

# **Maryland Department of Planning**

## **Fiscal Year 2016 Operating Budget Response to the Department of Legislative Services**

### **Performance Analysis – Managing for Results**

- 1. The Department of Legislative Services (DLS) recommends that MDP comment on what types of new projects it expects to review as part of the “Merit Review” process for federal funding applicants.**

#### ***Department Response:***

The types of projects that MDP expects to review through the Clearinghouse will not substantively change. MDP staff will continue to review two primary project categories:

- (a) Financial Assistance – which includes Community & Economic Development, Education, Environment and Energy, Housing, Human Resources, Health, Recreation/Program Open Space, Transportation and Water and Sewer Construction
- (b) Direct Development – which includes Environmental Reviews, Schools Analyses, Historic Nominations, Post Office Facilities, Electric Transmission and Telecommunications, Easements on State land, Surplus Federal and State property, Senior Centers, Heritage Areas and Transit Oriented Development.

MDP does not expect different kinds of projects to come through the Clearinghouse for review, but perhaps greater numbers of these kinds of projects because of the new Federal requirement for “merit review.” This is difficult to predict, however, due to uncertainties surrounding Federal projects and Federal funding availability.

- 2. DLS recommends that MDP comment on how it will use its Planning Services resources given that it does not anticipate any new comprehensive plan mandates or smart growth requirements.**

#### ***Department Response:***

The State of Maryland has one of the most effective local comprehensive planning processes in the country. Over the years, the State of Maryland has refined local government planning requirements, adding to the responsibilities of MDP’s Planning Services staff.

In 2006 House Bill 1141 required local comprehensive plans to include a Water Resources Element (WRE) for all counties and municipalities and a Municipal Growth Element (MGE) for

all municipalities. In 2009 the Smart, Green and Growing package of legislation amended the Planning Visions and required local governments to update their plans to incorporate these Visions into their local plan. The 2009 legislation also required planning commission and board of appeals members to complete an education course on planning issues, created by MDP, updated periodically and offered through online and annual classroom training. The 2009 planning legislation also tasked MDP Planning Services with reviewing expanded annual reports from local jurisdictions and reporting on the progress of local planning efforts toward smart growth development and preservation goals. The legislation also tasked MDP with receiving, reviewing and reporting on the progress that local jurisdictions are making with Adequate Public Facilities Ordinances and whether these ordinances are hindering development in Priority Funding Areas.

In 2010, the passage of the Sustainable Communities Act required the designation of Sustainable Communities as the first step in local jurisdiction eligibility for funding under a variety of state programs. MDP Planning Services plays a key role in the review and recommendation of community designations and subsequent funding decisions.

In addition to these responsibilities, MDP Planning Services continues to review and provide technical assistance to local governments on Comprehensive Plans; and review and make recommendations to MDE on local water and sewer plans and amendments, which can occur often and involve complex changes to a county's water and sewer timing and infrastructure. These reviews are important because they require that MDP make findings of consistency between water and sewer plans and comprehensive plans.

While MDP does not envision the need for legislation that would change local government comprehensive planning requirements, local governments will continue updating their comprehensive plans and MDP will continue providing technical assistance to improve the quality of those local plans. In fact, MDP has recently completed two on-line technical assistance modules (e.g. Planning Tools for Transit-Oriented Development and Placing Jobs) geared to providing local planning departments information about transit-oriented development and economic development that can be used in updating local comprehensive plans. MDP is currently working on another technical assistance module for housing. Additionally, MDP continues to utilize many of the 31 Models & Guidelines reports produced over the years to provide local governments with technical assistance on a number of planning topics.

During the past three fiscal years (FY 2012 to 2015), MDP reviewed and provided technical assistance, on average, to 53 local comprehensive plans or plan amendments a year. In FY 2014, the number of comprehensive plans and plan amendments did drop, largely due to local governments focusing on the preparation of Tier Maps associated with the Sustainable Growth and Agricultural Preservation Act of 2012 or Sustainable Community applications to gain

eligibility for State community development funding. MDP anticipates for FY 2016 and 2017, however, local planning efforts will focus again on comprehensive plan issues as well as efforts to revitalize communities through implementation of recommendations in the Reinvest Maryland Report.

