

January 2008 ■ Final conference report

Smart Growth @ 10

*A Critical Examination of Maryland's
Landmark Land Use Program*

October 3-5, 2007

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**Smart Growth @ 10:
A Critical Examination of Maryland's Landmark
Land Use Program**

Final report on a 3-day conference, October 3, 4, and 5, 2007

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Introduction

In 1997, Maryland burst into the national spotlight with the passage of its Smart Growth and Neighborhood Conservation initiative. As this incentive-based approach to managing growth reached its 10th anniversary last year, Maryland and states across the country continued to wrestle with the challenges of community development and land conservation.

In order to critically examine the program's impact and effectiveness, land-use researchers joined state legislators, local government officials, home builders, environmentalists, and academics in early October 2007 for a three-day conference entitled "Smart Growth @ 10: A Critical Examination of Maryland's Landmark Land Use Program." Organized by the University of Maryland's National Center for Smart Growth Research and Education and Resources for the Future, the conference took place in Annapolis and College Park, Maryland. This report provides some background on the conference, summarizes the presentations and discussions that took place over the three days, and provides a brief roadmap for the future.

Background

Maryland's package of smart growth programs, initiated in 1997, included six separate pieces of legislation that targeted rural lands, brownfields cleanup, job creation, the right to farm, and smart growth, as well as a "live near your work" tax credit program. However, as pointed out by John Frece and Gerrit Knaap of the University of Maryland's National Center for Smart Growth Research and Education (NCSGRE), in a paper presented at the conference, the thrust of the new program was really embodied in two acts, the Smart Growth Areas Act and the Rural Legacy Program. These programs represented Governor Parris Glendening's approach of focusing growth inside existing cities and town centers while preserving rural lands such as farms and forests. The Maryland approach, which is unique among states that are actively pursuing smart growth outcomes, is to rely primarily on incentives. The Smart Growth Areas Act created the

concept of “Priority Funding Areas” (PFAs) – municipalities, the areas inside the Baltimore and Washington DC Beltways, town centers, and other areas that met certain density and infrastructure requirements. Under the law, these PFAs would receive priority over non-PFAs for “growth-related” state infrastructure funding. As Tim Chapin of Florida State University pointed out in his paper at the conference, this is quite different from states such as Florida and Oregon, which rely more on state oversight over local comprehensive plans and state requirements about urban growth boundaries. Chapin reports that the view of Maryland from “outside” is quite positive, and many land use experts often tout the virtues of the Maryland approach.

The Maryland program has, in fact, won numerous awards for its progressiveness in addressing land use and growth management concerns and for the innovativeness of its approach. It has served as one of the principal legacies of Governor Glendening and indeed, in some ways, defines him still today. However, it is fair to say that the success of the program is, at best, uncertain. Whether growth has been contained, rural lands preserved, blighted urban areas revitalized, and communities enhanced are open questions. Moreover, whether it is time for the state to reevaluate its program and think about significant changes is also a key question facing policymakers today. The papers presented in this conference, and the related discussion, provides a first step in providing direction for the future.

Measuring Outcomes

Research presented at the conference seemed to highlight several problems with measuring results of the Maryland smart growth program. First, the state does not seem to be doing a good job of tracking expenditures. It is difficult to figure out exactly which expenditures are subject to PFA review, for one thing, and even more important is the fact that many of the agencies do not seem to be tracking whether money they are spending is going inside or outside PFAs. Second, although the Department of Planning does a good job of monitoring and reporting development patterns, including acreage and number of residential units inside and outside PFAs, it is difficult to know whether any changes in

these patterns are the result of the smart growth program. Without a counter-factual, drawing conclusions about the efficacy of the program is inherently problematic. Studies use different methodologies to try and tease out an answer.

Spending and Development Activity Inside and Outside PFAs. The paper by Jungyul Sohn of Seoul National University and Gerrit Knaap and Rebecca Lewis of the NCSGRE spoke directly to these questions about inside versus outside PFA activities. They asked two important questions about state spending: first, how much of the state's spending is "growth-related" and thus subject to PFA review, and second, of this growth-related spending, how much is actually going into PFAs. They find that only about 5% of annual spending by the state is subject to PFA review, with transportation spending far and away the most important component. Approximately 55% of transportation spending is subject to PFA review. In terms of where the money is spent, the authors find that, unfortunately, the state has not done a good job of tracking whether or not the money is spent inside or outside PFAs. After extensive investigations of state budgets, the authors conclude that out of all spending on transportation projects, approximately 60% was spent on projects inside PFAs, with the remainder grandfathered, subject to exceptions, or not location specific.

