey Building, and the Standard exemplify a recent trend toward renovating commercial and office structures for housing.

The Atrium, built in 1924 as the Hecht Company Store, was renovated and opened for residential use in 2001.<sup>24</sup> It was the first major part of the ongoing West Side Revitalization Initiative. Both private and public funds are supporting this effort to create more housing units in the area, as well as to turn the historic Hippodrome Theatre into a state-of-the-art performing arts center.<sup>25</sup>

The Munsey Building, located in Baltimore's central business district, has a similar history. The apartments there opened in 2002, though the building itself dates back to 1918. The management describes the residences as a "landmark for world-class, urban luxury living."<sup>26</sup>

Even more recently, in the spring of 2003, the Standard reopened its doors. Formerly Baltimore's Standard Oil Building, it was built by the Rockefeller family in the 1920s and was used as an office building. The new apartments are now billed as "the best of yesterday in a lively, urban setting."<sup>27</sup> In the first three months after opening, the building had already achieved 75 percent occupancy.

These new complexes offer tenants a downtown lifestyle along with living in buildings already steeped in history. The consumer response has been positive, demonstrating that there is a market for more than just sprawl.

“We need to focus on providing the types of choices that folks are looking for: communities with greenspace but where they can walk to a park, walk to a store, walk to school.”

— Pontious

that. They chose to move out there and want us to pay for all their amenities.

We need to say “Live in the city, the PFAs, and you’ll have public transportation, convenient shopping, safety.” For people to live in an urban environment, it’s got to be nice, with conveniences such as a library down the street and well-funded local parks. People want to know what’s in it for them if they move into a city.

#### **Pontious**

More people are willing to live in an urban or village-type area than we offer that choice to. There’s evidence all over the state for that. Downtown apartments are some of the hottest real estate in Baltimore right now. The biggest population gain in Baltimore is in the downtown area.

New town- or village-type developments with transit access, such as Kentlands and King Farm in Montgomery County are extremely rare. They’re also extremely popular. When they go on the market, they’re highly desirable and they become expensive places to live precisely because there’s this untapped market that they’re catering to.

Bethesda, right around the Metro stop, is an extremely attractive place to live. In Silver Spring, there are new townhouses across the street from the Metro stop. I think there are many more people who are looking for that type of option than we are giving that option to. We need to focus on providing the types of choices that folks are looking for: communities with greenspace but where they can walk to a park, walk to a store, walk to school.

# Conclusion and Recommendations

**W**hile many different ideas can be gleaned from the preceding conversation, two general points emerge.

First, there are many practical and effective policy handles for fighting sprawl. Although sprawl is a complex problem with no “magic bullet” solution, good tools exist that each can do their part. Those tools are available to small towns seeking to preserve the quiet character of their neighborhoods, to counties trying to protect their remaining agricultural land, and to the state.

Second, attacking sprawl may not be easy, but it must and can be done. The state’s ecosystems and infrastructure are already feeling the strain imposed by sprawling development. Maryland residents face a declining quality of life as commutes grow longer, open space is more limited, and even the simplest errand requires driving. Continuing on the current trajectory of building low-density housing far from jobs, shopping, and entertainment, all inaccessible by public transit, will further exacerbate these problems. Maryland must invest in creating sustainable, livable communities, through both retrofitting existing urban areas and promoting compact development of new growth areas.

Achieving these goals will require a concerted effort by city, county, and state governments, with persistent support from citizens.

## Planning

Maryland should create sustainable, livable communities that provide a desirable alternative to sprawling development.

- Existing urban and suburban areas can be retrofitted to make them more attractive places to live. Redevelopment can replace oversized shopping complexes surrounded by vast parking lots with more varied and accessible shops. Mixed-use development can allow residents to complete errands on foot rather than in a car. The addition of sidewalks and bike paths can increase transportation options.
- Increased funding for urban infrastructure needs can help upgrade schools, libraries, parks, and other public facilities. With improved amenities in existing communities, residents have less incentive to move to new, sprawling developments with new public buildings.