**3. DLS recommends that MDP comment on what other upcoming commemorations could be expected to increase the leveraging of Maryland Heritage Areas Authority capital grants as have the Bicentennial of the War of 1812 and the 150th anniversary of the Civil War.**

***Department response:***

During FY 2012 through FY 2015 the Maryland Heritage Areas Authority (MHAA) gave funding priority to projects related to the War of 1812 and the Civil War. These priority funding preferences will be eliminated in FY 2016. As a result, MHAA anticipates there will be significantly increased demand in FY 2016 from other types of heritage-related capital projects that either were not funded or chose not to apply during the War of 1812 and Civil War commemorative period. Preliminary information from “Intent to Apply” forms submitted to MHAA by applicants intending to apply for FY 2016 Heritage Area grant funding indicates that the amount of funding requests will equal or exceed FY 2015 requests and that approximately 52% of the requests will be for capital projects.

MDP also expects that commemorative activities related to the life and work of Harriet Tubman in the underground railroad, as well as her subsequent efforts related to civil and women’s rights, will increase due to the creation in December 2014 of a new federal Harriet Tubman Underground Railroad National Historical Park and the projected opening in 2016 of a joint State and National Harriet Tubman Visitors Center on the Eastern Shore. It is also anticipated that some commemorative activities related to the 100th anniversary of World War I will take place during the centennial period of United States involvement in that war (April 2017 – November 2018). It is not anticipated that either of these commemorations will result in the same number of capital (as well as non-capital) projects as did the Bicentennial of the War of 1812 and the 150th Anniversary of the Civil War, but significant demand for capital development of sites and interpretive facilities related to Harriet Tubman and to a lesser degree the 100th anniversary of World War I, expected to generate substantial demand for MHAA grant funds and to leverage significant amounts of non-State leverage funds.

**Issues**

***MdProperty View Funding:*** The Planning Data Services program administers MdProperty View – a visual presentation of Maryland jurisdiction tax maps and parcel information. Beginning in fiscal 2015, MDP stopped charging State agencies and the public for MdProperty View subscriptions, which means that there is no new revenue from either the State agencies or the public in fiscal 2015. In addition, in the January 7, 2015 Board of Public Works (BPW) cost

containment actions, the Administration reduced general funds by \$200,000 and planned for the funding to be backfilled by the Parcel Mapping Fund, the former revenue account for MdProperty View. This \$200,000 in special funds from the fund balance was intended to be used to defray fiscal 2016 funding needs, but is instead now being used in fiscal 2015. As a result, the fiscal 2016 budget is balanced using \$200,000 in special funds that do not exist because they are being used in fiscal 2015 and so there will be a \$200,000 shortfall in fiscal 2016. **The Department of Legislative Services (DLS) recommends that MDP comment on how it plans to address the \$200,000 special fund shortfall in fiscal 2016.**

***Departmental Response:***

MDP is legislatively responsible for maintaining the State's tax maps, which is accomplished using GIS software for the more than 2.3 million parcels that are shown on the State's 2800 tax maps. MDP provides this parcel data primarily through the MdProperty View and MDiMAP portals so it can also be used for real estate management, public safety and public health applications and natural resource planning and management by a variety of public and private users across the state.

The parcel mapping fund was the special enterprise fund set up to collect fees associated with the sale and distribution of MDP's Property Map products. Funds were collected from sales of data and used to support staff salaries and overhead expenses for Parcel Mapping within MDP's Planning Data Services. With the implementation of the State's Open Data Initiative in FY 15 data sales have ended except for special custom map and data products.

The remaining special funds were intended to cover salaries for the remainder of FY15 and FY16, and have been conservatively budgeted in order to meet MDP's needs. The January 7, 2015 Board of Public Works (BPW) action cut \$200,000 associated with this program, leaving a substantial shortfall. MDP has not yet determined exactly how this shortfall will be addressed, but is looking into potential cost-savings associated with currently vacant positions outside of those necessary to meet the Department's turnover rate.

For example, at the end of December 2014, the Director of MHT, MDP's Director of Operations, and a local planner in Western Maryland retired from State service. Similarly, in early January 2015, MDP's Deputy Secretary, Chief of Staff and Personnel Director left the Department. While not ideal, holding several of these positions open for the remainder of the fiscal year would generate savings that could be applied to meet part of the shortfall. However, several of these positions are critical to ongoing MDP operations and programming, and may need to be filled in FY15. As such, the Department will have to consider other means of reducing staff costs.