The authors also look to see if the smart growth program has altered patterns of development in the state. As many other researchers have discovered, a large percentage of new residential units is built inside PFAs each year – 70% according to Sohn, Knaap, and Lewis – but a large percentage of the *acreage* developed is outside PFAs. Since 1990, the trend in these statistics has remained largely unchanged, providing some broad-brush evidence that the smart growth program has failed to have a noticeable impact on development patterns.

The paper by University of Maryland – Baltimore County (UMBC) PhD student Keith Wiley delved into the question of PFA versus non-PFA development in more detail, looking specifically at Montgomery County. He finds, just as Sohn, Knaap, and Lewis do, that the number of units inside PFAs is large relative to outside PFAs but that the acreage developed is much greater outside PFAs. Furthermore, though, he finds that new infill

development in PFAs tends to be less dense than existing surrounding development and is less dense than what is allowed by the local zoning code. In addition, infill houses tend to be larger and higher priced than surrounding properties. Wiley speculates that existing residents may be opposed to higher density housing leading infill development to be less dense than it could be and working counter to smart growth goals.

The study by graduate student Ralph McLaughlin of University of California - Irvine was less pessimistic on the PFA/non-PFA question. His particular focus was on whether the smart growth goal of compact development has been achieved in Maryland. He finds that the percentage of multi-family units built in PFAs was significantly greater in the 1998-2004 period than in the 1990-1997 period and that the construction of new multi-family units seemed to shift to PFAs from non-PFAs. On the other hand, McLaughlin finds that there is no discernible difference between Maryland and surrounding states in the development of multi-family units.

Like Wiley, Elizabeth Kopits of the U.S. Environmental Protection Agency, and coauthors Virginia McConnell and Daniel Miles of UMBC also explored the issue of housing density. They look at subdivisions in eight counties around Washington, DC, and find that density is generally below what is allowed by zoning. They also find that the mean lot size is significantly above the median in these counties, suggesting that there are developments with some very large lot sizes (which raises the mean relative to the median). The authors econometrically estimate a hedonic property value model and find that lot size adds significant value to a home, particularly in the higher-density inner suburban counties. They conclude that preferences for lot size may be contributing to the difficulty in achieving smart growth goals, though more research is needed on the topic as homeowners do appear willing to trade off different amenities.

In the paper they presented at the conference, Kelly Clifton, Andrew Blohm, and Rebecca Lewis of the NCSGRE delved further into transportation funding in Maryland and the inside/outside PFA question by looking at individual spending by five different transportation agencies. They separate construction spending and find that the picture is not entirely grim. Since 1997, the state has spent an increasing share of its money on transit and in some years, transit expenditures equaled expenditures by the State Highway

Administration. They also find that expenditures on pedestrian and bicycle enhancements is greater in Maryland than in other states. In terms of spending inside versus outside PFAs, Clifton, Blohm, and Lewis conclude that it is too difficult to tease out accurate numbers because of grandfathering, exemptions, and the time it takes to complete transportation projects. They do argue, however, that the exemption for Maryland Transportation Authority projects is a mistake; MTA is responsible for tolled roads in the state and for financing new revenue-producing transportation projects. With tolling and congestion financing becoming increasingly important, this loophole in the law could create problems. Clifton, Blohm, and Lewis also point out the inherently difficult problem with transportation networks, which usually cross borders between PFAs and non-PFAs.

James Cohen of the Urban Studies and Planning Program at University of Maryland looked at spending on a different kind of infrastructure, sewers. He asked three questions: (1) how much does state money contribute to spending on local sewer infrastructure; (2) how much of the state money is going inside PFAs relative to outside; and (3) to what extent are the caps on nutrient emissions from wastewater treatment plants creating a tension between smart growth goals and cleanup of the Chesapeake Bay? His investigations indicate that state money was a small proportion of total spending on sewers in the past but is rising because of nutrient reduction goals that must be met. As with the other studies mentioned above, Cohen finds that it is difficult to get accurate information on the degree to which spending goes to PFAs versus non-PFAs. Some limited information for recent years is available on one program – the Water Quality Revolving Loan Fund, administered by the Maryland Department of Environment, spent 78% of its funds in the latest round of projects inside PFAs. In answer to his third question, Cohen finds that federal Total Maximum Daily Load, or TMDL, requirements for water bodies are putting pressure on wastewater treatment plants in Maryland. Many localities do not want new development to locate in the areas served by those plants, usually inside PFAs, because of the added burden that development poses. This is pushing new development to more rural areas where houses have individual septic systems. In short, the answer to the third question is yes, there is a tension between smart growth and Bay cleanup. State and local officials need to work together to address this problem. Cohen suggests a higher

“flush tax,” the state’s monthly surcharge on sewer bills and septic systems, to pay for wastewater treatment plant upgrades and/or a nutrient trading program to provide some flexibility in meeting the TMDL requirements.