- Counties can help focus new development in growth areas. Changing zoning laws to promote mixed-use development at higher densities will allow more efficient use of land already designated for growth. Residents of these new communities will be able to walk or take transit, rather than drive, to shops, restaurants, and work.
- Citizens should ask that county planners produce detailed maps showing the long-term consequences if growth follows existing zoning regulations. These maps can facilitate organizing community feedback on planning decisions.
- Brownfield redevelopment programs can help restore land in urban areas. The state should seek additional federal funding for its brownfield assessment programs and allocate increased funds to brownfield cleanup efforts.
- All levels of government should seek office space in downtown areas and in renovated buildings, or new buildings on previously developed land.
- Private mortgage lenders, with encouragement from the state, could offer location-efficient mortgages, which allow households living near transit services to borrow additional money because their reduced transportation expenses increase their disposable income. Such mortgages can help draw residents to urban areas.

## Land Preservation

Maryland must protect its remaining farms, forests, open spaces, and wetlands from development.

- Counties should update their zoning to limit development in rural areas. Baltimore County has

zoned its agricultural areas for a density of one house every 50 acres, thereby largely preventing low-level sprawl on greenfields. Other counties have far more permissive zoning regulations that allow one house per five or ten acres, which has resulted in greater rural development.

- County governments should adopt purchase-of-development-rights and transfer-of-development-rights programs that preserve agricultural use of farmland.
- Increased funding for programs such as Program Open Space will allow the purchase of more land for parks or permanent conservation easements.
- Property taxes for farms should be based on the land's agricultural or conservation uses only, not its potential for development. This will reduce the financial pressure on farmers to build on their land.
- Governments should invest in urban open space by maintaining existing parks and requiring parks in new developments.

## Transportation

Maryland should reorient its transportation system to move people and goods—not vehicles—efficiently. Further, the state's transportation policy should support, not undermine, growth management goals.

- The state should increase funding for existing and new transit projects. Half of all new transportation revenue should go to transit. At the same time, funding from the Transportation Trust Fund should be maintained.
- Maryland should prioritize construction of the Baltimore regional rail system. Equally important is

constructing the Inner Purple Line. The line, connecting Bethesda, Silver Spring, and the University of Maryland, would enhance the usefulness of the entire Washington, D.C., Metro system.

- Cities, counties, and the state can increase the benefits of transit by promoting transit-oriented development. Zoning should be adjusted to allow commercial uses and higher densities near transit stations. Creative funding arrangements, such as public-private partnerships, can facilitate larger projects.
- Bicycle and pedestrian access should be improved in existing communities and incorporated into plans for all new development. Traffic calming, crosswalks, sidewalks, bike lanes, and human-scale development can make it safer and more pleasant for people to travel by foot or bicycle.
- Funding for road construction should be focused on fixing existing roads before the building of new ones. Any new roads should be carefully scrutinized for their potential to foster more sprawl by making rural land accessible for development.
- Counties and cities can revise their zoning laws to replace parking space minimum requirements with caps on the number of parking spaces built at new stores and offices. This reduces the total amount of space that a new building occupies.
- Companies can promote alternatives to driving to work by allowing employees to use pre-tax income to buy transit passes or by offering a cash incentive to those employees

who do not need a company-sponsored parking space.

## Subsidies

Maryland should continue to limit taxpayer subsidies of sprawling development and explore ways to ensure that fiscal and tax policies support smart-growth goals.

- New projects outside of Priority Funding Areas should not receive public money for supporting infrastructure. State transportation funding, in particular, should not go to projects outside of PFAs.
- Counties should assess impact fees that cover the public costs of new development, including roads, schools, and public safety services. These fees can be waived or reduced if development is conducted in line with principles of sustainable growth or to encourage the development of affordable housing. The General Assembly can facilitate county adoption of impact fees by granting all counties the authority to assess such fees.
- A split tax rate, with higher taxes on land and lower taxes on buildings, can promote urban redevelopment by raising the cost of land held by speculators who have no interest in improving their property and lowering the cost of remodeling existing buildings or constructing a high-density project.
- Developers should be required to demonstrate that adequate natural resources and public facilities—a broader requirement than what is included in many existing public facilities ordinances—are available before they receive approval for new developments. Taxpayers

should not be expected to automatically pay for public infrastructure required by sprawling projects.

Maryland is feeling the impacts of sprawl but has the resources and policies

available to tackle the problem. The ideas put forth in this report by the panelists and the general principles articulated above contain many of the tools that the state and its citizens will need to create new patterns of land use.

“The determining factor in the growth and prosperity of cities in the next half-century will be which have a viable regional rail-based transit system and which don’t.”

— Bill Struever, *President and CEO  
Struever Bros. Eccles & Rouse*

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