Not making up this shortfall is not a feasible option, as MDP Parcel Mapping is essential for maintaining annual tax maps and SDAT's tax assessment operations and real property data searches. Loss of MDP Parcel Mapping capacity would greatly impact other state and local government agencies that rely on parcel data for mapping and analysis purposes. The general public and private sector users of these property maps and data would also be impacted. MDP's maps are accessed through real property data searches approximately 125,000 times per month; access through MDiMAP occurs approximately 450,000 times per month, and over 8,000 maps

are distributed annually. Almost 5000 MdProperty View and FINDER Quantum data bundles have also been downloaded in the past 6 months.

### **Recommended Actions:**

#### **1. Abolish two long-term vacant positions**

##### ***Departmental Response: Reject***

The length of these vacancies in no way diminishes the critical need for filling these positions. Both of these positions have been held open in order for MDP to meet its required turnover rate. Abolishing either position will impact MDP turnover.

The first position (PIN 076180) is one of only two architectural historians in the MHT's Office of Research, Survey and Registration responsible for architectural survey activities throughout the state. The position is critical to the agency's ability to meet its State and Federally mandated responsibility to conduct identification and documentation activities, and to provide technical assistance to other state agencies, local governments, non-profit organizations and individual property owners.

While this position has been vacant, the Trust has been unable to aggressively pursue historic sites survey partnerships and undertake independent fieldwork. We have been unable to support local governments in their survey activities or provide technical advice and oversight of rehabilitation projects involving significant resources in the state. For many years, this position assisted homeowners interested in preserving their properties. Without this position, we do not have the capacity to provide this type of technical assistance to the general public. Coupled with the elimination of funding for the Non-Capital Historic Preservation Grant Program which supported historic sites survey work statewide, loss of this position has brought non-regulatory historic property survey and documentation efforts to a halt.

The second position (PIN 045699) is pending reclassification and was submitted last fall for a Hiring Freeze Exception. Though currently an Education and Exhibition Specialist at the Jefferson Patterson Park and Museum (JPPM), MDP intends to use this PIN to create an Assistant Director position. JPPM, on the shores of the Patuxent River in Calvert County, is composed of 560 acres and 33 buildings – more than 120,000 sf of space. The Maryland Archaeological Conservation (MAC) Lab, administered by JPPM, houses the state's archaeology collection, which includes over eight million objects collected over the past 100 years. In 2014, more than 65,000 people visited the site.

The position of Assistant Director at JPPM will serve as chief of operations providing direct supervision of Facilities Management and Capital Improvement issues. Currently, the Executive Director handles the responsibilities of both the Executive Director position and what was once the Deputy Director position. The absence of an Assistant or Deputy Director means that many responsibilities go unfulfilled or take much longer than necessary. This absence is especially challenging now, because JPPM will be in the design phase on two capital projects in FY 2016 –

a shoreline erosion control project and a renovation project that will upgrade the historic Patterson House and two support buildings. Construction should begin on both of these projects in FY2017.

In addition, JPPM has been working with the Maryland Energy Administration (MEA) on efforts to reduce energy costs on site. Preliminary reports from auditors advise replacing or upgrading several energy-related systems such as transformers and boilers. Such recommendations, once implemented, will save JPPM, and therefore the state, substantial money.

In the absence of an Assistant Director, these projects may stall and new initiatives will be slow to progress. Efforts on the part of the Executive Director to find new funding sources will not move forward. The long-term costs to the state resulting from the abolition of the position could be more than the salary saved through its elimination.

**2. Reduce special fund appropriation to reflect there are no funds supporting it.**

***Departmental Response: Accept***

The fund balance should reflect the reductions taken as part of the BPW January 7 cuts. However, it should also be noted that no additional special funds will be received from data sales, as MDP no longer sells data subscriptions, as before. Therefore, the challenge remains within MDP on how to make up for this reduction without significantly impacting the Parcel Mapping program or reducing salary expenses elsewhere in the Department.

**3. Reduce contractual full-time equivalent funding increases to reflect the fiscal 2016 salary reduction.**

***Departmental Response: Reject***

These funds reflect COLA and step increases for contractual staff, based on the DBM salary schedule as of 1/1/15. MDP executed one-year contract renewals, beginning January 1, based on this schedule. MDP executed mid-fiscal year contracts because of a FY 2014 DBM move to 6-month contract renewals in order to allow contract end dates of 12/30/14 and provide flexibility to agencies during the time that the State was determining whether health benefits would be offered to employees working more than 30 hours per week, due to the requirements of the Affordable Care Act. If these funds are cancelled, MDP will not have sufficient funds required to pay these contractual staff.