Land Use Change Across the State. Several papers presented at the conference tried to look at land use change across the state to draw some conclusions about the effectiveness of the smart growth program. Private planning consultants Uri Avin, Thomas Hammer, and Christopher Dorney discussed the unintended consequences of local smart growth policies on land use patterns. They find that restrictive policies designed to limit development in Montgomery and Baltimore Counties have spilled over to cause growth in nearby areas, including Prince Georges County and other parts of the metropolitan region, as well as Fairfax County, Virginia. The result of local growth management, the authors contend, is more dispersed development, more “bedroom communities,” and more employment and retail located in relatively rural areas. The authors make several policy recommendations, but their basic message is to allow local government to manage the problem individually through local planning and infrastructure requirements. While eschewing PFAs for more restrictive urban growth boundaries was a recommendation made in some quarters at the conference, Avin, Hammer, and Dorney argue that this option is not politically feasible in Maryland.

Marie Howland of University of Maryland, along with coauthors Bernadette Hanlon and Mike McGuire of UMBC, used GIS tools to map land use change in Frederick County and econometric procedures to see what factors have been important in explaining that change. Frederick County has seen rapid population growth, a steep rise in housing, and a concomitant decline in the number of farms over the past thirty years. The authors’ econometric results suggest that the likelihood that an individual parcel is converted from agriculture to a developed use is dependent on the quality of the parcel for agriculture and the parcel’s size as well as its location – in particular, the closer a parcel is to an interstate exit and the closer it is to a non-agricultural parcel, the more likely it is to convert. Parcels outside a PFA are more likely to stay in agriculture than those inside, but the authors find that the PFA effect can be offset by other factors, thus the authors caution that we should

watch for “hotspots” outside PFAs that appear to be likely to convert to developed uses and develop policies and programs to address that problem.

Scott Goetz of Woods Hole Research Center, Claire Jantz of Shippensburg University, and Charles Towe and Nancy Bockstael of the University of Maryland delved into the details involved in alternative models of predicting land use change. They presented results of two approaches they have used for the Chesapeake Bay Watershed and Maryland in particular, an approach based on a cell-by-cell view of land cover from satellite imagery that predicts changes based on past changes and an economic model, also using detailed data but on an individual parcel basis, that relies on a model of behavior to predict conversion of land to developed uses. The latter approach is more similar to the technique adopted by Howland and her coauthors. Goetz et al. highlight the difference between *land cover*, e.g., the extent of impervious surfaces, and *land use*, e.g., residential dwellings of a particular density and the importance of considering and reconciling both metrics, especially when looking at the implications of land use patterns for the health of the Chesapeake Bay.

Ancillary State Programs that Affect Land Use Patterns. Several studies at the conference looked at more specific programs in Maryland that are designed to achieve some of the goals of smart growth. These programs include the Forest Conservation Act (FCA), development moratoria that result from local Adequate Public Facilities Ordinances (APFOs), and the Maryland Agricultural Land Preservation Fund (MALPF).

The FCA requires that all development projects of an acre or more get approval of a forest conservation plan as part of their overall development approval. These plans generally require permanent protection of forested areas, including trees on individual building lots. In their paper presented at the conference, Professors Erik Lichtenberg and Ian Hardie of University of Maryland’s Department of Agricultural and Resource Economics point out that while the value of open space and forests might be the rationale for a law such as the FCA, it is possible that the law actually contributes to sprawl and works counter to smart growth goals. The authors gather data on subdivisions in five suburban Maryland counties and econometrically estimate a model that explains average

lot size and the number of lots in subdivisions, as well as the area devoted to infrastructure, as a function of a variety of factors, including the FCA requirements. They find that the planting requirements in the FCA lead to larger average lot sizes, all else equal, and more lots in a subdivision, all else equal; the requirements lead to less acreage devoted to infrastructure. Overall, while the FCA is leading to more open space and trees, it may be contributing to sprawl by leading to more land devoted to subdivisions and larger lots in those subdivisions, particularly in subdivisions not served by sewers.

Antonio Bento of Cornell University, in his study of APFOs, draws some of the same conclusions that Uri Avin, Thomas Hammer, and Christopher Dorney drew in their paper – that “deflection,” in the words of Avin and colleagues, or what Bento refers to as “displacement” of sprawl, is often a result of local growth management policies. Counties with APFOs can put a temporary moratorium on building if they determine that public facilities such as schools do not have adequate capacity to meet the projected population growth. Bento analyzed the results of moratoria in Howard, Harford, and Montgomery Counties and found large reductions in new housing in those counties and concomitant increases in house prices. Many of the reductions occur in PFAs in these counties, thus pushing new development outside PFAs and working counter to the smart growth program. Bento recommends that more market-based options be adopted rather than command-and-control instruments such as moratoria and that the state and local governments coordinate better over policy. This theme of a tension between state and local goals and the need for coordination was an oft-discussed topic at the Smart Growth @ 10 Conference.

Three papers in a session on farmland preservation looked at whether the MALPF program is succeeding in achieving its goals of preserving agricultural lands and at what cost and also how the Maryland accomplishments compare with other states. The most detailed study was one by Professors Lori Lynch of University of Maryland, and Wayne Gray and Jacqueline Geoghegan of Clark University. The authors collected extensive data on individual agricultural land sales across the state between 1997 and 2003, with some parcels having easements on them and some not, in order to compare sales price differences and prices paid by the state for easements. The data show that the average sales price of parcels with easements is less than those without easements, even controlling

statistically for several factors that might explain price differentials across parcels. The difference, however, is less than the price that MALPF is paying for the easement, thus the state appears to be paying more than the lost development value. The authors conclude that the state is paying too much for the land it is preserving and as a result, may not be preserving as much as it could with its given budget.

Tom Daniels of University of Pennsylvania and Jesse Richardson of Virginia Tech, in separate papers in the farmland session, looked in a broader way at the accomplishments in Maryland and asked whether the state is achieving its goals or is aiming as high as it should. Daniels compares Maryland to Pennsylvania and argues that Pennsylvania's program accomplishes more – more acres are permanently preserved and the value of agriculture is higher there. Daniels argues that MALPF needs to target more carefully and be careful not to just bring low-cost properties into the program. In some ways, his conclusions in this regard are at odds with those reached by Lynch, Gray, and Geoghegan. Daniels also states that counties should be doing more, vis-à-vis the state, to preserve farmland. Richardson compares Maryland to four other states – New Jersey, West Virginia, Virginia, and Delaware – and finds that the percentage decrease in the number of farms between 1997, the year the Smart Growth Act was passed, and 2002 was greater in Maryland than any of the other states except Delaware. By contrast, the number of farms actually increased in Maryland in the five years prior to adoption of the smart growth program. Maryland also saw a drop in farm acreage over the 1997-2002 time period and a decline in the value of agricultural products sold. Richardson argues for adoption of more innovative programs in Maryland, including “green” payment programs that pay farmers for conservation and “smart” payments by the state that encourage farm preservation in areas that are more valuable. He also argues for term easements in place of perpetual easements, a suggestion that many attendees at the conference disagreed with.

Case Studies: Smart Growth at the Local Level. Two concurrent sessions at the Smart Growth @ 10 Conference provided detailed case study analyses of smart growth policies in local communities. One session focused solely on Baltimore County, while the other provided assessments of downtown Cumberland, a commercial road corridor in

Howard County, a community in Frederick County, and the Canton neighborhood of Baltimore City. In contrast to the more academic, data-oriented studies in some of the other sessions, these papers chronicled the history of particular growth-related issues at a very micro level.

Donald Outen of Baltimore County's Department of Environmental Protection and Resource Management described Baltimore County as the quintessential smart growth success story providing lessons learned for other communities. Baltimore County's defining land use characteristic is its Urban Growth Boundary, known as the Urban-Rural Demarcation Line (URDL). Residential density limits outside the URDL are generally 1 dwelling unit per 50 acres, thus very restrictive. Outen reported that nearly 90% of the county's population resides on only one-third of the land. According to Outen, success in the smart growth arena starts "from within" – i.e., local communities have to make it happen on their own rather than waiting for the state government to lead.

The other two Baltimore County papers focused on issues facing older suburbs. Thomas Vicino of University of Texas – Arlington argued that first tier suburbs tend to be caught in the middle between fast-growing outer suburbs and revitalized inner cities. He showed that the first tier suburbs in Baltimore County have been aging, losing population, and getting poorer. Without strong county leadership, he argued, they would have faced many problems. But the leadership and the fact that there is a lack of political fragmentation in the county – there are no incorporated municipalities – has led to some success stories. Amy Menzer of Johns Hopkins University described one of those success stories in her paper, the inner suburban area of Essex-Middle River. Older World War II era apartments that were failing have been demolished and replaced with market-rate and mixed-income housing, as well as parks. Interestingly, the density of the area is now lower after the revitalization than before, primarily because of the addition of parkland. Menzer argues that this has been, in fact, a critical piece of the success story; adding parks has made the suburb more livable and appealing. Another critical component of success, in Menzer's view, was the extensive public consultation that the county engaged in, as well as the fact that the government had control of some of the land.

Sidney Brower of University of Maryland assessed the role of the corner store in communities, asking the question whether such stores, which can provide the mixed-use feature of smart growth, can survive in an era of big-lot stores and shopping malls. He looked carefully at corner stores in Canton, an older waterfront neighborhood of Baltimore. Mapping the stores over time, he shows that there were 123 in 2005, a much lower number than in 1951 and 1989, the other two years he analyzed. He surveyed residents and shop owners and found that the aesthetics of the shops were important for residents and that solutions to traffic, parking, and noise were important to have in place. Many shop owners worried about their viability; some had alternative sources of income, owned the buildings in which they were located, or had help from family members. Brower concludes that corner stores are important and communities should establish zoning to allow them but expresses concern about the long-run profitability of these ventures.

Henry Bullamore of Frostburg State University and Kathy McKenney, the City of Cumberland's Historic Planner/Preservation Coordinator, looked at the problems facing Cumberland, Maryland, in revitalizing its downtown pedestrian mall and the solutions devised. The mall was originally developed in 1981 but by the 1990s, it had low occupancy rates and was struggling to survive. Bullamore and McKenney document the turn-around that has taken place in Cumberland with the use of state Community Legacy funding. The second stories of the buildings on the mall have been transformed into pleasing and useable commercial and residential spaces. More than 30 new dwelling units have been added. The authors conclude that the state funding and tax credits, though relatively modest in size, made a big difference in the revitalization of the town.

Hilary Varnadore of Frederick County's Division of Planning described the growth and rural preservation issues in the Walkersville regional community, an agricultural community in the northeastern portion of Frederick County. When the county needed to update its regional plan, there were disagreements over future land uses in the area. In particular, the county viewed agricultural land inside the current Community Growth Boundary as inconsistent with the principles of smart growth, but the incorporated town of Walkersville viewed the farmland, much of it under easement, as an integral part of its identity. The county developed three options for the region, which were discussed and

voted on; the compromise solution was to leave the current CGB in place, with the agricultural land inside it, but to label those lands “future” growth areas – i.e., beyond the 20-year CGB limit. Varnadore’s lessons learned from the experience suggest that working cooperatively with municipal government is the key to success for county planners working toward smart growth goals. This case study also highlights the differences in communities’ perceptions of what is really meant by “smart growth.”

The study by Mina Hilsenrath and Dace Blaumanis of Howard County’s Department of Planning and Zoning documented the problems with an 11-mile stretch of mixed-use land along Route 1 in Howard County and the solutions that the county has devised for the corridor. Although the area had potential, it was substantially underdeveloped in 2000 when the county decided to institute change. The county vision for the corridor was to focus on clusters of mixed-use development along the route, while avoiding strip commercial development if possible. The corridor needed major transportation improvements, including bus service and pedestrian access. Moreover, there were issues of transportation congestion and safety. Rezoning, along with federal and state grants and loans coupled with private investments, has led to major improvements along the route but the county still has a ways to go. As in Cumberland, Howard County relied on Community Legacy funding, as well as Smart Code grants. They did not receive a lot of money from these sources but managed to accomplish quite a bit with what they had. The authors feel that the rezoning was critical.

The success of projects completed with Community Legacy funds and other state funding sources targeted at revitalizing older communities was documented in a paper presented at the conference by planning consultants James Noonan and Jacquelyn Magness Seneschal. These authors argue that revitalization of older area should be a key component of smart growth.

The transportation issues along the Route 1 corridor in Howard County present a microcosm of the transportation problems that exist more broadly across the state. Elena Safirova of Resources for the Future addressed these issues in her paper on congestion, coauthored with RFF colleagues Winston Harrington, Sebastien Houde, and Conrad Coleman. Safirova and coauthors outline ten myths associated with congestion pricing and

explain why each may not hold true in the real world. For example, economists have long argued that congestion pricing will lead to efficiency gains but if pricing is implemented on only a single road, or limited number of roads, this may not be true. In addition, the long-run land use implications of congestion pricing are complicated; it is not clear whether congestion pricing would lead to more compact cities or more sprawling cities. With congestion pricing projects on the rise in Maryland and elsewhere, these issues need more research attention.

Toward the Future: Where Should Maryland Go From Here?

The conference opened in Annapolis with panel discussions of how the smart growth program started in Maryland and the problems that the governor faced in actually getting a program on the books. Additional panel discussions highlighted the problems faced by local communities in implementing smart growth and dealing with competing concerns about economic growth, housing affordability, and livable communities, as well as frustrations encountered by the environmental community and builders with seeing smart growth implemented. In the final session of the conference on day 3, we came full circle with a discussion among State Delegate Richard Weldon (R-Howard County), ex-Governor Glendening, and State Senators Brian Frosh (D-Montgomery County) and Allan Kittleman (R-Howard County) about the future of smart growth. Governor Glendening continues to carry the torch for smart growth and argued that the state needs to maintain its forward progress. Senator Kittleman argued strongly that localities should have the greatest say in how land uses are determined. He also advocated strongly for road and other transportation improvements as congestion on the state's ex-urban and rural roads is worsening. Senator Frosh has been a long-time supporter of smart growth and continued to argue, at the Smart Growth @ 10 conference, for the state to push forward with stronger policies and more funding. Delegate Weldon also showed support for the smart growth program.

In wrapping up the conference, Secretary of Planning Richard Hall pointed out the enormous changes that have taken place in the state over the past thirty years – population

growth, a declining agricultural base, rising house values, just to name a few. He documented the changes in the patterns of land use across the state that had been discussed extensively over the three days of the conference. These include lost farmland, continuing sprawl development outside PFAs, more and more septic systems, large lot sizes in ex-urban areas, and problems in the Bay. Secretary Hall then proceeded to discuss the state's efforts with moving forward with smart growth. For one thing, Governor Martin O'Malley has re-established the state's Office of Smart Growth, dismantled under Governor Ehrlich. Second, the Smart Growth Task Force, is writing a report to the Smart Growth Subcabinet to be released in December 2008; it has been charged with studying land use patterns, problems facing local governments, and the capabilities that municipalities and county governments have in planning for future growth, as well as developing recommendations for where the smart growth program should go in the future. An advisory group will continue to operate until 2010. The Smart Growth Subcabinet has been tasked by the Governor with finding new ways to curb sprawl. It is working to find the best ways to use existing state programs, especially the PFA funding mechanisms, and also develop potential new programs. While engaging in these efforts, the Subcabinet is working toward better coordination between state and local governments and better outreach and education. Both of these objectives seem laudatory given the dual themes of many conference papers that (1) better coordination and cooperation is needed between the state and local governments, and (2) public education and participation in the smart growth process is critical.

The primary accomplishment of a conference such as Smart Growth @ 10 is the sharing of information and research findings among a broad set of educated and involved participants. These findings and the related discussions have planted the seeds of many ideas about how to go forward. It is fair to say that several points were emphasized in the conference and are important for state lawmakers to consider as they revisit smart growth after ten years of operation. First, in a world of PFA/non-PFA based growth-related funding, state agencies need to do a better job of tracking whether expenditures are going inside or outside PFAs. Across the board, better monitoring and documentation is needed. Second, given that the percentage of total funding subject to PFA review appears to be

relatively low – though, again, more information may be needed about this – it is time to review whether the PFA incentive-based approach in Maryland has the potential to do very much to change development patterns. If not, then alternative options should be placed on the table for consideration and discussion. Third, regardless of the approach adopted, most participants in the conference supported the idea of smart growth and the specific objectives embodied in it – concentrated development in urban areas and town centers, preserved farmland and open space, mixed-use development zones, improved pedestrian and transportation options, and revitalized downtown areas. Disagreements exist over how to get there. Moreover, the findings of some of the papers suggest that barriers exist – consumer preferences, local opposition to density and other concerns, state and local budget constraints – to achieving some of the objectives. Research into how to overcome these barriers is needed. Fourth, better coordination between the state and local levels of government is necessary. This point came out in different ways in the conference – from the findings of some studies that local zoning and regulations may be acting as “beggar thy neighbor” policies and simply exacerbating sprawl to the problems many communities confront meeting TMDL requirements and wastewater treatment plant constraints at the same time that they try to attain smart growth goals.

The trade-offs that communities face in urban planning, the competition between open space and sprawl, the tensions between population density and traffic congestion – all these issues have only intensified in the past ten years in Maryland and many other parts of the country. While the innovative Maryland smart growth program has seen some success and has acted as a path breaker in many ways, it appears that the state has a long way to go in achieving its land use objectives. The panel discussions and 25 papers presented over the course of the 3-day Smart Growth @ 10 conference facilitated debate about possible policy improvements and will hopefully act as a catalyst for progress.

Appendix A: Attendance Figures, Outreach, and Communication

The Smart Growth @ 10 Conference brought in a large number of people from a range of backgrounds and perspectives. A total of 125 people were registered to attend on the first day in Annapolis; estimates are that actual attendance was approximately 95-100. Days 2 and 3 in College Park drew in about 85 people, not including the speakers themselves. Because of capacity and budget constraints, particularly for lunch purposes in College Park, we limited attendance each of those days. Approximately 25 people were on a waiting list and were unable to attend. However, all of the slide presentations and pdf files of all papers were made available – and are still available – on the Resources for the Future conference website <http://www.rff.org/rff/Events/SmartGrowthat10.cfm>. No registration fee was charged for attendance.

Participants were from state, local, and the federal government, academia, the NGO and business communities, trade associations, and individuals. The largest contingent was from state government, followed closely by representatives from city and county government in Maryland. All of the state agencies affected by smart growth issues were well-represented: the Department of Planning, Department of Environment, State Highway Administration, Department of Natural Resources, Department of Agriculture, Department of Transportation, and the Maryland Transit Authority. Local governments from across the state participated – from Cumberland in western Maryland to Wicomico County on the eastern shore and many counties and cities in between. NGO representatives included the larger and more involved organizations in land use and environmental concerns, such as 1000 Friends of Maryland, the Chesapeake Bay Foundation, and Smart Growth America, to organizations such as the Alliance for Community Trees and the Environmental Literacy Council. The conference was also attended by representatives from trade associations such as the National Association of Home Builders, the International City/County Management Association, and the American Guild of Appraisers.

The conference was covered by the *Baltimore Sun*. An article about it will appear in the January 2008 issue of *Planning* magazine, published by the American Planning Association, and in the Fall/Winter 2007 issue of *Resources*, published by Resources for

the Future. Stories also appeared in environmental trade press on the Internet and in Internet blogs; for example, planetizen.com had coverage.

Appendix B: Conference Program and Sponsors

Wednesday, October 3

- 12:30 p.m. Registration**
- 1:15 p.m. Welcome**
Gerrit-Jan Knaap and Margaret Walls
- 1:30 p.m. “Smart Growth 10 Years Later”**
Former Maryland Governor Parris N. Glendening
- 2:00 p.m. “What Did Glendening’s Staff Hope to Accomplish?”**
Moderator: Jenny Plummer-Welker, Maryland APA
- Ray Skinner, Secretary, Maryland Department of Housing and Community Development
 - Ronald N. Young, formerly Deputy Secretary, Maryland Department of Planning
 - Henry Kay, Deputy Administrator, Maryland Transit Administration
 - John W. Frece, National Center for Smart Growth Research and Education
- 3:00 p.m. “The Local Perspective on Smart Growth”**
Moderator: Beth Harber, Abell Foundation
- Jan Gardner, Frederick County Board of County Commissioners
 - David Carey, Mayor, Bel Air
 - Joe Rutter, former planner, Howard and Anne Arundel counties
 - David Harrington, Prince George’s County Council
- 4:00 p.m. “The View from the Outside”**
Moderator: Caroline Moore, ULI Baltimore
- John Kortecamp, Home Builders Association of Maryland
 - Rich Thometz, Hailey Development
 - Dru Schmidt-Perkins, 1000 Friends of Maryland
 - Stewart Schwartz, Coalition for Smarter Growth
- 5:00 p.m. Summary**

5:30 p.m. Reception for all participants

Thursday, October 4

7:30 Registration and Continental Breakfast

8:15 a.m. Welcome
Gerrit-Jan Knaap

8:30 a.m. I. Setting the Stage: Smart Growth in Context

Moderator: Garth Rockcastle, Dean, School of Architecture

- *Ten Years Later: An Assessment of Smart Growth in Maryland*, by Gerrit-Jan Knaap and John W. Frece, both University of Maryland.
- *From Growth Controls, to Comprehensive Planning, to Smart Growth: The Evolution of State Efforts to Manage Growth*, by Tim Chapin, Florida State University.
- *Smart Growth in Maryland: The Impact of a Coordinated Approach on Community Revitalization Across the State*, by James T. Noonan and Jacquelyn Magness Seneschal, KCI Technologies.

10:00 a.m. Break

10:15 a.m. II. Land Use and Land Use Change

Moderator: Amal Ali, Salisbury University

- *Examining Deflection: An Unintended Consequence of Smart Growth within Maryland*, by Uri Avin, PB PlaceMaking, Thomas Hammer, Demographics Consultant, and Chris Dorney, Parsons Brinckerhoff.
- *Hotspots for Growth: Land Use change in a Transitional County in Maryland*, by Marie Howland, University of Maryland; and Bernadette Hanlon and Mike McGuire, both University of Maryland at Baltimore.
- *Modeling the Urbanization Process Across Maryland in the Context of Chesapeake Bay Restoration*, by Scott J. Goetz, The Woods Hole Research Center; Claire A. Jantz, Shippensburg University; and Nancy E. Bockstael and Charles A. Towe, both University of Maryland.

12:00 noon Lunch

Luncheon presentation – John Porcari, Secretary, Maryland Department of Transportation

- 1:00 p.m.** **III. Housing Choices and Preferences**
Moderator: John I. Carruthers, U.S. Department of Housing and Urban Development
- *An Exploration of the Impact of Suburban In-Fill: Is Perception Reality?* by Keith Wiley, University of Maryland Baltimore County.
 - *Lot Size, Zoning, and Household Preferences: Impediments to Smart Growth?* by Elizabeth Kopits, U.S. Environmental Protection Agency, Virginia McConnell and Daniel Miles, both University of Maryland Baltimore County.
 - *Do Smart Growth Programs Increase Housing Choice? Evidence from Maryland's Priority Funding Areas* by Ralph B. McLaughlin, University of California, Irvine.

2:30 p.m. **Break**

- 2:45 p.m.** **IV. Smart Growth Instruments**
Moderator: Margaret Walls, Resources for the Future
- *Open Space and Urban Sprawl: The Case of the Maryland Forest Conservation Act*, by Erik Lichtenberg and Ian Hardie, both University of Maryland.
 - *Managing Growth with Priority Funding Areas: Promise, Politics, and Performance*, by Jungyul Sohn, Seoul National University, Gerrit-Jan Knaap and Rebecca Lewis, University of Maryland.
 - *The Effects of Moratoria on Residential Development: Evidence from Harford, Howard and Montgomery Counties*, by Antonio M. Bento, Cornell University.

5:15 p.m. **Summary and Preview of the Final Day**
Gerrit-Jan Knaap

6:30 p.m. **Author's Dinner**

Friday, October 5

7:30 **Registration and Continental Breakfast**

8:15 a.m. **Welcome**
Margaret Walls

8:30 a.m. **V.-1. Farmland Preservation**
Moderator: Cindy Nickerson, USDA-Economic Research Service

- *Does Maryland's Smart Growth Program Protect Farmland?* by Jesse J. Richardson, Jr., Virginia Tech.
- *Comparing Farmland Preservation for Smart Growth in Maryland and Pennsylvania: Why is Maryland Only Number Two?* by Tom Daniels, University of Pennsylvania.
- *An Evaluation of Working Land and Open-Space Preservation Programs in Maryland*, by Lori Lynch, University of Maryland; Wayne Gray and Jacqueline Geoghegan, both Clark University.

8:30 a.m.

V.-2. Case Studies I: Smart Growth in Baltimore County

Moderator: Jeffrey A. Michael, Towson University

- *Smart Growth According to an Older Suburb: Public Process and Scale Issues in Baltimore County, Md.*, by Amy E. Menzer, Johns Hopkins University.
- *Smart Growth and Community Investment: Confronting Suburban Decline in Metropolitan Baltimore*, by Thomas J. Vicino, University of Texas at Arlington
- *Pioneer on the Frontier of Smart Growth: The Baltimore County, MD Experience*, by Donald C. Outen, Baltimore County Department of Environmental Protection and Resource Management.

10:00 a.m.

Break

10:15 a.m.

VI.-1 Infrastructure and Infrastructure Finance –

Moderator: John Swanson, Metropolitan Washington Council of Governments

- *Smart Spending? A Closer Look at Maryland's Transportation Budgets*, by Kelly J. Clifton, Andy Blohm and Rebecca Lewis, University of Maryland.
- *Congestion Pricing: Myths and Realities*, by Elena Safirova, Winston Harrington, Sebastien Houde, and Conrad Coleman, all Resources for the Future.
- *State Funding for Public Sewer Infrastructure: Is it Smart Growth versus the Bay?* by James R. Cohen, University of Maryland.

10:15 a.m.

VI.-2 Case Studies II – Smart Growth at the Local Level

Moderator: Ralph Bennett, University of Maryland School of Architecture, Planning and Preservation

- *The Corner Store as an Element of Smart Growth*, by Sidney Brower, University of Maryland.
- *That Old Pedestrian Mall: Upper Story Strategies for Downtown Revitalization*, by Henry W. Bullamore, Frostburg State University; and Kathy McKenney, City of Cumberland, M
- *Transforming a Corridor: A Case Study of Howard County, Maryland's U.S. Route 1 Corridor*, by Mina Hilsenrath and Dace Blaumanis, Howard County Department of Planning and Zoning.
- *Implementing Smart Growth in Frederick County's Walkersville Regional Community*, by Hilari Varnadore, Frederick County Division of Planning.

12:00 noon

Lunch

Luncheon presentation – Maryland Scenario Project, Arnab Chakraborty, University of Illinois at Urbana-Champaign and National Center for Smart Growth

1:00 p.m.

“Toward the Future”

Moderator: Verna Harrison, Keith Campbell Foundation

- Senator Brian Frosh, D-Montgomery
- Delegate Richard Weldon, R-Frederick
- Senator Allan H. Kittleman, R-Howard

2:30 p.m.

“Smart Growth in the Next 10 Years”

Richard E. Hall, Secretary, Maryland Department of Planning.

3:30 p.m.

Summary and conclusion

Margaret Walls and Gerrit-Jan Knaap

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